

SHANTIVIJAY JEWELS LIMITED



ANNUAL REPORT 2020-21

SHANTIVIJAY JEWELS LIMITED

BOARD OF DIRECTORS

PRADEEP KUMAR GODHA

(Chairman & Managing Director)

ANURAG GODHA

(Vice Chairman & Managing Director)

NAGIN CHAND GODHA

(Independent Director)

UDIT JAIN

(Independent Director) (w.e.f. 27.08.2021)

REGISTERED OFFICE

G-37, Gem & Jewellery Complex, Bldg. No. III,
SEEPZ, Andheri (East), Mumbai-400 096.

Tel: 91 22 - 42182292-99

Fax: 91 22 - 28291360/42182211

E-mail: shantivijay@shantivijay.com

Website: <http://www.shantivijay.com>

CIN: U36910MH1980PLC023289

BANKERS

Canara Bank,
Overseas Branch,
Nariman Point,
Mumbai-400 021.

AUDITORS

B.F. Chordia & Co.,
Chartered Accountants,
17/1004, Indra Darshan,
Opp. Tarapur Gardens, Oshivara Link Road,
Andheri (West), Mumbai-400 053.

REGISTRAR & TRANSFER AGENTS

Bigshare Services Pvt. Ltd.,
1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis,
Makwana Road, Marol, Andheri (East), Mumbai-400 059.



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Regd. Office/Factory: G-37, Gems & Jewellery Complex III, SEEPZ, Andheri (E), Mumbai-400 096, INDIA

Tel: +91 - 22 - 421822244 • **Fax:** +91-22-28291360/42182211 • **E-mail:** shantivijay@shantivijay.com • **Website:** www.shantivijay.com

CIN-U36910MH1980PLC023289

NOTICE is hereby given that the 48th Annual General Meeting of the Members of SHANTIVIJAY JEWELS LIMITED will be held on **Thursday, 30th September, 2021 at 3.00 p.m.** through Video Conferencing (“VC”)/Other Audio-Visual Means (“OAVM”) to transact the following businesses:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Standalone and Consolidated Financial Statements for the financial year ended March 31, 2021 together with the Reports of the Auditors and the Board of Directors’ thereon.
2. To appoint a Director in place of Shri. Anurag Godha (DIN: 00008224), who retires by rotation and, being eligible, offers himself for reappointment.

SPECIAL BUSINESS

3. To consider and, if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:
“RESOLVED THAT pursuant to the provisions of Sections 149, 152 and any other applicable provisions if any, of the Companies Act, 2013 read with Schedule IV thereof and the Rules made thereunder, Shri Nagin Chand Godha (DIN: 08609812), Director of the Company, be and is hereby appointed and designated as Independent Director of the Company for a period of 5(five) years effective from August 27, 2021.”
4. To consider and, if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:
“RESOLVED THAT pursuant to the provisions of Sections 149, 152 and any other applicable provisions if any, of the Companies Act, 2013 read with Schedule IV thereof and the Rules made thereunder, Shri Udit Jain (DIN: 00166794), be and is hereby appointed as Independent Director of the Company for a period of 5(five) years effective from August 27, 2021.”

Registered Office:

G-37, Gem & Jewellery Complex,
Building No.III, SEEPZ,
Andheri (East), Mumbai 400 096.

BY ORDER OF THE BOARD

Sd/-

Pradeep Kumar Godha
Chairman & Managing Director
(DIN: 00008194)

Dated: 27th August, 2021

NOTES

1. In view of the continuing COVID-19 pandemic, social distancing is a norm to be followed and pursuant to the Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020 issued by the Ministry of Corporate Affairs followed by Circular No. 20/2020 dated May 05, 2020, Circular No. 02/2021 dated January 13, 2021 (collectively referred to as “MCA Circulars”), physical attendance of the Members to the AGM venue is not required and annual general meeting (AGM) will be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM. The deemed venue for the 48th AGM shall be the Registered Office of the Company.
2. Pursuant to abovementioned MCA Circulars, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate there at and cast their votes through e-voting.
3. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairperson of the Audit Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
4. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
5. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020, the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as venue voting on the date of the AGM will be provided by NSDL.

6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.shantivijay.com. The AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsdl.com.
7. AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 08, 2020 and MCA Circular No. 17/2020 dated April 13, 2020, MCA Circular No. 20/2020 dated May 05, 2020 and MCA Circular No. 2/2021 dated January 13, 2021.
8. Institutional / Corporate Shareholders (i.e. other than individuals / HUF, NRI, etc.) attending the meeting through VC / OAVM are required to send a scanned copy (PDF/ JPG Format) of its Board or governing body Resolution/ Authorisation etc., authorizing its representative to attend the AGM through VC / OAVM on its behalf and to vote through remote e-voting. The said Resolution/ Authorisation shall be sent to the Scrutiniser by email through its registered email address to sunil@sunildedhia.com with a copy marked to evoting@nsdl.co.in.
9. In compliance with the aforesaid MCA Circulars, Notice of the AGM along with the Annual Report 2020-21 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories.
10. Since the AGM will be held through VC / OAVM, the Route Map does not form part of the Notice.
11. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 in respect of the Special Business at item nos. 3 and 4 above is annexed hereto and forms part of the Notice.
12. All documents referred to in the accompanying Notice are open for inspection at the Registered Office of the Company on any working day between 11.00 a.m. to 1.00 p.m. excluding Saturdays upto the date of the Annual General Meeting.
13. **The members are requested to:**
 - (i) Intimate change in their registered address, if any, to the Company's Registrar and Share Transfer Agents, Bigshare Services Private Limited at 1st Floor, Bharat Tin Works Bldg., opp. Vasant Oasis, Makwana Road, Marol , Andheri East, Mumbai 400 059, in respect of their holdings in physical form.
 - (ii) Notify immediately any change in their registered address to their Depository Participants in respect of their holdings in electronic form.
 - (iii) Non-Resident Indian Members are requested to inform M/s. Bigshare Services Private Limited immediately of the change in their residential status on return to India for permanent settlement.
 - (iv) **Register your email address and change, if any, therein from time to time with Bigshare Services Private Limited for shares held in physical form and with their Depository Participants for shares held in demat form. Members who hold shares in physical form are requested to provide their e-mail addresses by sending an e-mail to the Company at shantivijay@shantivijay.com.**
 - (v) Send or address all their shares related matters/correspondence directly to M/s. Bigshare Services Private Limited.
 - (vi) Note that Section 72 of the Companies Act, 2013 provides for Nomination by the shareholders of the Company in the prescribed Form No. SH13 for shares held in physical form. Blank forms will be supplied by the Company on request. Members holding shares in demat form may contact their respective Depository Participants for recording of nomination.
14. The Company has transferred all Unclaimed Dividends to the Investor Education and Protection Fund (IEPF) as required under Sections 124 and 125 of the Companies Act, 2013. Further, pursuant to the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, ("Rules") shares on which dividends have not been claimed for seven consecutive years or more have also been transferred to an IEPF Authority. Shareholders concerned may take appropriate actions to claim such dividends/shares from IEPF Authority in terms of relevant IEPF Rules.
15. **Brief resumes of Directors seeking appointment** are as under:

| Name of the Director | Shri. Udit Jain | Shri. Nagin Chand Godha |
|--|---|---|
| Age (years) | 41 Years | 70 Years |
| Date of Appointment | 23.08.1980 | 27.03.1951 |
| Qualification | B.Com.(H), MBA (Marketing) | H.Sec. |
| Expertise in specific functional areas | He has excellent experience and exposure to marketing, finance and corporate laws.. | He has excellent experience and exposure to jewellery manufacturing operations and markets. |
| Chairmanship/ Directorship held in other public companies | NIL | NIL |
| Membership held in Committees of such Boards of other public companies | NIL | NIL |

16. Voting through Electronic Means :

Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended), the Company is voluntarily providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has made arrangement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorised e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by NSDL. The Members, whose names appear in the Register of Members /list of Beneficial Owners as on **Thursday, September 23, 2021** are entitled to vote on the Resolutions, set forth in this Notice. The voting rights of shareholders shall be in proportion to their shares of the paid-up equity share capital of the Company as on the 'cut-off date' of **Thursday, September 23, 2021**. Any person, who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date, i.e. **September 23, 2021** may obtain the login ID and password by sending a request at jibu@bigshareonline.com/evoting@nsdl.co.in. However, if he/she is already registered with NSDL for remote e-voting then he/she can use his/her existing User ID and password for casting the vote.

CS Sunil M. Dedhia, Practicing Company Secretary (ICSI M. No. F3483) has been appointed as the Scrutiniser to scrutinise the e-voting process in a fair and transparent manner. The Scrutiniser shall, immediately after the conclusion of voting at general meeting, count the votes cast at the meeting, thereafter unblock the votes cast through remotee-voting in the presence of at least two witnesses not in the employment of the Company. Scrutiniser shall within forty eight hours of conclusion of the meeting submit a consolidated scrutiniser report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing. The results along with the Scrutinisers Report shall be placed on the website of the Company and on the website of NSDL.

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING AGM ARE ASUNDER:-

The remote e-voting period begins on Monday, September 27, 2021 at 09:00 A.M. and ends on Wednesday, September 29, 2021 at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. September 23, 2021, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being September 23, 2021.

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

| Type of shareholders | Login Method |
|--|---|
| Individual Shareholders holding securities in demat mode with NSDL | <ol style="list-style-type: none"> <li data-bbox="490 1396 1482 1724">1. If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under "IDeAS" section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on options available against company name or e-Voting service provider - NSDL and you will be re-directed to NSDL e-Voting website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. <li data-bbox="490 1732 1482 1818">2. If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS" Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp <p data-bbox="490 1827 1482 1852">Visit the e-Voting website of NSDL. Open web browser by typing the following URL:</p> |

| | |
|--|---|
| | <p>https://www.evoting.nsd.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on options available against company name or e-Voting service provider - NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p> |
| Individual Shareholders holding securities in demat mode with CDSL | <ol style="list-style-type: none"> Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress. |
| Individual Shareholders (holding securities in demat mode) login through their depository participants | <p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Once login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on options available against company name or e-Voting service provider-NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p> |

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

| Login type | Helpdesk details |
|--|---|
| Individual Shareholders holding securities in demat mode with NSDL | Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30 |
| Individual Shareholders holding securities in demat mode with CDSL | Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 022-23058542-43 |

B) Login Method for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

- Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsd.com/> either on a Personal Computer or on a mobile.

2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/ Member’ section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nSDL.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

| Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical | Your User ID is: |
|---|---|
| a) For Members who hold shares in demat. account with NSDL | 8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****. |
| b) For Members who hold shares in demat . account with CDSL | 16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12***** |
| c) For Members holding shares in . Physical Form | EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001*** |

5. Password details for shareholders other than Individual shareholders are given below:
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the ‘initial password’ which was communicated to you. Once you retrieve your ‘initial password’, you need to enter the ‘initial password’ and the system will force you to change your password.
 - c) How to retrieve your ‘initial password’?
 - (i) If your email ID is registered in your demat account or with the company, your ‘initial password’ is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your ‘User ID’ and your ‘initial password’.
 - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered**
6. If you are unable to retrieve or have not received the “ Initial password” or have forgotten your password:
 - a) Click on **“Forgot User Details/Password?”**(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nSDL.com.
 - b) **Physical User Reset Password?”** (If you are holding shares in physical mode) option available on www.evoting.nSDL.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
8. Now, you will have to click on “Login” button.
9. After you click on the “Login” button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.**How to cast your vote electronically and join General Meeting on NSDL e-Voting system?**

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join General Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to sunil@sunidedhia.com with a copy marked to evoting@nsdl.co.in.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to Mr. Amit Vishal, Senior Manager, NSDL / Ms. Pallavi Mhatre, Manager, NSDL at evoting@nsdl.co.in

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to shantivijay@shantivijay.com.
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to shantivijay@shantivijay.com. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. **Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**
3. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
4. Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.

3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM link" placed under "**Join General meeting**" menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Members who would like to express their views or ask questions during the meeting may register themselves as a speaker by sending their request from their registered email ID mentioning their name, demat account number/ folio number, PAN, mobile number at **shantivijay@shantivijay.com** at least 5 days before the date of AGM. Those Members who have registered themselves as a speaker will only be allowed to express their views/ ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.
6. Shareholders can submit questions in advance with regard to the financial statements or any other matter to be placed at the AGM, from their registered email address mentioning their name, demat account number/folio number, email id, mobile number at **shantivijay@shantivijay.com** at least 5 days before the date of AGM. Such questions by the Members shall be taken up during the meeting and replied by the Company suitably.
7. Members can raise questions at the AGM through a chat box and they are requested to frame their questions precisely. Once the Member clicks the link for VC/OAVM in shareholder/members login where the EVEN of Company will be displayed, Members will be able to view AGM VC/OAVM proceedings along with the chat box. The questions raised by the Members will be replied by the Company suitably.

Registered Office:

G-37, Gem & Jewellery Complex,
Building No.III, SEEPZ,
Andheri (East), Mumbai 400 096.

Dated: 27th August, 2021

BY ORDER OF THE BOARD

Sd/-
Pradeep Kumar Godha
Chairman & Managing Director
(DIN: 00008194)

Explanatory Statement pursuant to Section 102 of the Companies Act, 2013

Item Nos. 3 and 4

Shri. Nagin Chand Godha is non-executive director of the Company effective from 14th November, 2019 liable to retire by rotation. The Board of Directors has approved to appoint /designate him as the Independent Director for a period of five years effective from August 27, 2021 subject to approval of the Shareholders at General Meeting.

Shri Udit Jain was appointed as an Additional Director of the Company in the category of Independent Director by the Board of Directors effective from August 27, 2021. In terms of Section 161(1) of the Companies Act, 2013, Shri Udit Jain holds office as such upto the date of ensuing Annual General Meeting ("AGM").

Resumes of Shri Nagin Chand Godha and Shri Udit Jain are given herein above under the head brief resume of Directors seeking Appointment.

The Board considers that appointments of Shri Nagin Chand Godha and Shri Udit Jain as Independent Directors would be beneficial

to the Company due to their expertise and experience in the areas relevant to Company's business and recommend the same for your approvals.

The Company has received from Shri Nagin Chand Godha and Shri Udit Jain, consents in writing to act as Directors and declaration to the effect that they are not disqualified under Section 164(2) of the Companies Act, 2013 in prescribed form DIR-2 and DIR-8 respectively.

The Company has received from Shri Nagin Chand Godha and Shri Udit Jain, declarations to the effect that they meet criteria of independence as provided in section 149(6) of the said Act. Further, in terms of Sections 149, 152 read with Schedule IV of the Companies Act, 2013, the Board of Directors have reviewed the declarations given by them in respect of meeting the criteria of independence as provided in Section 149(6) of the said Act and the Board is of opinion that they fulfill the relevant conditions specified in the said Act and the Rules made thereunder and are independent of the management.

Copies of the letters for appointments proposed to be issued to Shri Nagin Chand Godha and Shri Udit Jain as Independent Directors setting out the terms and conditions thereof are available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day except Saturday between 11 a.m. to 1 p.m. up to the date of the AGM.

Your Directors recommend the resolutions at Items Nos. 3 and 4 for your approval as ordinary resolutions.

Shri. Nagin Chand Godha and Shri Udit Jain are interested in the resolution pertaining to their respective appointment.

None of the other Directors and Key Managerial Personnel of the Company or their relatives is, in any way, concerned or interested, financially or otherwise, in the said resolutions.

Registered Office:

G-37, Gem & Jewellery Complex,
Building No.III, SEEPZ,
Andheri (East), Mumbai 400 096.

Dated: 27th August, 2021

BY ORDER OF THE BOARD

Sd/-
Pradeep Kumar Godha
Chairman & Managing Director
(DIN: 00008194)

DIRECTORS' REPORT

TO THE MEMBERS,
SHANTIVIJAY JEWELS LIMITED

Your Directors present their 48th Annual Report and the Audited Statement of Accounts for the year ended March 31, 2021.

1. FINANCIAL RESULTS / STATE OF AFFAIRS

(Rs. in million)

| Particulars | Standalone | | Consolidated | |
|---|---------------|---------|----------------|---------|
| | 2020-21 | 2019-20 | 2020-21 | 2019-20 |
| Income from operations | 965.20 | 1079.96 | 1146.52 | 1440.23 |
| Less : Expenses | 947.43 | 1058.51 | 1139.64 | 1407.39 |
| Depreciation | 5.74 | 5.64 | 6.27 | 6.16 |
| Profit /(Loss) from operations before other income and finance costs | 12.03 | 15.81 | 0.61 | 26.68 |
| Add: Other Income | 13.38 | 34.38 | 13.38 | 34.38 |
| Profit/(Loss) from ordinary activities before finance costs | 25.41 | 50.19 | 13.99 | 61.06 |
| Less: Finance Cost | 7.57 | 7.34 | 7.57 | 7.34 |
| Profit/(Loss) from ordinary activities before tax | 17.84 | 42.85 | 6.42 | 53.72 |
| Less: Extra-ordinary Item- diminution in value of Investments | 7.20 | - | 7.20 | - |
| Profit before Tax | 10.64 | 42.85 | (0.78) | 53.72 |
| Less: Tax expenses | 4.85 | 7.51 | 4.85 | 7.50 |
| Profit/(Loss) for the period | 5.79 | 35.34 | (5.63) | 46.22 |
| Earnings Per Share (Rs.) | 1.93 | 11.77 | (1.88) | 15.39 |

IMPACT OF COVID-19 PANDEMIC

During the year under review, due to COVID-19 pandemic, Company operations were adversely affected which have resulted in lower sales and lower profits.

2. DIVIDEND / TRANSFER TO RESERVE(S)

With a view to conserve resources, your Directors have not recommended any dividend for the year under review. No amount is transferred to any reserve.

3. DETAILS OF MEETINGS OF THE BOARD

During the year, 4(Four) Board meetings were held on 03.08.2020, 20.11.2020, 26.12.2020 and 11.02.2021. Details of attendance by each Director at the said Board meetings are as under:

| Name of Director (s) | Board Meetings attended during FY 2020-21 |
|---------------------------|---|
| Shri. Pradeep Kumar Godha | 4 |
| Shri. Anurag Godha | 4 |
| Shri. Nagin Chand Godha | 4 |

4. CHANGE IN THE NATURE OF BUSINESS

There has been no change in the nature of business during the year under review.

5. SUBSIDIARIES / ASSOCIATES / JOINT VENTURES

The Company has two subsidiary companies, namely, Shantivijay International Limited, Mauritius with its one step down subsidiary, Shantivijay Impex DMCC. There are no changes in subsidiaries. There are no joint venture or associate companies.

In accordance with Section 129(3) of the Companies Act 2013, consolidated financial statements of the Company and all its subsidiaries are prepared, which form part of Annual Report. Further a statement containing salient features of the financial statement of our Subsidiaries in the prescribed format AOC-1 is included in the Report as **Annexure 'A'** and forms as integral part of this Report. The statement also provides the details of performance, financial position of each of the Subsidiaries.

6. ANNUAL RETURN

Pursuant to Section 92(3) read with Section 134(3)(a) of the Act, the Annual Return as on March 31, 2021 is

available in prescribed format on the Company's website on www.shantivijay.com

7. BOARD OF DIRECTORS AND COMMITTEES

In accordance with the provisions of the Companies Act, 2013, Shri. Anurag Godha, Director, has offered to retire by rotation and, being eligible, offers himself for reappointment.

No Directors were appointed during the year under review due to Covid 19 Pandemic situation. No Committees were constituted during the year under review due to Covid 19 Pandemic situation.

Shri. Udit Jain (DIN: 00166794) was appointed Additional Director in the Category of Independent Director and Shri. Nagin Chand Godha, Director was designated as the Independent Director by the Board of Directors effective August 27, 2021 subject to approval of the Shareholders. Shri. Udit Jain holds office as such up to the date of ensuing Annual General Meeting. Independent Directors have given written declarations to the Company confirming that they meet the criteria of independence as mentioned under Section 149(6) of the Companies Act, 2013. The Board is of the opinion that the Independent Directors of the Company possess requisite qualifications, experience.

The Board of Directors presently is comprised of Shri Pradeep Kumar Godha, Shri Anurag Godha, Shri Nagin Chand Godha and Shri Udit Jain.

8. KEY MANAGERIAL PERSONNEL

Provisions of Section 203 are not applicable to the Company.

9. DEPOSITS

The Company has not accepted any deposits covered under Chapter V of the Act.

10. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENT BY COMPANY

The details of Loans, Guarantees, and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statement.

11. RELATED PARTY TRANSACTIONS

Particulars of related party transactions are given in prescribed Form AOC-2 annexed as **Annexure 'B'**

12. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There are no significant / material orders passed by the Regulators / Courts which would impact the going concern status of the Company and its future operations.

13. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement of Section 134(3)(c) of the Companies Act, 2013, your Directors confirm that:

- a. in the preparation of the annual financial statements, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b. the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit/loss of the company for that period;
- c. the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the Assets of the Company and for preventing and detecting fraud and other irregularities;
- d. the Directors' had prepared the annual accounts on a going concern basis; and
- e. the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

14. INTERNAL FINANCIAL CONTROLS & THEIR ADEQUACY

Your Company's internal control systems commensurate with the nature and size of its business operations. Your Company has adequate internal financial controls in place to ensure safeguarding of its assets, prevention of frauds and errors, protection against loss from unauthorized use or disposition and the transactions are authorised, recorded and reported diligently in the Financial Statements.

15. PARTICULARS OF EMPLOYEES

There are no particulars to be disclosed under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

16. STATUTORY AUDITOR & AUDITOR'S REPORT

In the 47th Annual General Meeting (AGM) of the Company, B. F. Chordia & Co., Chartered Accountants, Mumbai (Firm Registration No.: 101914W), had been appointed as the Statutory Auditors of the Company until the conclusion of the ensuing 52nd AGM of the Company.

As per the provisions of Section 139 of the Act, the Auditors have confirmed that they are not disqualified from continuing as Auditors of the Company.

There is no audit qualification, reservation, or adverse remark or disclaimer in the Auditor's Report for the year under review.

The Auditors of the Company have not reported any instances of fraud committed against the Company by its officers or employees as specified under Section 143(12) of the Companies Act, 2013.

17. CORPORATE SOCIAL RESPONSIBILITY (CSR)

CSR related provisions of the Companies Act, 2013 do not apply to the Company as the Company does not meet profit, turnover or net worth criteria prescribed in this regard.

18. DISCLOSURE ON WOMEN AT WORKPLACE

The Company has constituted an Internal Complaint Committee pursuant to the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 for prevention, prohibition and redressal of complaints/grievances on the sexual harassment of women at work places. During the year under review, no case was reported in this regard.

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

(A) Conservation of energy-

- (i) Steps taken or impact on conservation of energy:
No specific steps are taken on conservation of energy.
- (ii) Steps taken by the Company for utilizing alternative sources of energy:
No specific steps are taken for utilizing alternative sources of energy.
- (iii) Capital investment on energy conservation equipments: Nil.

(B) Technology absorption-

- (i) The efforts made towards technology absorption:
The Company keeps itself abreast of the technical developments in Company's line of products world wide and tries to bring about improvements in the product for better yield, quality and cost effectiveness, etc.
- (ii) The benefits derived like product improvement, cost reduction, product development or import substitution:
As a result of above, the following benefits are achieved:
 - Cost Reduction
 - Achievement in precision & quality
 - Use of indigenous equipment as import substitute.
- (iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year): The Company has not imported any technology

- (iv) The expenditure incurred on Research and Development: Nil.

(C) Foreign exchange earnings and Outgo-

| | (Rs. in Million) | |
|--------------------------|------------------|---------|
| | 2020-21 | 2019-20 |
| Foreign Exchange earned: | 924.27 | 986.55 |
| Foreign Exchange used: | 336.80 | 314.29 |

20. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT:

No material change and commitments affecting financial position of the Company occurred between the end of financial year and the date of this report.

21. RISK MANAGEMENT POLICY

The Company has not developed and implemented a formal risk management policy for the Company. However, the Board of Directors periodically as a part of its review of the business consider and discuss the external and internal risk factors like markets related, foreign currency rate fluctuations, supply/logistics related, debtors collections, Government policy related matters that may threaten the existence of the Company.

22. SECRETARIAL STANDARD The Company has complied with all mandatory Secretarial Standards.

23. ACKNOWLEDGEMENT

The Directors would like to place on record their appreciation for the valuable co-operation extended to the Company by the employees of the Company, Government Departments, Bankers, Suppliers, Customers and Investors at large for their continuous support to the Company.

FOR AND ON BEHALF OF THE BOARD

Sd/-

PRADEEP KUMAR GODHA

Place: Mumbai CHAIRMAN & MANAGING DIRECTOR

Dated: 27th August, 2021

DIN- 00008194

Annexure- 'A'

Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part "A": Subsidiaries

(Rs. in Million)

| Sr. No. | Name of the subsidiary | Reporting period for the subsidiary concerned, if different from the holding company's reporting period | Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries. | Share capital | Reserves & surplus | Total assets | Total Liabilities | Investments | Turnover/ Total Income | Profit before taxation | Provision for taxation | Profit after taxation | Proposed Dividend | % of shareholding |
|---------|--|---|--|---------------|--------------------|--------------|-------------------|-------------|------------------------|------------------------|------------------------|-----------------------|-------------------|-------------------|
| 1 | Shantivijay Jewels International Limited (Mauritius) | 31.03.2021 | US \$ 73.2035 | 32.96 | 107.53 | 140.71 | 140.71 | 3.99 | 0.00 | (1.27) | 0.00 | (1.27) | 0.00 | 100% |
| 2 | Shantivijay ImpexDMCC | 31.03.2021 | US \$73.2035 | 3.99 | 137.28 | 290.60 | 290.60 | 0.00 | 389.07 | (10.16) | 0.00 | (10.16) | 0.00 | 100% |

Part "B": Associates and Joint Ventures

| Sr. No. | Name of Associates/ Joint Ventures | Latest audited Balance Sheet Date | Shares of Associate/Joint Ventures held by the company on the year end | | | Description of how there is significant influence | Reason why the associate/ joint venture is not consolidated | Net worth attributable to Shareholding as per latest audited Balance sheet | Profit / Loss for the year | |
|---------|------------------------------------|-----------------------------------|--|--|--|---|---|--|-----------------------------|---------------------------------|
| | | | No. | Amount of Investment in Associates/Joint Venture | Amount of Investment in Associates/Joint Venture | | | | Considered in Consolidation | Not Considered in Consolidation |
| NIL | | | | | | | | | | |

FOR AND ON BEHALF OF THE BOARD

Sd/-

PRADEEP KUMAR GODHA

CHAIRMAN & MANAGING DIRECTOR

DIN-00008194

Place: Mumbai

Dated: 27th August, 2021

SHANTIVIJAY JEWELS LIMITED

Annexure- 'B'

Form AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014)

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

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

| Sr. No. | Name(s) of the related party and nature of relationship | Nature of contracts/ arrangements / transactions | Duration of the contracts/ arrangements / transactions | Salient terms of the contracts or arrangements or transactions including the value, if any | Justification for entering into such contracts or arrangements or transactions | Date(s) of approval by the Board | Amount paid as advances, if any: | Date on which the special resolution was passed in general meeting as required under first proviso to section 188 |
|---------|---|--|--|---|--|----------------------------------|----------------------------------|---|
| | (a) | (b) | (c) | (d) | (e) | (f) | (g) | (h) |
| 1 | Mrs Rajrani Godha Mother of KMPs/ MDs | Remuneration & Rent paid | 5 (Five) years | Rs. 0.12million p.a. Monthly Rental Rs.10,000/- p.m. w.e.f. 01.10.2019 - Security Deposit Rs. 120 lacs - Other usual terms are common in any such lease agreement | - For use as Jewellery showroom & office for the company - Shop premises are also given by Lessor as collateral security to the bankers for credit facilities granted to the Company -Ideal location for visibility, tap foreign tourists and also celebrity visitors. | 16.10.2019 | - | N.A. |
| 2 | Diamondere Pvt. Ltd. | Sales & Labour | 5 (Five) years | Rs. 20.78 million | Access to online sales portal | 01.04.2017 | - | N.A. |
| 3 | Diamondere Pvt. Ltd. | Rent | 5 (Five) years | Rs.0.66 million | Commercial terms | 02.04.2019 | - | N.A. |
| 4 | Diamondere Pvt. Ltd. | Purchases | 5 (Five) years | Rs.6.61 million | Commercial terms | 03.08.2020 | - | N.A. |
| 5 | Diamondere Pvt. Ltd. | Sales | 5 (Five) years | Rs. 20.49 million | Access to | 02.04.2019 | - | N.A. |
| 6 | Shantivijay Impex DMCC | Sales Purchases | 5 (Five) years | Rs. 13.30 million Rs. 196.46 million | Wholly owned Subsidiary (WOS) of WOS | 02.04.2019 | - | N.A. |
| 7 | Sudha Godha | Remuneration | Permanent | Rs. 0.42 million | Sales support & administration | 02.04.2019 | - | N.A. |
| 8 | Namita Godha | Remuneration | Permanent | Rs. 0.42 million | Sales support & administration | 02.04.2019 | - | N.A. |
| 9 | Deepika Godha | Remuneration | Permanent | Rs.0.31 million | Sales support & administration | 02.04.2019 | - | N.A. |

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

| Sr. No. | Name(s) of the related party and nature of relationship | Nature of contracts/ arrangements / transactions | Duration of the contracts/ arrangements / transactions | Salient terms of the contracts or arrangements or transactions including the value, if any | Date(s) of approval by the Board , if any: | Amount paid as advances, if any: |
|---------|---|--|--|--|--|----------------------------------|
| | (a) | (b) | (c) | (d) | (e) | (f) |
| NIL | | | | | | |

FOR AND ON BEHALF OF THE BOARD

Sd/-

PRADEEP KUMAR GODHA
CHAIRMAN & MANAGING DIRECTOR
DIN- 00008194

Place: Mumbai
Dated: 27th August, 2021

INDEPENDENT AUDITOR'S REPORT

To the Members of Shantivijay Jewels Limited

Report on the Audit of the Standalone Financial Statements

Opinion

1. We have audited the accompanying Standalone financial statements of Shantivijay Jewels Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended on that date, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, and its profit and its cash flows for the year ended on that date.

Basis for Opinion

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

Other information

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

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Emphasis of Matter

5. Attention is invited to note no.35 of the standalone financial statements regarding the uncertainties arising out of the outbreak of COVID-19 pandemic and the assessment made by the management of its business and financial records, including valuation of assets and solvency for the year ended March 31, 2021. This assessment and the outcome of the pandemic is 'as made' by the management and is highly dependent on the circumstances as they evolve in the subsequent periods. Our opinion is not modified in respect of this matter.
6. We draw attention to Note 36 of the standalone financial statements, which states that as at March 31, 2021, the Company has trade receivable and payable balances of Rs. 90.31 Million and Rs. 55.23 Million respectively, which includes receivable of Rs. 12.86 Million for more than fifteen months and payable of Rs. 5.91 Million for more than twelve months, respectively. Since the liability on account of non-compliance with the provisions of the Foreign Exchange Management Act ("FEMA") cannot be presently determined, no provision for any liability that may result on such non-compliance has been made in the financial statements.

Our opinion is not modified in respect of this matter.

Responsibilities of management and those charged with governance for the financial statements

7. The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting standards 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 the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.
8. In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the Audit of the Financial Statements

9. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
 10. 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 financial 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 the management.
 - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
 - Evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
 11. 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.
 12. 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.
- Report on Other Legal and Regulatory Requirements**
13. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
 14. As required by Section 143(3) of the Act, based on our audit we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The balance sheet, statement of profit and loss and statement of cash flows dealt with by this report are in agreement with the books of account.
 - d) In our opinion, the aforesaid financial statements comply with the accounting standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014
 - e) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these standalone financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure B" to this report.
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations and hence no such impact is disclosed on its financial position in its financial statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, 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 provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - v. The management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, 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 provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - vi. Based on our audit procedures, we considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (g) (iv) and (v) contain any material misstatement.
 - vii. The company has not declared or paid any dividend during the year.
15. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:
- In our opinion, the managerial remuneration for the year ended March 31, 2021 has been paid/provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act.
- For B.F. Chordia & CO.**
Chartered Accountants
ICAI Firm Registration No: 101914W
Sd/-
B F Chordia
Proprietor
Membership No.: 09026
UDIN: 21009026AAAAAU7081
Place: Mumbai
Date: 27.08.2021

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT
(Referred to in paragraph 12 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- (i) In respect of its property, plant, and equipment:
 - (a) To the best of our knowledge and according to the information and explanations given to us, the Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant, and equipment.
 - (b) The Company has a program of verification to cover all the items of fixed assets in a phased manner which, in our opinion, is reasonable having regards to the size of the Company and the nature of its assets. According to the information and explanation given to us, no material discrepancies were noticed on such verification.
 - (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- (ii) The inventory has been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable. No material discrepancies were noticed on such physical verification.
- (iii) To the best of our knowledge and according to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms, limited liability partnerships, or other parties covered in the register maintained under section 189 of the Companies Act, 2013 and hence reporting under clause 3 (iii) of the Order is not applicable.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act in respect of investments, guarantees and securities provided by it. Further the company has not granted any loans to those who are covered by the provisions of section 185 and 186 of the Act.
- (v) To the best of our knowledge and according to the information and explanations given to us, the Company has not accepted any deposit from the public during the period in terms of the provisions of Sections 73 and 76 or any other relevant provisions of the Act. Accordingly, the provisions of clause 3 (v) of the Order are not applicable to the Company.

- (vi) To the best of our knowledge and according to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act, for any of the services rendered by the Company. Accordingly, the provisions of clause 3(vi) of the Order is not applicable to the Company.
- (vii) To the best of our knowledge, according to the information and explanations given to us and on the basis of examination of the records in respect of statutory dues:
- (a) According to the records of the Company, undisputed statutory dues including Provident Fund, Employees' state Insurance, Income-tax, Goods and Service tax, Custom Duty, cess to the extent applicable and any other statutory dues have generally been regularly deposited with the appropriate authorities.
- According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, Employees state Insurance, Income tax, Goods and service tax, value added tax, duty of customs, cess and other material statutory dues were in arrears as at 31 March 2021 for a period of more than six months from the date they became payable.
- (b) There are no dues on account of goods and service tax, service tax, value added tax or cess and other material dues which have not been deposited with the appropriate authorities on account of any dispute. Duty of custom, duty of excise and sales tax are not applicable to the Company.
- (viii) To the best of our knowledge, according to the information and explanations given to us and on the basis of examination of the records, the Company has not defaulted in repayment of loans or borrowing to a financial institution, bank or government.
- (ix) To the best of our knowledge, according to the information and explanations given to us, the Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause 3(ix) of the Order is not applicable.
- (x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.
- (xi) According to the information and explanations given to us and based on our examination of the records of the

Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

- (xii) To the best of our knowledge, according to the information and explanations given to us, the Company is not a Nidhi Company and hence reporting under clause 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Section 188 of the Act where applicable and the details have been disclosed in the standalone financial statements as required by the applicable accounting standards. The provisions of section 177 are not applicable to the company and accordingly reporting under clause 3(xiii) insofar as it relates to section 177 of the Act is not applicable to the Company and hence not commented upon
- (xiv) To the best of our knowledge, according to the information and explanations given to us, the Company has complied with provisions of section 42 of the Companies Act, 2013 in respect of the preferential allotment during the year. According to the information and explanations given by the management, we report that the amounts raised, have been used for the purposes for which the funds were raised.
- (xv) According to the information and explanations given to us and based on our examination of records of the company, the Company has not entered into any noncash transactions with its directors or persons connected to its directors. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company.
- (xvi) According to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For B.F. Chordia & Co.
Chartered Accountants
ICAI Firm Registration No: 101914W
Sd/-
B F Chordia
Proprietor
Membership No.: 09026
UDIN: 21009026AAAAAU7081

Place: Mumbai
Date: 27.08.2021

Annexure - B to the Independent Auditors' Report

(Referred to in paragraph 13(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

1. In conjunction with our audit of the standalone financial statements of Shantivijay Jewels Limited ('the Company') as at and for the year ended March 31, 2021, we have audited the internal financial controls with reference to financial statements of the Company as at that date.

Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

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

Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Financial Statements

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the ICAI prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements includes obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit

opinion on the Company's internal financial controls with reference to financial statements.

Meaning of Internal Financial Controls with Reference to Financial Statements

6. A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

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

Opinion

8. In our opinion, the Company has, in all material respects adequate internal financial controls with reference to financial statements and such controls were operating effectively as at March 31, 2021, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For B.F. Chordia & Co.

Chartered Accountants

ICAI Firm Registration No: 101914W

Sd/-

B F Chordia

Proprietor

Membership No.: 09026

UDIN: 21009026AAAAAU7081

Place: Mumbai

Date: 27.08.2021

Standalone Balance Sheet as at March 31, 2021

(All amounts in ₹ million, unless otherwise stated)

| Particulars | Note | As at March 31, 2021 | As at March 31, 2020 |
|---|------|-------------------------|-------------------------|
| I. EQUITY AND LIABILITIES | | | |
| 1. Shareholder's Funds | | | |
| (a) Share Capital | 3 | 30.02 | 30.02 |
| (b) Reserves and Surplus | 4 | 257.89 | 252.10 |
| 2. Non-Current Liabilities | | | |
| (a) Long term Borrowings | 5 | 1.05 | 2.81 |
| (b) Long -term provisions | 6 | 0.49 | 0.62 |
| 3. Current Liabilities | | | |
| (a) Short-term borrowings | 7 | 133.64 | 164.21 |
| (b) Trade payables | | | |
| dues to Micro enterprises and small enterprises ('MSME') | 8 | 0.59 | 16.85 |
| dues to others | 8 | 283.63 | 277.06 |
| (c) Other current liabilities | 9 | 3.11 | 3.41 |
| (d) Short-term provisions | 10 | 3.81 | 4.38 |
| Total | | 714.23 | 751.46 |
| II. Assets | | | |
| 1. Non-current assets | | | |
| <i>(a) Property, plant and equipments and Intangible assets</i> | | | |
| (i) Tangible assets | 11 | 38.41 | 43.81 |
| (ii) Intangible assets | 11 | 5.40 | 3.59 |
| (b) Non-current investments | 12 | 21.13 | 28.33 |
| (c) Deferred tax assets (net) | 39 | 1.31 | 1.63 |
| (d) Long term loans and advances | 13 | 49.51 | 56.68 |
| 2. Current assets | | | |
| (a) Inventories | 14 | 417.87 | 398.30 |
| (b) Trade receivables | 15 | 112.65 | 187.58 |
| (c) Cash and cash equivalents | 16 | 20.35 | 2.78 |
| (d) Other bank balances | 17 | 23.49 | 8.78 |
| (d) Short-term loans and advances | 18 | 23.20 | 19.48 |
| (e) Other current assets | 19 | 0.91 | 0.50 |
| Total | | 714.23 | 751.46 |

The accompanying notes from 1 to 41 are an integral part of these standalone financial statements.

As per our report of even date attached.

For B.F.Chordia & Co.

Chartered Accountants

ICAI Firm's Registration No: 101914W

Sd/-

B.F.Chordia

Proprietor

Membership No . 09026

Place: Mumbai

Date: August 27, 2021

**For and on behalf of the Board of Directors of
Shantivijay Jewels Limited**

CIN: U36910MH1980PLC023289

Sd/-

P.K.GODHA

Chairman & M.D

DIN No: 00008194

Sd/-

A.K.GODHA

Vice Chairman & M.D

DIN No: 00008224

Place: Mumbai

August 27, 2021

Place: Mumbai

August 27, 2021

Standalone Statement of Profit and Loss for the year ended March 31, 2021*(All amounts in ₹ million, unless otherwise stated)*

| Particulars | Note | For the year ended March 31, 2021 | For the year ended March 31, 2020 |
|--|------|--------------------------------------|--------------------------------------|
| Revenue from operations | 20 | 965.20 | 1,079.96 |
| Other Income | 21 | 13.38 | 34.38 |
| Total Revenue | | 978.58 | 1,114.34 |
| Expenses: | | | |
| Cost of materials consumed | 22 | 815.07 | 862.56 |
| Purchase of Stock-in-Trade | 22 | 19.91 | 18.41 |
| Changes in inventories of finished goods | 23 | (19.94) | 20.32 |
| Employee benefit expense | 24 | 44.04 | 50.65 |
| Financial costs | 25 | 7.57 | 7.34 |
| Depreciation and amortization expense | 11 | 5.74 | 5.64 |
| Other expenses | 26 | 88.35 | 106.57 |
| Total Expenses | | 960.74 | 1,071.49 |
| Profit before extraordinary items and tax | | 17.84 | 42.85 |
| Extraordinary Items | | | |
| Diminution in value of Investments | | 7.20 | - |
| Profit before tax | | 10.64 | 42.85 |
| Tax expense: | | | |
| Current tax | | 4.54 | 7.09 |
| Deferred tax charged / (credit) | | 0.31 | 0.42 |
| | | 4.85 | 7.51 |
| Profit for the year | | 5.79 | 35.34 |
| Earning per equity share: | | | |
| Equity share of par value of Rs. 10/- each Basic & Diluted | 31 | 1.93 | 11.77 |

The accompanying notes from 1 to 41 are an integral part of these standalone financial statements.

As per our report of even date attached.

For B.F.Chordia & Co.

Chartered Accountants

ICAI Firm's Registration No: 101914W

Sd/-

B.F.Chordia

Proprietor

Membership No . 09026

Place: Mumbai

Date: August 27, 2021

**For and on behalf of the Board of Directors of
Shantivijay Jewels Limited**

CIN: U36910MH1980PLC023289

Sd/-

P.K.GODHA

Chairman & M.D

DIN No: 00008194

Sd/-

A.K.GODHA

Vice Chairman & M.D

DIN No: 00008224

Place: Mumbai

August 27, 2021

Place: Mumbai

August 27, 2021

Notes to the standalone financial statements for the year ended March 31, 2021

(All amounts in ₹ million, unless otherwise stated)

1 Company overview

Shantivijay Jewels Limited (the 'Company') was incorporated on October 14, 1980, having registered office G-37, Gems & Jewellery Complex, Building No:III, Seepz Andheri (East), Mumbai - 400 096. Company is engaged in Manufacturing, Local and exports of wide range of studded gold jewellery and Diamond and Precious stones.

2 Summary of significant accounting policies

The accounting policies set out below have been applied consistently to the years presented in these financial statements.

2.1 Basis of preparation of financial statements

a. Basis of accounting:

The financial statements have been prepared and presented under the historical cost convention, on the accrual basis of accounting unless otherwise stated hereinafter, in accordance with the provisions of the Act and accounting principles generally accepted in India ('Indian GAAP') and comply with the Accounting Standards ('AS') specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Accounting Standard) Amendment Rules, 2016 to the extent applicable. The financial statements are presented in Indian rupees (INR) rounded off to Millions.

b. Use of estimate:

The preparation of financial statements in conformity with Generally Accepted Accounting Principles ('GAAP') in India requires management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses and the disclosure of contingent liabilities on the date of the financial statements and the reported amounts of income and expenses during the reported year. Actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Any revision to accounting estimates is recognised prospectively in current and future years.

c. Current/Non Current Classification:

Any asset or liability is classified as current if it satisfies any of the following conditions:

- i. it is expected to be realized or settled or is intended for sale or consumption in the Company's normal operating cycle
- ii. it is expected to be realized or settled within twelve months from the reporting date;
- iii. in the case of an asset
 - it is held primarily for the purpose of being traded; or
 - 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 date;
- iv. in the case of a liability, the Company does not have an unconditional right to defer settlement of the liability for at least twelve months from the reporting date

All other assets and liabilities are classified as non-current.

For the purpose of current/non-current classification of assets and liabilities, the Company has ascertained its normal operating cycle as twelve months. This is based on the nature of services and the time between the acquisition of assets or inventories for processing and their realization in cash and cash equivalents.

d. Property, plant and equipment:

Property, plant and equipment are stated at cost less accumulated depreciation. The cost of property, plant and equipment comprises of purchase price, taxes, duties, freight and any directly attributable cost of bringing the assets to working condition for its intended use. Rubber moulds of small value have not been capitalised and considered as consumables and charged to revenue.

Subsequent expenditure related to an item of tangible fixed assets are added to its book value only if they increase future benefits from the existing asset beyond its previously assessed standard of performance.

An item of property, plant and equipment is eliminated from statements on 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 net disposal proceeds and the carrying amount of the asset and is recognised in the statement of profit and loss.

Notes to the standalone financial statements for the year ended March 31, 2021 (Contd.)

Depreciation

Depreciation on fixed assets is calculated on Straight Line Method using the rates arrived at based on the estimated useful lives given in Schedule II of the Companies Act, 2013. Depreciation on additions to or on disposal of assets is calculated on pro-rata basis.

| Assets | Useful life (in years) |
|------------------------|------------------------|
| Buildings | 30 |
| Plant and equipments | 15 |
| Office Equipment | 5 |
| Computers | 3 |
| Furniture and Fixtures | 10 |
| Vehicles | 8 |

e. Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses, if any. Intangible assets are amortised on a straight line basis over the estimated useful economic life. Computer Software is amortized over a period of Five Years in equal installments. The amortisation period and amortisation method are reviewed at least at each financial year end.

Gains or losses arising from derecognition of an intangible assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of income and expenditure when the asset is derecognised.

f. Impairment of tangible and intangible assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. After impairment, depreciation is provided on revised carrying amount of the asset over its remaining useful life.

g. Investments

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties. If an investment is acquired, or partly acquired, by the issue of shares or other securities, the acquisition cost is the fair value of the securities issued. If an investment is acquired in exchange for another asset, the acquisition is determined by reference to the fair value of the asset given up or by reference to the fair value of the investment acquired, whichever is more clearly evident.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

h. Leases

Where the company is lessee

Lease rentals on assets taken on operating lease are recognised as expense in the Statement of Profit and Loss on over the lease term.

Notes to the standalone financial statements for the year ended March 31, 2021 (Contd.)

Where the company is the lessor

Sub-lease income on an operating lease is recognized in the statement of profit and loss on a straight-line basis over the lease term. Costs, including depreciation, are recognized as an expense in the statement of profit and loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognized immediately in the statement of profit and loss.

i. Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized:

Sale of traded goods

Revenue from sale of goods is recognised at the point in time when control of the asset is transferred to the customer, generally on delivery of the goods / point of dispatch.

Rendering of labour services

Revenue from services are recognised as and when services are rendered to customers.

Interest income

Interest is recognised using the time proportion basis taking into account the amount outstanding and the interest rate applicable.

j. Input Tax Credit:

Input credit of Goods and Services tax (GST) is recognized in the year in which the underlying service rendered is accounted and when there is no uncertainty in availing / utilising the credit.

k. Inventories

Inventories are valued at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less estimated costs of completion and estimated costs necessary to make the sale.

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

1. Raw Material: Lower of cost or net realisable value. Cost is determined on first in first out ('FIFO') basis.
2. Finished goods: Lower of cost or net realisable value. Cost is determined on FIFO basis, includes direct material and labour expenses and appropriate proportion of manufacturing overheads based on the normal capacity for manufactured goods.
3. Stock in Trade (exports of Diamond & precious stone):Lower of cost or net realisable value. Cost is determined on first in first out ('FIFO') basis.
4. Loose Tools: Lower of the cost or net realisable value.

Inventory of spares, Rubber Moulds and consumables are not valued and are charged to revenue.

l. Taxation

Income-tax expense comprises current tax (i.e. amount of tax for the year determined in accordance with the income-tax law) and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the year). Income-tax expense is recognised in Statement of profit and loss.

Current tax

Provision for current tax is recognised in accordance with the provisions of the Income tax Act, 1961 and is made based on the tax liability using the applicable tax rates and tax laws after taking credit for tax allowances and exemptions.

Deferred tax

Deferred income tax assets and liabilities are recognised for all temporary differences arising between the tax base of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised. Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognised as income or expense in the year that includes the enactment or the substantive enactment date.

Deferred tax asset is recognised only to the extent there is reasonable certainty that the assets can be realised in future; however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax

Notes to the standalone financial statements for the year ended March 31, 2021 (Contd.)

asset is recognised only if there is a virtual certainty of realisation of such asset. Deferred tax asset is reviewed as at each Balance sheet date and written down or written up to reflect the amount that is reasonably / virtually certain to be realised.

m. Employee benefits*Short term employee benefits*

Employee benefits payable wholly within twelve months of availing employee services are classified as short-term employee benefits. These benefits include salaries and wages, bonus and ex-gratia. The undiscounted amount of short term employee benefits such as salaries and wages, bonus and ex-gratia to be paid in exchange of employee services are recognised in the year in which the employee renders the related service.

Defined contribution plans

Contributions payable to the recognised provident fund, which is a defined contribution scheme, is made monthly predetermined to the appropriate authorities and charged to statement of profit and loss on an accrual basis. There are no other obligation other than contribution payable to the respective fund.

Defined benefit plans

Gratuity a defined benefit scheme, is accrued based on an actuarial valuation at the balance sheet date, carried out by an independence actuary. The present value of the obligation under such defined benefit plan is determined based on at actuarial valuation using the projected unit credit method, which recognised each year of service as giving rise to additional units of employee benefit entitlement and measure each unit separately to build up the final obligation.

Compensated absences

The employees of the Company are entitled to compensated absences. The employees can carry forward a portion of the unutilized accumulating compensated absences and utilize it in future periods or receive cash at retirement or termination of employment

n. Earnings per share ('EPS')

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

o. Foreign currency transaction and translation

- a) Initial recognition: Transactions in foreign currencies entered into by the Company are accounted at the exchange rates prevailing on the date of the transaction. Exchange differences arising on foreign exchange transactions settled during the year are recognized in the Statement of Profit and Loss.
- b) Measurement of foreign currency items at the Balance Sheet date: Foreign currency monetary items of the Company are restated at the closing exchange rates. Non-monetary items are recorded at the exchange rate prevailing on the date of the transaction. Exchange differences arising out of these translations are recognized in the Statement of Profit and Loss.

p. Provisions and contingencies

Provisions are recognised when the Company has a present obligation as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation and the amount can be reasonably estimated. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made. Loss contingencies arising from claims, litigation, assessment, fines, penalties, etc. are recorded when it is probable that a liability has been incurred and the amount can be reasonably estimated.

q. Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, demand deposits with banks/corporations and short-term highly liquid investments (original maturity less than three months) that are readily convertible into known amount of cash and are subject to an insignificant risk of change in value.

r. Cashflow Statements

Cashflows are reported using the indirect method, whereby profit for the year is adjusted for the effects of transactions non cash nature, any deferrals or accruals of past and future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cashflows from operating , investing and financing activities of the company are segregated.

Notes to the standalone financial statements for the year ended March 31, 2021 (Contd.)

| | As at March 31, 2021 | As at March 31, 2020 |
|--|---------------------------------|---------------------------------|
| 3 SHARE CAPITAL | | |
| Authorised- Equity shares of Rs. 10 par value 60,00,000 Equity Shares | 60.00 | 60.00 |
| Issued, Subscribed & Paid Up | | |
| 30,02,000 Equity Shares of Rs. 10/- par value fully paid | 30.02 | 30.02 |
| Total | 30.02 | 30.02 |

(a) The Company has only one class of shares referred to as equity shares having a par value of 10/-. Each holder of equity shares is entitled to one vote per share.

(b) Names of shareholders holding more than 5% shares in the Company

| Name of the shareholder | As at March 31, 2021 No of shares | % | As at March 31, 2020 No of shares | % |
|---------------------------------|--|----------|--|----------|
| 1 Rajrani Bimalchand Godha | 8,37,607 | 27.90 | 8,37,607 | 27.90 |
| 2 Pradeepkumar Bimalchand Godha | 4,92,124 | 16.40 | 4,91,899 | 16.38 |
| 3 Anurag Bimalchand Godha | 4,89,212 | 16.30 | 4,88,987 | 16.28 |
| 4 Varun pradeep kumar Godha | 2,68,500 | 8.94 | 2,68,500 | 8.94 |
| 5 Namita Anurag Godha | 1,91,295 | 6.37 | 1,91,295 | 6.37 |
| 6 Sudha Pradeepkumar Godha | 1,88,795 | 6.29 | 1,88,795 | 6.29 |
| 7 Anish Anurag Godha | 1,51,600 | 5.05 | 1,51,600 | 5.05 |

(c) Reconciliation of the number of shares and amount of share capital outstanding at the beginning and at the end of the reporting year

| Particulars | As at March 31, 2021 No. of Shares | As at March 31, 2020 No. of Shares |
|--|---|---|
| Number of shares at the beginning and at the end | 3,002,000 | 3,002,000 |
| Add : equity shares issued during the year | - | - |
| Outstanding at the end of the year | 3,002,000 | 3,002,000 |

| | As at March 31, 2021 | As at March 31, 2020 |
|---|---------------------------------|---------------------------------|
| 4 RESERVE AND SURPLUS | | |
| Security Premium Reserve | 46.80 | 46.80 |
| Capital Reserve | 20.06 | 20.06 |
| General Reserve | 108.96 | 108.96 |
| Surplus in the statement of Profit & Loss | | |
| Opening Balance | 76.28 | 40.94 |
| Add : Profit for the year | 5.79 | 35.34 |
| Total | 257.89 | 76.28 |
| | 257.89 | 252.10 |

Notes to the standalone financial statements for the year ended March 31, 2021 (Contd.)

| | As at March 31, 2021 | As at March 31, 2020 |
|--|-------------------------|-------------------------|
| 5 LONG TERM BORROWINGS (SECURED) | | |
| Loan from Non-banking financial institutions* | 0.98 | 2.36 |
| Loan from banks** (Secured by Hypothecation of Motor Cars) | 0.07 | 0.45 |
| Total | 1.05 | 2.81 |
| *The Company have borrowed funds from Non- banking financial institutions. Rate of Interest on these loans ranges from 7.25 to 8.0 % , these are repayable in 36 months. | | |
| **The Company have borrowed funds from Banks. Rate of Interest on these loans ranges from 9.50 to 9.75 % , these are repayable in 36 months. | | |
| 6 LONG TERM PROVISIONS | | |
| Provision for Employee benefits-Gratuity | 0.49 | 0.62 |
| Total | 0.49 | 0.62 |
| 7 SHORT TERM BORROWINGS | | |
| PACKING CREDIT (Secured)* | 133.64 | 156.49 |
| DISCOUNTED BILLS (Secured)* | - | 7.72 |
| Total | 133.64 | 164.21 |
| * Against hypothecation of stocks, collaterally secured by hypothecation of Book debts & Machinery and Negative Lien of Immovable property of Bharat Diamond Bourse and Rajrani Godha, personally guranteed by whole time directors. | | |
| 8 TRADE PAYABLES | | |
| Total outstanding dues of Micro enterprises and small enterprises ('MSME') (Refer note:38) | 0.59 | 16.85 |
| Total outstanding dues of creditors other than MSME | | |
| - related parties (Refer note: 33) | 45.49 | 48.70 |
| - Others | 238.14 | 228.36 |
| Total | 284.22 | 293.91 |
| 9 OTHER CURRENT LIABILITIES | | |
| Current maturities of long term debt | 1.77 | 2.20 |
| Other Payables # | 1.34 | 1.21 |
| Total | 3.11 | 3.41 |
| # Includes Statutory dues and security deposit | | |
| 10 SHORT TERM PROVISION | | |
| Provision for leave encashment | 1.76 | 1.55 |
| Provisions for Employee Benefits- Bonus | 2.05 | 2.83 |
| Total | 3.81 | 4.38 |

Notes to the standalone financial statements for the year ended March 31, 2021 (Contd.)
11 Property, Plant and Equipment

| PARTICULARS | Gross Block | | | | DEPRECIATION AND AMORTIZATION | | | | NET BLOCK | |
|--------------------------|----------------------|------------------------|-------------------------|----------------------|-------------------------------|--------------|-------------------------|---------------------|----------------------|----------------------|
| | As at April 01, 2020 | Additions/ adjustments | Deductions/ adjustments | As at March 31, 2021 | As at April 01, 2020 | For the year | Deductions/ adjustments | Upto March 31, 2021 | AS ON March 31, 2021 | AS ON March 31, 2020 |
| Tangible Assets | | | | | | | | | | |
| Building | 37.44 | 0.00 | 1.94 | 35.50 | 26.40 | 0.52 | 0.72 | 26.20 | 9.30 | 11.04 |
| Plant and Equipments | 39.27 | 2.30 | 4.64 | 36.93 | 21.64 | 1.45 | 1.96 | 21.13 | 15.80 | 17.63 |
| Office Equipments | 11.41 | 0.82 | 1.69 | 10.54 | 9.77 | 0.59 | 1.25 | 9.11 | 1.43 | 1.64 |
| Furniture and Fixtures | 6.29 | 0.20 | 1.76 | 4.73 | 4.69 | 0.21 | 1.42 | 3.48 | 1.25 | 1.60 |
| Vehicles | 18.30 | - | 0.15 | 18.15 | 6.40 | 1.15 | 0.03 | 7.52 | 10.63 | 11.90 |
| Total (a) | 112.71 | 3.32 | 10.18 | 105.85 | 68.90 | 3.92 | 5.38 | 67.44 | 38.41 | 43.81 |
| Intangible Assets | | | | | | | | | | |
| Software | 13.30 | 3.72 | 0.23 | 16.79 | 9.71 | 1.82 | 0.14 | 11.39 | 5.40 | 3.59 |
| Total (b) | 13.30 | 3.72 | 0.23 | 16.79 | 9.71 | 1.82 | 0.14 | 11.39 | 5.40 | 3.59 |
| Total (a + b) | 126.01 | 7.04 | 10.41 | 122.64 | 78.61 | 5.74 | 5.52 | 78.83 | 43.81 | 47.40 |
| Previous Year | 112.46 | 14.45 | 0.89 | 126.02 | 73.82 | 5.64 | 0.84 | 78.61 | 47.40 | 38.64 |

Note : Motor Vehicles costing Rs.14.63 Million are in the name of the Directors of the Company.

12 NON CURRENT INVESTMENTS UN QUOTED

In wholly owned Subsidiary Company

4,50,250 fully paid Equity shares of US \$ 1 each in Shantivijay Jewels International Ltd Mauritius.

As at
March 31, 2021 **As at**
March 31, 2020

18.83 18.83

1,83,000 fully paid Equity shares of Rs.10/- each of German Garden Ltd.

2.02 2.02

Less : Provision for Diminution in the value

(2.02) (2.02)

- -

80,000 fully paid equity shares of 100/- each of Light Bite Foods P Ltd

8.00 8.00

Less : Provision for Diminution in the value of investments

(7.20) -

0.80 8.00

Investment in Canara Bank Robecco Fund

1.50 1.50

TOTAL

21.13 **28.33**

Aggregate amount of quoted investments

NIL NIL

Aggregate Market value of quoted investments

NIL NIL

Aggregate book value of unquoted investments

30.35 30.35

Aggregate amount of impairment in value of investments

9.22 2.02

Notes to the standalone financial statements for the year ended March 31, 2021 (Contd.)

| | As at March 31, 2021 | As at March 31, 2020 |
|---|-------------------------|-------------------------|
| 13 LONG TERM LOANS AND ADVANCES | | |
| Un-secured , considered good | | |
| Loans and advances to Employees | 1.83 | 1.68 |
| Capital advances-Advance against property | 23.77 | 27.87 |
| Balances with Tax authorities. | 1.74 | 4.20 |
| Other loans & advances | 9.13 | 9.13 |
| Rental Deposits | 12.01 | 12.70 |
| Other Security Deposits | 1.03 | 1.10 |
| TOTAL | 49.51 | 56.68 |
| 14 INVENTORIES | | |
| (Inventories are valued at lower of the cost or net realisable value) | | |
| Raw Materials | 343.08 | 353.32 |
| Finished Goods | 66.76 | 41.76 |
| Stores & Spares | 7.79 | 2.66 |
| Loose tools | 0.24 | 0.56 |
| TOTAL | 417.87 | 398.30 |
| 15 TRADE RECEIVABLES | | |
| Un-secured considered good | | |
| Debts outstanding for a period exceeding six months from the date they were due for payment | 49.54 | 42.29 |
| Other debts considered good | 63.11 | 145.29 |
| Total | 112.65 | 187.58 |
| Total trade receivables from related parties (Refer note:33) | 4.24 | 15.10 |
| 16 CASH AND CASH EQUIVALENTS | | |
| Cash on Hand | 1.04 | 1.16 |
| Balance with Bank | | |
| In current and Deposit Account | 19.31 | 1.62 |
| Total | 20.35 | 2.78 |
| 17 OTHER BANK BALANCES | | |
| - Deposits with remaining maturity for less than 12 months | 23.49 | 8.78 |
| Total | 23.49 | 8.78 |
| 18 SHORT TERM LOANS AND ADVANCES | | |
| Un-secured, considered good | | |
| Balances with Tax authorities | 3.34 | 4.95 |
| Advances to Contractors | 14.04 | 9.57 |
| Prepaid Expenses | 3.63 | 2.99 |
| Other Advances | 2.19 | 1.97 |
| Total | 23.20 | 19.48 |
| 19 OTHER CURRENT ASSETS | | |
| Interest accrued on FDR | 0.85 | 0.47 |
| Other Current Assets | 0.06 | 0.03 |
| Total | 0.91 | 0.50 |

Notes to the standalone financial statements for the year ended March 31, 2021 (Contd.)

| | For the year ended March 31, 2021 | For the year ended March 31, 2020 |
|---|--------------------------------------|--------------------------------------|
| 20 REVENUE FROM OPERATIONS | | |
| Sales - Jewellery | 943.20 | 1,061.15 |
| Sales - Diamond | 17.38 | 15.79 |
| Sales - Precious stones & Others | 3.80 | 2.62 |
| Services - Labour charges | 0.82 | 0.40 |
| Total | 965.20 | 1,079.96 |
| 21 OTHER INCOME | | |
| Dividend - Long term Investments | - | 0.01 |
| Interest received # | 1.94 | 1.36 |
| Gain on Foreign currency transaction / translation | 10.02 | 19.00 |
| Insurance claim refund | - | 5.52 |
| Income tax Interest received | 0.09 | 3.23 |
| Excess provision for expenses written back | 0.22 | 0.07 |
| Rent recd | 0.66 | 0.73 |
| Prior Period Income | 0.46 | 0.44 |
| Profit on sale of shares | - | 4.02 |
| TOTAL | 13.38 | 34.38 |
| # Interest received includes Interest on bank deposit & others of Rs. 1.21 Million (March 31, 2020: Rs. 0.63 Million) and Interest on loans and advances of Rs. 0.73 Million (March 31, 2020: Rs. 0.73 Million) | | |
| 22 MATERIALS | | |
| 1) COST OF MATERIALS CONSUMED | | |
| Gold | 299.88 | 285.78 |
| Diamond | 457.01 | 520.59 |
| Others | 58.19 | 56.19 |
| Total | 815.07 | 862.56 |
| 2) PURCHASE OF STOCK IN TRADE | | |
| Diamond and Precious stones | 19.91 | 18.41 |
| 23 Changes in inventories of finished goods | | |
| Opening Stock of Finished Goods | 41.76 | 62.08 |
| Add : Purchases of Finished Goods | 14.71 | - |
| | 56.47 | 62.08 |
| Less : Closing Stock of Finished Goods | 66.76 | 41.76 |
| Less : Melting of Finished Goods | 9.65 | - |
| Total | (19.94) | 20.32 |
| 24 EMPLOYEE BENEFIT EXPENSES | | |
| Salaries & Wages | 28.15 | 34.97 |
| Contribution to provident and other funds | 3.03 | 3.36 |
| Welfare Expenses | 0.28 | 0.26 |
| | 31.46 | 38.59 |
| Directors Remuneration (Including Rs. 1.59 Million (March 31, 2020: Rs 1.56 Million for perks) | 12.58 | 12.06 |
| Total | 44.04 | 50.65 |

Notes to the standalone financial statements for the year ended March 31, 2021 (Contd.)

| | | For the year ended March 31, 2021 | For the year ended March 31, 2020 |
|------------------------------------|------|--------------------------------------|--------------------------------------|
| 25 FINANCIAL COSTS | | | |
| Interest paid | | 7.57 | 7.34 |
| Total | | <u>7.57</u> | <u>7.34</u> |
| 26 OTHER EXPENSES | | | |
| | | For the year ended March 31, 2021 | For the year ended March 31, 2020 |
| Consumable Stores, Spares & Tools | | 6.03 | 7.00 |
| Labour Charges | | 45.00 | 56.79 |
| Rent | | 2.26 | 3.27 |
| Electricity Charges | | 2.32 | 3.80 |
| Professional & Technical Fees | | 4.91 | 4.12 |
| Bank Charges | | 2.58 | 2.56 |
| ECGC Premium charges | | 1.05 | 0.98 |
| GST expense | | 0.01 | - |
| Bad debts written off | | 0.17 | - |
| Rates & Taxes | | 0.05 | 2.36 |
| Repairs & Maintenance : | | | |
| Repairs & Maintenance to Machinery | 0.67 | | 0.78 |
| Building | 0.90 | | 1.75 |
| Others | 1.87 | | 2.05 |
| | | <u>3.44</u> | <u>4.58</u> |
| Donations | | 1.09 | 2.21 |
| Auditors Remuneration : | | | |
| As Auditors | 1.00 | | 1.00 |
| For Taxation Services | 0.20 | | 0.20 |
| | | <u>1.20</u> | <u>1.20</u> |
| Insurance | | 2.49 | 1.22 |
| Commission & Discount | | 1.70 | 2.55 |
| Loss on sale of assets | | 4.59 | - |
| loss on Sale of Car | | - | 0.02 |
| Other General Expenses | | 9.39 | 13.83 |
| Prior Period Items | | | |
| Electricity charges | 0.02 | | - |
| Repairs & maint-others | 0.00 | | - |
| Rent A/c Blower | 0.02 | | - |
| Freight & Forwarding | 0.02 | | - |
| Postage & Telephone | 0.00 | | - |
| Fire Cess Rent | - | | 0.04 |
| Membership & Subscription | - | | 0.04 |
| Sundry Expenses | - | | - |
| | | <u>0.07</u> | <u>0.08</u> |
| TOTAL | | <u><u>88.35</u></u> | <u><u>106.57</u></u> |

Notes to the standalone financial statements for the year ended March 31, 2021 (Contd.)
27 Contingent liabilities and commitments

As at March 31, 2021 and March 31, 2020, Company does not have any outstanding contingent liabilities and commitments.

**28 Transactions in foreign currencies (in Rupee Equivalent):
Particulars**

| | As at March 31, 2021 | As at March 31, 2020 |
|---|---------------------------------|---------------------------------|
| a) Expenditure in foreign currencies: | | |
| Travelling Expenses | 0.30 | 1.27 |
| Bad debts written off | 0.17 | - |
| Bank Charges | 0.17 | 0.18 |
| Sales promotion expenses | 0.05 | 0.01 |
| Total | 0.69 | 1.46 |
| b) Earnings in foreign currencies: | | |
| Free on board (FOB) Value of Exports | 924.27 | 986.55 |
| c) Unhedged foreign currency exposure | | |
| On account of imports and others (Equivalent USD in Million) | 55.23 \$ 0.77 | 82.75 \$ 1.10 |
| on account of export of goods (Equivalent USD in Million) | 90.31 \$ 1.23 | 57.45 \$ 0.72 |

29 Financial and derivative instruments

The Company enters into foreign currency forward contracts to hedge against the foreign currency risk relating to payment of foreign currency receivables. The Company does not apply hedge accounting on such relationships. Further, the Company does not enter into any derivative transactions for speculative purposes

| | | |
|--|--------|-------|
| (a) Forward exchange contract entered into by the company for hedging currency related risks | 104.14 | 94.42 |
|--|--------|-------|

30 Consumption of Imported and indengeous Raw Material

| | As at March 31, 2021 | in % | As at March 31, 2020 | in % |
|--|---------------------------------|-------------|---------------------------------|-------------|
| (a) Raw Material Consumed | | | | |
| Indegenous | 507.37 | 60.77% | 538.12 | 61.08% |
| Imported | 327.58 | 39.23% | 342.86 | 38.92% |
| (b) Stores and Tools Consumed | | | | |
| Indegenous | 2.85 | 47.20% | 3.83 | 54.67% |
| Imported | 3.19 | 52.80% | 3.17 | 45.33% |
| (c) CIF value of Imports (Including Inter Unit Purchases) | | | | |
| Raw Materials | 322.57 | | 307.69 | |
| Stores & Consumables & Spares | 2.05 | | 2.82 | |
| Finished Goods | 9.65 | | - | |
| Fixed Assets | 1.84 | | 2.31 | |
| | 336.10 | | 312.83 | |

Notes to the standalone financial statements for the year ended March 31, 2021 (Contd.)

| | As at March 31, 2021 | As at March 31, 2020 |
|---|-------------------------|-------------------------|
| 31 Earnings per share | | |
| Net Profit attributable to equity shareholders | 5.79 | 35.34 |
| Weighted average number of equity shares outstanding during the year | 30,02,000 | 30,02,000 |
| Basic and diluted earnings per share of face value of Rs 10 each, fully paid up | 1.93 | 11.77 |
| 32 Lease Disclosures | | |
| a. Operating lease: Company as lessee | | |
| Company have entered into lease agreement and taken premises on lease for 24 to 60 months, which are in the nature of operating lease | | |
| Particulars | | |
| Lease expenses recognised in the statement of profit and loss for the year | 2.26 | 3.15 |
| Future Minimum Lease Payment | | |
| Future Lease rent payable upto one year | 1.05 | 2.08 |
| Future Lease rent payable more than year but less than five year | 2.10 | 3.15 |
| Future lease rent payable more than five year | - | - |
| b. Operating sublease: Company as lessor | | |
| Company have entered into sub-lease agreement for 12 months, which are in the nature of operating lease. | | |
| Lease income recognised in the statement of profit and loss for the year | 0.66 | 0.73 |

33 Related party disclosures

A. Names of related parties and description of their relation Parties where control exists:

| Name of the Related Party | Nature of Relationship |
|--|--|
| Subsidiary and Associate Companies | |
| Shantivijay Jewels International Ltd - Mauritius | Wholly owned subsidiary company |
| Shantivijay Impex DMCC, Dubai (Subsidiary of Shantivijay Jewels International Ltd) | Wholly owned fellow subsidiary company |
| Diamondere Inc USA | Significant Influence of Director |
| Precious Gems Pvt. Ltd | Significant Influence of Director |
| Light Bite Foods Private Ltd | Significant Influence of Director |
| Diamondere Pvt Ltd | Significant Influence of Director |
| Key Managerial Person ('KMP') | |
| Shree Pradeep Kumar Godha - | Chairman & Managing Director |
| Shree Anurag Godha - | Vice Chairman & Managing Director |
| Relatives of Key Management Personnel and Associates | |
| Smt Rajrani Godha | Relative of Key managerial personnel |
| Smt Sudha Godha | Relative of Key managerial personnel |
| Smt Namita Godha | Relative of Key managerial personnel |
| Shree Varun Godha | Relative of Key managerial personnel |
| Shree Anish Godha | Relative of Key managerial personnel |
| Smt Deepika Godha | Relative of Key managerial personnel |

Notes to the standalone financial statements for the year ended March 31, 2021 (Contd.)

Related parties with whom transactions have taken place during the year:

| Name of the Related Party | Nature of Relationship |
|--|--|
| Subsidiary and Associate Companies | |
| Shantivijay Impex DMCC, Dubai (Subsidiary of Shantivijay Jewels International Ltd) | Wholly owned fellow subsidiary company |
| Diamondere Inc USA | Significant Influence of Director |
| Light Bite Foods Private Ltd | Significant Influence of Director |
| Diamondere Pvt Ltd | Significant Influence of Director |
| Key Managerial Person ('KMP') | |
| Shree Pradeep Kumar Godha | Chairman & Managing Director |
| Shree Anurag Godha | Vice Chairman & Managing Director |
| Relatives of Key Management Personnel and Associates | |
| Smt Rajrani Godha | Relative of Key managerial personnel |
| Smt Sudha Godha | Relative of Key managerial personnel |
| Smt Namita Godha | Relative of Key managerial personnel |
| Shree Varun Godha | Relative of Key managerial personnel |
| Shree Anish Godha | Relative of Key managerial personnel |
| Smt Deepika Godha | Relative of Key managerial personnel |

B. Transactions with related parties

| Name of the Related Party | Nature of Relationship | Nature of Transaction | For the year ended March 31, 2021 | For the year ended March 31, 2020 |
|-------------------------------|--|---------------------------------------|-----------------------------------|-----------------------------------|
| Shantivijay Impex DMCC, Dubai | Wholly owned fellow subsidiary company | Sales | 13.30 | 10.16 |
| Shantivijay Impex DMCC, Dubai | | Purchases | 194.46 | 191.52 |
| Diamondere Inc USA | Significant Influence of Director | Sales | 20.49 | 1.81 |
| Diamondere P Ltd | Significant Influence of Director | Sales & Labour | 20.78 | 48.32 |
| Diamondere P Ltd | Significant Influence of Director | Rent | 0.66 | 0.73 |
| Diamondere P Ltd | Significant Influence of Director | Purchases | 6.61 | - |
| Light Bite Foods P Ltd | Significant Influence of Director | Investment in Shares | - | - |
| Pradeep Kumar Godha | Managing Director | Remuner+perks | 6.27 | 6.11 |
| Anurag Godha | Managing Director | Remuner+perks | 6.32 | 5.95 |
| Rajrani Godha | Relative of Director | Rent paid | 0.12 | 0.12 |
| Light Bite Foods P Ltd | Significant Influence of Director | Diminution in the value of investment | 7.20 | - |
| Sudha Godha | Relative of Director | Remuneration +Bonus | 0.42 | 0.58 |
| Namita Godha | Relative of Director | Remuneration +Bonus | 0.42 | 0.58 |
| Deepika Godha | Relative of Director | Remuneration +Bonus | 0.31 | 0.43 |

C. Details of balances receivable / (payable) to related parties

| | | As at March 31, 2021 | As at March 31, 2020 |
|---|--|----------------------|----------------------|
| Trade Receivable | | | |
| Diamondere P Ltd | Significant Influence of Director | - | 12.94 |
| Diamondere P Ltd | Significant Influence of Director | - | 0.20 |
| Diamondere Inc USA | Significant Influence of Director | 4.24 | 1.96 |
| Trade Payable | | | |
| Shantivijay Impex DMCC, Dubai | Wholly owned fellow subsidiary company | (44.48) | (47.16) |
| Rent payable | | | |
| Rajrani Godha | Relative of Director | (0.22) | (0.20) |
| Remuneration payable | | | |
| Pradeep Kumar Godha | Managing Director | (0.36) | (0.54) |
| Anurag Godha | Managing Director | (0.10) | (0.42) |
| Sudha Godha | Relative of Director | (0.12) | (0.13) |
| Namita Godha | Relative of Director | (0.13) | (0.14) |
| Deepika Godha | Relative of Director | (0.09) | (0.10) |
| Security deposit paid | | | |
| Rajrani Godha | Relative of Director | 12.00 | 12.00 |
| Surety given to Company's banker by Third parties (Market Price) | | | |
| Rajrani Godha | Relative of Director | 45.57 | 44.10 |

Notes to the standalone financial statements for the year ended March 31, 2021 (Contd.)

34 Employee benefits

a. Defined contribution plans

The Company makes contributions determined as a specified percentage of employees' salary in respect of qualifying employees towards Provident Fund and Employees State Insurance Corporation which are defined contribution plans. The contributions are charged to statement of profit and loss as they accrue. The Company has recognised the following amount as an expense and included in the Note 24 under "Contribution to provident fund":

| | For the year ended March 31, 2021 | For the year ended March 31, 2020 |
|---|--------------------------------------|--------------------------------------|
| Contribution to provident and other funds | 3.03 | 3.36 |
| Total | 3.03 | 3.36 |

b. Defined benefit plans

Gratuity

Company have opted for Group Gratuity Scheme with LIC of India ; Company's contribution based on a actuarial valuation by LIC is charged to Profit and Loss Account . Company have made provision for Gratuity for the employees who are not covered by LIC 's Group Gratuity scheme.

The amount to be recognized in Balance Sheet

| | As at March 31, 2021 | As at March 31, 2020 |
|--|-------------------------|-------------------------|
| Present value of the defined benefit obligation at the end of the year | 15.11 | 14.31 |
| Fair value of plan assets | 0.19 | 0.78 |
| Plan asset / (liability) | 14.93 | 13.53 |

Changes in the present value of the defined benefit obligation are as follows:

| | | |
|---|-------------|-------------|
| Defined benefit obligation at beginning of the year | 14.31 | 10.69 |
| Current service cost | 1.05 | 0.64 |
| Interest cost | 1.04 | 0.80 |
| Actuarial (Gains)/Losses | -0.65 | 2.39 |
| Sub-total included in statement of profit and loss | 1.44 | 3.83 |

| | | |
|---------------|--------|--------|
| Benefits paid | (0.64) | (0.21) |
|---------------|--------|--------|

| | | |
|--|--------------|--------------|
| Defined benefit obligation at the end of the year | 15.11 | 14.31 |
|--|--------------|--------------|

Changes in the fair value of plan assets are as follows:

| | | |
|-----------------------------------|-------------|-------------|
| Opening fair value of plan assets | 0.78 | 0.81 |
| Expected return | 0.04 | 0.02 |
| Contributions by employer | 0.00 | 0.16 |
| Benefits paid | (0.64) | (0.21) |
| Actuarial gains / (losses) | 0.00 | 0.00 |
| Closing fair value of plan assets | 0.18 | 0.78 |

Expense recognised in Statement of Profit and Loss

| | | |
|--|-------------|-------------|
| Current service cost | 1.05 | 0.64 |
| Interest cost on benefit obligation | 1.04 | 0.80 |
| Expected return on plan assets | (0.04) | (0.02) |
| Net actuarial (gain) / loss recognized in the year | (0.65) | 2.39 |
| Net benefit expense | 1.40 | 3.81 |

Following table summarises the key assumptions used for actuarial valuation of gratuity obligations for each reporting year:

Actuarial assumptions

| | | |
|-------------------------|------------|------------|
| Discount rate | 7.00% p.a. | 7.25% p.a. |
| Future salary increases | 5% p.a. | 5% p.a. |

Leave encashment

Accrued leave salary is estimated and provided on accrual basis. The expense is recognised at present value of amount payable to employees. Total Liability for leave salary outstanding at year end rate is Rs. 1.76 Million (March 31, 2020 Rs. 1.55 Million)

Notes to the standalone financial statements for the year ended March 31, 2021 (Contd.)

35 Impact of Covid-19 Crisis

The Company has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of property, plant and equipment, investments, inventory, receivable and other current assets. In developing the assumptions relating to the possible future uncertainties in the global economic condition because of the pandemic, the Company, as at the date of the approval of these financial statements has used internal and external sources on the expected future performance of the Company. The management of the Company has exercised due care in concluding significant accounting judgements and estimates in preparation of financial statements. Based on current indicators of future economic conditions, the Company expects the carrying amount of these assets will be recovered and sufficient liquidity is available to fund the business operations. Given the uncertainty because of COVID-19, the final impact on the Company's assets in future may differ from that estimated as at the date of approval of these financial statements.

36 Delay in receipt and payment of foreign currency against export and imports

Foreign currency dues outstanding for more than 15 months and receivables for more than 12 months: As at March 31, 2021, the Company has Trade receivable and payable balances of Rs. 90.31 Million and Rs. 55.23 Million respectively, which includes receivable of Rs. 12.86 Million for more than fifteen months and payable of Rs. 5.91 Million for more than twelve months respectively. The Company is taking necessary steps to remit the overdue payable and receive the overdue receivables. Since the liability on account of non-compliance with the provisions of the Foreign Exchange Management Act cannot be presently determined, no provision for any liability that may result on such non-compliance has been made in the financial statements.

37 Segment reporting

The primary segment reporting format is determined to be business segment. The Company is engaged in only one segment i.e Gems and Jewellery business . The Company's Geographical Segment are as under:

| Country | Sales for the year | | Balance receivables as at | |
|----------------|--------------------|-----------------|---------------------------|----------------|
| | March 31, 2021 | March 31, 2020 | March 31, 2021 | March 31, 2020 |
| Exports | | | | |
| U.S.A. | 189.30 | 397.05 | 37.38 | 76.91 |
| Europe | 680.03 | 514.45 | 11.90 | 12.24 |
| Middle East | 52.27 | 67.55 | 39.68 | 59.85 |
| Others | 3.17 | 7.92 | 1.35 | 2.96 |
| Local Sales | 39.58 | 92.59 | 22.35 | 35.62 |
| Total | 964.36 | 1,079.56 | 112.65 | 187.58 |

38 Dues to Micro and Small Enterprise

Under the Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED') which came in to force from 2 October, 2006, certain disclosures are required to be made relating to dues to Micro and Small enterprises. On the basis of information and records available with the Management, the following disclosures are made for the amounts due to Micro and Small enterprises:

| | As at March 31, 2021 | As at March 31, 2020 |
|---|-------------------------|-------------------------|
| The amounts remaining unpaid to micro and small suppliers as at the end of the year | | |
| - Principal | 0.59 | 16.85 |
| - Interest | - | - |
| Amount of interest paid by the Company in terms of Section 16 of the MSMED, along with the amount of payment made to the supplier beyond the appointed day during the accounting year. | - | - |
| The amount of the payments made to micro and small suppliers beyond the appointed day during each accounting year. | - | - |
| Amount of interest due and payable for the delay in making payment (which have been paid but beyond the appointed day during the year) but without adding interest specified under MSMED. | - | - |
| Amount of interest accrued and remaining unpaid at the end of the accounting year. | - | - |
| The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under Section 23 of the MSMED Act, 2006. | - | - |

Notes to the standalone financial statements for the year ended March 31, 2021 (Contd.)

39 Accounting for deferred tax

The Deferred Tax Liability has arisen mainly on account of timing difference between Depreciation admissible under Income Tax Rules and Depreciation in Books.

Major components of Deferred Tax Liability is arising on account of timing difference as under :

| | As at March 31, 2021 | As at March 31, 2020 |
|--|---------------------------------|-------------------------|
| Assets | | |
| Difference between Book & Tax Depreciation | 1.40 | 1.78 |
| Less : Provision for Gratuity | (0.09) | (0.15) |
| Net Deferred tax assets | 1.31 | 1.63 |
| Net Deferred tax assets (Rounded off to nearest Rs.'000) | 1.31 | 1.63 |
| Net deferred tax charged / (credit) | (0.31) | (0.42) |

40 Information with regard to other matters specified in Schedule III is either Nil or not applicable to the Company.

41 Previous year's figures have been regrouped / reclassified wherever necessary to correspond with current year's classification.

As per our report of even date attached.

For B.F.Chordia & Co.

Chartered Accountants

ICAI Firm's Registration No: 101914W

Sd/-

B.F.Chordia

Proprietor

Membership No . 09026

Place: Mumbai

Date: August 27, 2021

**For and on behalf of the Board of Directors of
Shantivijay Jewels Limited**

CIN: U36910MH1980PLC023289

Sd/-

P.K.GODHA

Chairman & M.D

DIN No: 00008194

Place: Mumbai

August 27, 2021

Sd/-

A.K.GODHA

Vice Chairman & M.D

DIN No: 00008224

Place: Mumbai

August 27, 2021

Standalone Cash flow statement for the year ended March 31, 2021

(All amounts in ₹ million, unless otherwise stated)

| | As at March 31, 2021 | As at March 31, 2020 |
|--|-------------------------|-------------------------|
| Cash Flows from operating activities | | |
| Profit before tax | 10.64 | 42.85 |
| Adjustments for: | | |
| Depreciation and amortization expense | 5.74 | 5.64 |
| Interest expense | 7.57 | 7.34 |
| Interest income | (2.03) | (1.36) |
| Bad debts written off | 0.17 | - |
| Provision for diminution in the value of non-current investments | 7.20 | - |
| Excess provision for expenses written back | (0.22) | (0.07) |
| Gain on Foreign currency transaction/translation | (1.50) | - |
| Operating Profit before working capital changes | 27.57 | 54.40 |
| Changes in working capital: | | |
| Increase in trade payables | (8.50) | 48.79 |
| Increase in other liabilities | 0.13 | 0.81 |
| Increase in provisions | (0.70) | 0.34 |
| (Increase) in trade receivables | 75.10 | (34.75) |
| (Increase) in loans and advances | 5.40 | 1.56 |
| (Increase) in Inventories | (19.57) | (51.89) |
| Cash generated from operations | 79.43 | 19.25 |
| Income tax paid, net of refund received | (2.08) | (2.67) |
| Net cash flows used in operating activities | 77.35 | 16.58 |
| Cash Flows from investing activities | | |
| Purchase of Property, Plant and Equipment and intangible assets | (7.04) | (14.39) |
| Sale /Impairment of property, plant and equipment | 0.21 | 0.04 |
| Interest received from bank deposits and income tax | 2.09 | 1.35 |
| Dividend received | - | 0.01 |
| Sale of investments | - | 0.18 |
| (Purchase)/proceeds from Investment in other bank balances, net | (14.71) | (0.53) |
| Net cash used in investing activities | (19.45) | (13.34) |
| Cash Flows from financing activities | | |
| Repayment of long-term borrowings | (2.20) | (1.12) |
| Repayment of short-term borrowings, net | (30.57) | (3.02) |
| Interest paid | (7.57) | (7.34) |
| Net cash from in financing activities | (40.34) | (11.48) |
| Net increase in cash and cash equivalents | 17.57 | (8.24) |
| Cash and cash equivalents at the beginning of the year | 2.78 | 11.02 |
| Cash and cash equivalents at the end of the year (refer note 16) | 20.35 | 2.78 |

The accompanying notes from 1 to 41 are an integral part of these standalone financial statements.

As per our report of even date attached.

For B.F.Chordia & Co.

Chartered Accountants

ICAI Firm's Registration No: 101914W

Sd/-

B.F.Chordia

Proprietor

Membership No. 09026

Place: Mumbai

Date: August 27, 2021

**For and on behalf of the Board of Directors of
Shantivijay Jewels Limited**

CIN: U36910MH1980PLC023289

Sd/-

P.K.GODHA

Chairman & M.D

DIN No: 00008194

Sd/-

A.K.GODHA

Vice Chairman & M.D

DIN No: 00008224

Place: Mumbai

August 27, 2021

Place: Mumbai

August 27, 2021

INDEPENDENT AUDITOR'S REPORT

To the Members of Shantivijay Jewels Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

1. We have audited the accompanying Consolidated financial statements of Shantivijay Jewels Limited ("the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), as listed in Annexure A, which comprise the Consolidated Balance Sheet as at March 31, 2021, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year then ended on that date, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Group as at March 31, 2021, and its loss and its cash flows for the year ended on that date.

Basis for Opinion

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

Other information

4. The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's report but does not include the consolidated financial statements and our auditor's report thereon.

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

In connection with our audit of the Consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Emphasis of Matter

5. Attention is invited to note no.31 of the consolidated financial statements regarding the uncertainties arising out of the outbreak of COVID-19 pandemic and the assessment made by the management of its business and financial records, including valuation of assets and solvency for the year ended March 31, 2021. This assessment and the outcome of the pandemic is 'as made' by the management and is highly dependent on the circumstances as they evolve in the subsequent periods. Our opinion is not modified in respect of this matter.
6. We draw attention to Note 32 of the consolidated financial statements, which states that as at March 31, 2021, the Holding Company has trade receivable and payable balances of Rs. 90.31 Million and Rs. 55.23 Million respectively, which includes receivable of Rs. 12.86 Million for more than fifteen months and payable of Rs. 5.91 Million for more than twelve months, respectively. Since the liability on account of non-compliance with

the provisions of the Foreign Exchange Management Act ("FEMA") cannot be presently determined, no provision for any liability that may result on such non-compliance has been made in these consolidated financial statements.

Our opinion is not modified in respect of this matter.

Responsibilities of management and those charged with governance for the financial statements

7. The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting standards 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 the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.
8. In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so. The Holding Company's Board of Directors are also responsible for overseeing the Group's financial reporting process.

Auditor's Responsibility for the Audit of the Financial Statements

9. Our objectives are to obtain reasonable assurance about whether these consolidated 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 consolidated financial statements.
10. 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 these consolidated 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 financial 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. Under section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls;
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
 - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit

evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group'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 these consolidated 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 these consolidated financial statements, including the disclosures, and whether these consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
11. 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.
12. 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

13. We did not audit the financial statements of the Subsidiary Companies, Shantivijay Jewels International Limited and its Subsidiary Shantivijay Impex DMCC, Dubai whose consolidated financial statements reflect total assets of Rs. 431.51 Million and net assets of Rs 281.96 Million as at March 31, 2021 and total revenues of Rs. 389.07 Million and net cash inflows amounting to Rs 17.21 Million for the year then ended as considered in these consolidated financial statement. These financial statements have been audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included in respect of these subsidiary and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, are based solely on the reports of the other auditors.

Our opinion above on the consolidated financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matter with respect to our reliance on the work done by and the reports of the other auditors

Report on Other Legal and Regulatory Requirements

14. As required by Section 143(3) of the Act, based on our audit we report that:
- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The consolidated balance sheet, consolidated statement of profit and loss and consolidated statement of cash flows dealt with by this report are in agreement with the books of account.
 - d) In our opinion, the aforesaid consolidated financial statements comply with the accounting standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014
 - e) on the basis of the written representations received from the directors of the Holding Company and taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, covered under the Act, none of the directors of the Group companies covered under the Act, are disqualified as on 31 March 2021 from being appointed as a director in terms of Section 164(2) of the Act;
 - f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies, covered under the Act, and the operating effectiveness of such controls, refer to our separate report in 'Annexure B; and

- g) With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries:

- i. The Group does not have any pending litigations and hence no such impact is disclosed on its financial position in its consolidated financial statements.
- ii. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary Companies covered under the Act, during the year ended March 31, 2021.
- iv. The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company and its subsidiary Companies covered under the Act to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company and its subsidiary Companies covered under the Act ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- v. The management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the Holding Company and its subsidiary Companies covered under the Act from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, 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 provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- vi. Based on our audit procedures, we considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (g) (iv) and (v) contain any material misstatement.
- vii. The Holding company has not declared or paid any dividend during the year.

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

In our opinion, the managerial remuneration for the year ended March 31, 2021 has been paid/provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act.

For B.F. Chordia & Co.
Chartered Accountants
ICAI Firm Registration No: 101914W
Sd/-
B F Chordia
Proprietor
Membership No.: 09026
UDIN: 21009026AAAAAT4325
Place: Mumbai
Date: 27.08.2021

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT**Annexure A****List of entities included in the Consolidated financial statement****Subsidiaries (including step down subsidiary)**

1. Shantivijay Jewels International Limited and
2. Shantivijay Impex DMCC

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT**(Referred to in paragraph 14(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date**

1. In conjunction with our audit of the consolidated financial statements of Shantivijay Jewels Limited ('the Holding Company') and its subsidiary Companies (the Holding Company and its subsidiaries together referred to as 'the Group') as at and for the year ended March 31, 2021, we have audited the internal financial controls with reference to financial statements of the Holding and its subsidiary Companies, which are Companies covered under the Act, as at that date.

Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

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

Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Financial Statements

3. Our responsibility is to express an opinion on the internal financial controls with reference to financial statements of the Holding Company and its subsidiary Companies as aforesaid, based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the ICAI prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements includes obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies, as aforesaid

Meaning of Internal Financial Controls with Reference to Financial Statements

6. A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

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

Opinion

8. In our opinion and based on the consideration of the reports of the other auditors on internal financial controls with reference to financial statements of the subsidiary companies, the Holding Company and its subsidiary companies, which are companies covered under the Act, have in all material respects, adequate internal financial controls with reference to financial statements and such controls were operating effectively as at 31 March 2021, based on the internal financial controls with reference to financial statements criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

Other matter

9. We did not audit the internal financial controls with reference to financial statements in so far as it relates to Shantivijay Jewels International Limited and its Subsidiary Shantivijay Impex DMCC, whose financial statements reflect total assets of Rs.431.51 Million and net assets of Rs 281.96 Million as at 31 March 2021, total revenues of Rs. 389.07 Million and net cash inflows amounting to Rs. 17.21 Million for the year ended on that date, as considered in the consolidated financial statements. The internal financial controls with reference to financial statements in so far as it relates to such subsidiary companies, have been audited by other auditors whose reports have been furnished to us by the management and our report on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements for the Holding Company and its subsidiary companies, as aforesaid, under Section 143(3)(i) of the Act in so far as it relates to such subsidiary companies, is based solely on the reports of the auditors of such companies. Our opinion is not modified in respect of this matter with respect to our reliance on the work done by and on the reports of the other auditors

For B.F. Chordia & Co.

Chartered Accountants
ICAI Firm Registration No: 101914W

Sd/-

B F Chordia

Proprietor
Membership No.: 09026
UDIN: 21009026AAAAAT4325
Place: Mumbai
Date: 27.08.2021

Consolidated Balance Sheet as at March 31, 2021

(All amounts in ₹ million, unless otherwise stated)

| Particulars | Note | As at March 31, 2021 | As at March 31, 2020 |
|--|------|-------------------------|-------------------------|
| I. EQUITY AND LIABILITIES | | | |
| 1. Shareholder's Funds | | | |
| (a) Share Capital | 3 | 30.02 | 30.02 |
| (b) Reserves and Surplus | 4 | 516.59 | 530.42 |
| 2. Non-Current Liabilities | | | |
| (a) Long-term Borrowings | 5 | 8.65 | 10.62 |
| (b) Long-term provisions | 6 | 0.49 | 2.09 |
| 3. Current Liabilities | | | |
| (a) Short-term borrowings | 7 | 133.64 | 164.21 |
| (b) Trade payables | 8 | | |
| dues to Micro enterprises and small enterprises ('MSME') | | 0.59 | 16.85 |
| dues to others | | 242.89 | 246.07 |
| (c) Other current liabilities | 9 | 3.33 | 3.87 |
| (d) Short-term provisions | 10 | 5.40 | 4.38 |
| Total | | 941.60 | 1,008.53 |
| II. ASSETS | | | |
| 1. Non-current assets | | | |
| (a) <i>Property, plant and equipments</i> | | | |
| (i) Tangible assets | 11 | 43.05 | 49.14 |
| (ii) Intangible assets | 11 | 5.40 | 3.59 |
| (b) Non-current investments | 12 | 2.30 | 9.50 |
| (c) Deferred tax assets (net) | 36 | 1.31 | 1.63 |
| (d) Long term loans and advances | 13 | 50.49 | 57.69 |
| 2. Current assets | | | |
| (a) Inventories | 14 | 506.33 | 490.32 |
| (b) Trade receivables | 15 | 232.04 | 349.09 |
| (c) Cash and cash equivalents | 16 | 45.99 | 11.71 |
| (d) Other bank balances | 17 | 23.49 | 8.78 |
| (d) Short-term loans and advances | 18 | 29.64 | 26.58 |
| (e) Other current assets | 19 | 1.55 | 0.50 |
| Total | | 941.60 | 1,008.53 |

The accompanying notes from 1 to 38 are an integral part of these consolidated financial statements.

As per our report of even date attached.

For B.F.Chordia & Co.

Chartered Accountants

ICAI Firm's Registration No: 101914W

Sd/-

B.F.Chordia

Proprietor

Membership No . 09026

**For and on behalf of the Board of Directors of
Shantivijay Jewels Limited**

CIN: U36910MH1980PLC023289

Sd/-

Sd/-

P.K.GODHA

A.K.GODHA

Chairman & M.D

Vice Chairman & M.D

DIN No: 00008194

DIN No: 00008224

Place: Mumbai

Date: August 27, 2021

Place: Mumbai

August 27, 2021

Place: Mumbai

August 27, 2021

Consolidated statement of Profit and Loss for the year ended March 31, 2021

(All amounts in ₹ million, unless otherwise stated)

| Particulars | Note | For the year ended March 31, 2021 | For the year ended March 31, 2020 |
|--|------|--------------------------------------|--------------------------------------|
| Revenue from operations | 20 | 1,146.52 | 1,440.23 |
| Other Income | 21 | 13.38 | 34.38 |
| Total Revenue | | 1,159.89 | 1,474.61 |
| Expenses: | | | |
| Cost of materials consumed | 22 | 990.60 | 862.56 |
| Purchase of Stock-in-Trade | 22 | 19.92 | 18.41 |
| Changes in inventories of finished goods | 23 | (23.31) | 359.84 |
| Employee benefit expense | 24 | 46.55 | 53.47 |
| Financial costs | 25 | 7.57 | 7.34 |
| Depreciation and amortization expense | 11 | 6.27 | 6.16 |
| Other expenses | 26 | 105.88 | 113.10 |
| Total Expenses | | 1,153.47 | 1,420.89 |
| Profit before extraordinary items and tax | | 6.42 | 53.72 |
| Extraordinary Items | | | |
| Diminution in value of Investments | | 7.20 | - |
| (Loss) / Profit before tax | | (0.78) | 53.72 |
| Tax expense: | | | |
| Current tax | | 4.54 | 7.09 |
| Deferred tax charged / (credit) | 36 | 0.31 | 0.42 |
| | | 4.85 | 7.50 |
| (Loss) / profit for the year | | (5.63) | 46.22 |
| Earning per equity share: | | | |
| Equity share of par value of Rs. 10/- each Basic & Diluted | 28 | (1.88) | 15.39 |

The accompanying notes from 1 to 38 are an integral part of these consolidated financial statements.

As per our report of even date attached.

For B.F.Chordia & Co.

Chartered Accountants

ICAI Firm's Registration No: 101914W

Sd/-

B.F.Chordia

Proprietor

Membership No . 09026

Place: Mumbai

Date: August 27, 2021

For and on behalf of the Board of Directors of

Shantivijay Jewels Limited

CIN: U36910MH1980PLC023289

Sd/-

P.K.GODHA

Chairman & M.D

DIN No: 00008194

Place: Mumbai

August 27, 2021

Sd/-

A.K.GODHA

Vice Chairman & M.D

DIN No: 00008224

Place: Mumbai

August 27, 2021

Notes to the consolidated financial statements for the year ended March 31, 2021

(All amounts in ₹ million, unless otherwise stated)

1 (a) Company overview

Shantivijay Jewels Limited (the 'Parent Company', 'Holding Company' or 'Group') was incorporated on October 14, 1980, having registered office G-37, Gems & Jewellery Complex, Building No:III, Seepz Andheri (East), Mumbai - 400 096. Group is engaged in Manufacturing, Local and exports of wide range of studded gold jewellery and Diamond and Precious stones.

1 (b) Principles of consolidation

The Consolidated financial statements relates to Shantivijay Jewels Limited and its wholly owned Subsidiary Company Shantivijay Jewels International Limited, Mauritius and it's Subsidiary Shantivijay Impex DMCC, Dubai. The consolidated financial statements have been prepared on the following basis.

The Financial statements of the Company and its Subsidiary Companies have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions resulting in unrealised profits or losses.

As far as possible, the consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the companies separate financial statements.

The Subsidiary Companies considered in the consolidated financial statements are,

| Name of the Company | Country of Incorporation | % of Voting Power held as at 31.03.2021 |
|--|---------------------------------|--|
| Shantivijay Jewels International Ltd - Mauritius | Mauritius | 100% |
| Shantivijay Impex DMCC, Dubai (Subsidiary of Shantivijay Jewels International Ltd) | Dubai | 100% |

2 Summary of significant accounting policies

The accounting policies set out below have been applied consistently to the years presented in these consolidated financial statements.

2 Basis of preparation of consolidated financial statements**a. Basis of accounting:**

The consolidated financial statements have been prepared and presented under the historical cost convention, on the accrual basis of accounting unless otherwise stated hereinafter, in accordance with the provisions of the Act and accounting principles generally accepted in India ('Indian GAAP') and comply with the Accounting Standards ('AS') specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Accounting Standard) Amendment Rules, 2016 to the extent applicable. The consolidated financial statements are presented in Indian rupees (INR).

b. Use of estimate:

The preparation of consolidated financial statements in conformity with Generally Accepted Accounting Principles ('GAAP') in India requires management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses and the disclosure of contingent liabilities on the date of the financial statements and the reported amounts of income and expenses during the reported year. Actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Any revision to accounting estimates is recognised prospectively in current and future years.

c. Current/Non Current Classification:

Any asset or liability is classified as current if it satisfies any of the following conditions:

- it is expected to be realized or settled or is intended for sale or consumption in the Group normal operating cycle
- it is expected to be realized or settled within twelve months from the reporting date;
- in the case of an asset

Notes to the consolidated financial statements for the year ended March 31, 2021 (Contd.)

- it is held primarily for the purpose of being traded; or
 - 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 date;
- iv. in the case of a liability, the Group does not have an unconditional right to defer settlement of the liability for at least twelve months from the reporting date

All other assets and liabilities are classified as non-current.

For the purpose of current/non-current classification of assets and liabilities, the Group has ascertained its normal operating cycle as twelve months. This is based on the nature of services and the time between the acquisition of assets or inventories for processing and their realization in cash and cash equivalents.

d. **Property, plant and equipment:**

Property, plant and equipment are stated at cost less accumulated depreciation. The cost of property, plant and equipment comprises of purchase price, taxes, duties, freight and any directly attributable cost of bringing the assets to working condition for its intended use. Rubber moulds of small value have not been capitalised and considered as consumables and charged to revenue.

Subsequent expenditure is related to an item of tangible fixed assets are added to its book value only if they increase future benefits from the existing asset beyond its previously assessed standard of performance.

An item of property, plant and equipment is eliminated from statements on 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 net disposal proceeds and the carrying amount of the asset and is recognised in the statement of profit and loss.

Depreciation

Depreciation on fixed assets is calculated on Straight Line Method using the rates arrived at based on the estimated useful lives given in Schedule II of the Companies Act, 2013. Depreciation on additions to or on disposal of assets is calculated on pro-rata basis.

| Assets | Useful life (in years) |
|------------------------|------------------------|
| Buildings | 30 |
| Plant and equipments | 15 |
| Office Equipment | 5 |
| Computers | 3 |
| Furniture and Fixtures | 10 |
| Vehicles | 8 |

e. **Intangible assets**

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses, if any. Intangible assets are amortised on a straight line basis over the estimated useful economic life. Computer Software is amortized over a period of Five Years in equal installments. The amortisation period and amortisation method are reviewed at least at each consolidated financial year end.

Gains or losses arising from derecognition of an intangible assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of income and expenditure when the asset is derecognised.

f. **Impairment of tangible and intangible assets**

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value

Notes to the consolidated financial statements for the year ended March 31, 2021 (Contd.)

using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. After impairment, depreciation is provided on revised carrying amount of the asset over its remaining useful life.

g. Investments

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties. If an investment is acquired, or partly acquired, by the issue of shares or other securities, the acquisition cost is the fair value of the securities issued. If an investment is acquired in exchange for another asset, the acquisition is determined by reference to the fair value of the asset given up or by reference to the fair value of the investment acquired, whichever is more clearly evident.

Current investments are carried in the consolidated financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

h. Leases

Where the company is lessee

Lease rentals on assets taken on operating lease are recognised as expense in the Statement of Profit and Loss on over the lease term.

Where the company is the lessor

Sub-lease income on an operating lease is recognized in the statement of profit and loss on a straight-line basis over the lease term. Costs, including depreciation, are recognized as an expense in the statement of profit and loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognized immediately in the statement of profit and loss.

i. Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized:

Sale of traded goods

Revenue from sale of goods is recognised at the point in time when control of the asset is transferred to the customer, generally on delivery of the goods / point of dispatch.

Rendering of labour services

Revenue from services are recognised as and when services are rendered to customers.

Interest income

Interest is recognised using the time proportion basis taking into account the amount outstanding and the interest rate applicable.

j. Input Tax Credit:

Input credit of Goods and Services tax (GST) is recognized in the year in which the underlying service rendered is accounted and when there is no uncertainty in availing / utilising the credit.

k. Inventories

Inventories are valued at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less estimated costs of completion and estimated costs necessary to make the sale.

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

1. Raw Material: Lower of cost or net realisable value. Cost is determined on first in first out ('FIFO') basis.
2. Finished goods: Lower of cost or net realisable value. Cost is determined on FIFO basis, includes direct material and labour expenses and appropriate proportion of manufacturing overheads based on the normal capacity for manufactured goods.
3. Stock in Trade (Exports of Diamond and Pr stones) : Lower of cost or net realisable value. Cost is determined on first in first out ('FIFO') basis.

Notes to the consolidated financial statements for the year ended March 31, 2021 (Contd.)

4. Loose Tools: Lower of the cost or net realisable value. Inventory of spares, Rubber Moulds and consumables are not valued and are charged to revenue.

i. Taxation

Income-tax expense comprises current tax (i.e. amount of tax for the year determined in accordance with the income-tax law) and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the year). Income-tax expense is recognised in Statement of profit and loss.

Current tax

Provision for current tax is recognised in accordance with the provisions of the Income tax Act, 1961 and is made based on the tax liability using the applicable tax rates and tax laws after taking credit for tax allowances and exemptions.

Deferred tax

Deferred income tax assets and liabilities are recognised for all temporary differences arising between the tax base of assets and liabilities and their carrying amounts in the consolidated financial statements. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised. Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognised as income or expense in the year that includes the enactment or the substantive enactment date.

Deferred tax asset is recognised only to the extent there is reasonable certainty that the assets can be realised in future; however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax asset is recognised only if there is a virtual certainty of realisation of such asset. Deferred tax asset is reviewed as at each Balance sheet date and written down or written up to reflect the amount that is reasonably / virtually certain to be realised.

m. Employee benefits

Short term employee benefits

Employee benefits payable wholly within twelve months of availing employee services are classified as short-term employee benefits. These benefits include salaries and wages, bonus and ex-gratia. The undiscounted amount of short term employee benefits such as salaries and wages, bonus and ex-gratia to be paid in exchange of employee services are recognised in the year in which the employee renders the related service.

Defined contribution plans

Contributions payable to the recognised provident fund, which is a defined contribution scheme, is made monthly predetermined to the appropriate authorities and charged to statement of profit and loss on an accrual basis. There are no other obligation other than contribution payable to the respective fund.

Defined benefit plans

Gratuity a defined benefit scheme, is accrued based on an actuarial valuation at the balance sheet date, carried out by an independence actuary. The present value of the obligation under such defined benefit plan is determined based on at actuarial valuation using the projected unit credit method, which recognised each year of service as giving rise to additional units of employee benefit entitlement and measure each unit separately to build up the final obligation.

Compensated absences

The employees of the Group are entitled to compensated absences. The employees can carry forward a portion of the unutilized accumulating compensated absences and utilize it in future periods or receive cash at retirement or termination of employment

n. Earnings per share ('EPS')

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

o. Foreign currency transaction and translation

- a) Initial recognition: Transactions in foreign currencies entered into by the Group are accounted at the exchange rates prevailing on the date of the transaction. Exchange differences arising on foreign exchange transactions settled during the year are recognized in the Statement of Profit and Loss.
- b) Measurement of foreign currency items at the Balance Sheet date: Foreign currency monetary items of the Group

Notes to the consolidated financial statements for the year ended March 31, 2021 (Contd.)

are restated at the closing exchange rates. Non-monetary items are recorded at the exchange rate prevailing on the date of the transaction. Exchange differences arising out of these translations are recognized in the Statement of Profit and Loss.

p. Provisions and contingencies

Provisions are recognised when the Group has a present obligation as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation and the amount can be reasonably estimated.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Loss contingencies arising from claims, litigation, assessment, fines, penalties, etc. are recorded when it is probable that a liability has been incurred and the amount can be reasonably estimated.

q. Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, demand deposits with banks/corporations and short-term highly liquid investments (original maturity less than three months) that are readily convertible into known amount of cash and are subject to an insignificant risk of change in value.

r. Cashflow Statements

Cashflows are reported using the indirect method, whereby profit for the year is adjusted for the effects of transactions non cash nature, any deferrals or accruals of past and future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cashflows from operating, investing and financing activities of the Group are segregated.

| | | As at March 31, 2021 | As at March 31, 2020 |
|--|--|-------------------------|-------------------------|
| 3 SHARE CAPITAL | | | |
| Authorised- Equity shares of Rs. 10 par value 60,00,000 Equity Shares | | 60.00 | 60.00 |
| Issued, Subscribed & Paid Up | | | |
| 30,02,000 Equity Shares of Rs. 10/- par value fully paid | | 30.02 | 30.02 |
| Total | | 30.02 | 30.02 |

(a) The Company has only one class of shares referred to as equity shares having a par value of 10/-. Each holder of equity shares is entitled to one vote per share.

(b) Names of shareholders holding more than 5% shares in the Company

| | As at March 31, 2021 No of shares | % | As at March 31, 2020 No of shares | % |
|---------------------------------|---|-------|---|-------|
| 1 Rajrani Bimalchand Godha | 8,37,607 | 27.90 | 8,37,607 | 27.90 |
| 2 Pradeepkumar Bimalchand Godha | 4,92,124 | 16.40 | 4,91,899 | 16.38 |
| 3 Anurag Bimalchand Godha | 4,89,212 | 16.30 | 4,88,987 | 16.28 |
| 4 Varun pradeep kumar Godha | 2,68,500 | 8.94 | 2,68,500 | 8.94 |
| 5 Namita Anurag Godha | 1,91,295 | 6.37 | 1,91,295 | 6.37 |
| 6 Sudha Pradeepkumar Godha | 1,88,795 | 6.29 | 1,88,795 | 6.29 |
| 7 Anish Anurag Godha | 1,51,600 | 5.05 | 1,51,600 | 5.05 |

(c) Reconciliation of the number of shares and amount of share capital outstanding at the beginning and at the end of the reporting year

| | As at March 31, 2021 No. of Shares | As at March 31, 2020 No. of Shares |
|--|---------------------------------------|---------------------------------------|
| Number of shares at the beginning and at the end | 3,002,000 | 3,002,000 |
| Add : equity shares issued during the year | - | - |
| Outstanding at the end of the year | 3,002,000 | 3,002,000 |

Notes to the consolidated financial statements for the year ended March 31, 2021 (Contd.)

| | As at March 31, 2021 | As at March 31, 2020 |
|--|-------------------------|-------------------------|
| 4 RESERVE AND SURPLUS | | |
| Security Premium Reserve | 46.80 | 46.80 |
| Capital Reserve | 20.06 | 20.06 |
| General Reserve | 108.96 | 108.96 |
| Exchange Translation reserve | | |
| Balance at the beginning of the year | 101.63 | 78.61 |
| Additions during the year | (8.20) | 23.02 |
| Balance at the end of the year | 93.43 | 101.63 |
| Surplus in the statement of Profit & Loss | | |
| Balance at the beginning of the year | 252.97 | 206.76 |
| Add : (Loss) / profit for the year | (5.63) | 46.21 |
| Balance at the end of the year | 247.34 | 252.97 |
| Total | 516.59 | 530.42 |
| 5 LONG TERM BORROWINGS (SECURED) | | |
| Loan from Non-banking financial institutions* | 0.98 | 2.36 |
| Loan from banks** (Secured by Hypothecation of Motor Cars) | 0.07 | 0.45 |
| Loan from Related Parties (Due to Jay Mathur) | 7.60 | 7.81 |
| Total | 8.65 | 10.62 |
| <p>*The Company have borrowed funds from Non- banking financial institutions. Rate of Interest on these loans ranges from 7.25 to 8.0 % , these are repayable in 36 months.</p> <p>**The Company have borrowed funds fromBanks. Rate of Interest on these loans ranges from 9.50 to 9.75 % , these are repayable in 36 months.</p> | | |
| 6 LONG TERM PROVISIONS | | |
| Provision for Employee benefits-Gratuity | 0.49 | 2.09 |
| Total | 0.49 | 2.09 |
| 7 SHORT TERM BORROWINGS | | |
| PACKING CREDIT (Secured) | 133.64 | 156.49 |
| DISCOUNTED BILLS (Secured) | - | 7.72 |
| (Against hypothecation of stocks, collaterally secured by hypothecation of Book debts & Machinery and Negative Lien of Immovable property of Bharat Diamond Bourse and Rajrani Godha, personally guaranteed by whole time directors.) | | |
| Total | 133.64 | 164.21 |
| 8 TRADE PAYABLES | | |
| Total outstanding dues of Micro enterprises and small enterprises ('MSME') (Refer note:35) | 0.59 | 16.85 |
| Total outstanding dues of creditors other than MSME | - | - |
| - related parties (Refer note: 29) | 1.01 | 1.54 |
| - Others | 241.88 | 244.53 |
| Total | 243.48 | 262.92 |

Notes to the consolidated financial statements for the year ended March 31, 2021 (Contd.)

| | As at March 31, 2021 | As at March 31, 2020 |
|--|---------------------------------|---------------------------------|
| 9 OTHER CURRENT LIABILITIES | | |
| Current maturities of long term debt | 1.77 | 2.20 |
| Other Payables # | 1.56 | 1.67 |
| Total | 3.33 | 3.87 |
| # Includes Statutory dues & security deposit | | |
| 10 SHORT TERM PROVISION | | |
| Provision for compensated absences | 1.76 | 1.55 |
| Provisions for Employee Benefits- Bonus | 3.64 | 2.83 |
| Total | 5.40 | 4.38 |

11 Property, Plant and Equipment

| PARTICULARS | Gross Block | | | DEPRECIATION AND AMORTIZATION | | | | | | NET BLOCK | |
|--------------------------|-------------------------|---------------------------|----------------------------|-------------------------------|-------------------------|-----------------------------------|-----------------|----------------------------|------------------------|-------------------------|-------------------------|
| | As at April 01, 2020 | Additions/ adjustments | Deductions/ adjustments | As at March 31, 2021 | As at April 01, 2020 | Exchange Tran- slation Reserve | For the year | Deductions/ adjustments | Upto March 31, 2021 | AS ON March 31, 2021 | AS ON March 31, 2020 |
| Tangible Assets | | | | | | | | | | | |
| Building | 47.73 | 0.00 | 1.94 | 45.79 | 31.69 | 1.03 | 0.15 | 0.72 | 31.86 | 13.93 | 15.67 |
| Plant and Equipments | 39.27 | 2.30 | 4.64 | 36.93 | 21.64 | 1.45 | 0.00 | 1.96 | 21.13 | 15.80 | 17.63 |
| Office Equipments | 11.41 | 0.82 | 1.69 | 10.54 | 9.77 | 0.59 | 0.00 | 1.25 | 9.11 | 1.43 | 1.66 |
| Furniture and Fixtures | 8.69 | 0.20 | 1.76 | 7.13 | 7.06 | 0.23 | 0.00 | 1.42 | 5.86 | 1.27 | 6.24 |
| Vehicles | 18.30 | 0.00 | 0.15 | 18.15 | 6.40 | 1.15 | 0.00 | 0.03 | 7.52 | 10.63 | 11.90 |
| Total (a) | 125.40 | 3.32 | 10.18 | 118.54 | 76.56 | 4.45 | 0.15 | 5.38 | 75.48 | 43.05 | 53.10 |
| Intangible Assets | | | | | | | | | | | |
| Software | 13.30 | 3.72 | 0.23 | 16.79 | 9.71 | 1.82 | 0.00 | 0.14 | 11.39 | 5.40 | 3.59 |
| Total (b) | 13.30 | 3.72 | 0.23 | 16.79 | 9.71 | 1.82 | 0.00 | 0.14 | 11.39 | 5.40 | 3.59 |
| Total (a +b) | 138.70 | 7.04 | 10.41 | 135.33 | 86.27 | 6.27 | 0.15 | 5.52 | 86.87 | 48.45 | 56.69 |
| Previous Year | 125.44 | 14.45 | 0.89 | 139.00 | 80.96 | 6.16 | 0.00 | 0.84 | 86.27 | 52.73 | 44.06 |

Note : Motor Vehicles costing Rs.14.63 Million are in the name of the Directors of the Company.

| | As at March 31, 2021 | As at March 31, 2020 |
|---|---------------------------------|---------------------------------|
| 12 NON CURRENT INVESTMENTS UN QUOTED | | |
| 1,83,000 fully paid Equity shares of Rs.10/- each of German Garden Ltd. Less : Provision for Dimunition in the value | 2.02 (2.02) | 2.02 (2.02) |
| 80,000 fully paid equity shares of 100/- each of Light Bite Foods P Ltd Less : Provision for Dimunition in the value | 8.00 (7.20) | 8.00 - |
| Investment in Canara Bank Robecco Fund | 1.50 | 1.50 |
| TOTAL | 2.30 | 9.50 |
| Aggregate amount of quoted investments | NIL | NIL |
| Aggregate Market value of quoted investments | NIL | NIL |
| Aggregate book value of unquoted investments | 11.52 | 11.52 |
| Aggregate amount of impairment in value of investments | 9.22 | 2.02 |

Notes to the consolidated financial statements for the year ended March 31, 2021 (Contd.)

| | As at March 31, 2021 | As at March 31, 2020 |
|---|-------------------------|-------------------------|
| 13 LONG TERM LOANS AND ADVANCES | | |
| Un-secured , considered good | | |
| Loans and advances to Employees | 1.83 | 1.68 |
| Capital advances-Advance against property | 23.77 | 27.87 |
| Balances with Tax authorities. | 1.74 | 4.20 |
| Other loans & advances | 9.13 | 9.32 |
| Rental Deposits | 12.01 | 12.70 |
| Other Security Deposits | 2.01 | 1.92 |
| TOTAL | 50.49 | 57.69 |
| 14 INVENTORIES | | |
| (Inventories are valued at lower of the cost or net realisable value) | | |
| Raw Materials | 343.08 | 353.32 |
| Finished Goods | 155.22 | 133.78 |
| Stores & Spares | 7.79 | 2.66 |
| Loose tools | 0.24 | 0.56 |
| TOTAL | 506.33 | 490.32 |
| 15 TRADE RECEIVABLES | | |
| Un-secured considered good | | |
| Debts outstanding for a period exceeding six months from the date they were due for payment | 124.90 | 141.47 |
| Other debts considered good | 107.14 | 207.62 |
| Total | 232.04 | 349.09 |
| Total trade receivables from related parties (Refer note:29) | 4.24 | 15.10 |
| 16 CASH AND CASH EQUIVALENTS | | |
| Cash on Hand | 1.04 | 1.18 |
| Balance with Bank | 25.64 | - |
| In current and Deposit Account * | 19.31 | 10.53 |
| Total | 45.99 | 11.71 |
| 17 OTHER BANK BALANCES | | |
| - Deposits with remaining maturity for less than 12 months | 23.49 | 8.78 |
| Total | 23.49 | 8.78 |
| 18 SHORT TERM LOANS AND ADVANCES | | |
| Un- secured , considered good | | |
| Balances with Tax authorities | 3.34 | 4.95 |
| Advances to Employees and Contractors | 20.47 | 9.57 |
| Prepaid Expenses | 3.63 | 3.21 |
| Other Advances | 2.20 | 8.85 |
| Total | 29.64 | 26.58 |
| 19 OTHER CURRENT ASSETS | | |
| Interest accrued on FDR | 0.85 | 0.47 |
| Other Current Assets | 0.70 | 0.03 |
| Total | 1.55 | 0.50 |

Notes to the consolidated financial statements for the year ended March 31, 2021 (Contd.)

| | Forthe year ended March 31, 2021 | Forthe year ended March 31, 2020 |
|--|-------------------------------------|-------------------------------------|
| 20 REVENUE FROM OPERATIONS | | |
| Sales - Jewellery | 1,124.51 | 1,421.43 |
| Sales - Diamond | 17.38 | 15.79 |
| Sales - Precious stones & Others | 3.80 | 2.62 |
| Services - Labour charges | 0.82 | 0.40 |
| Total | 1,146.52 | 1,440.23 |
| 21 OTHER INCOME | | |
| Dividend - Long term Investments | - | 0.01 |
| Interest received # | 1.94 | 1.36 |
| Gain on Foreign currency transaction / translation | 10.02 | 19.00 |
| Insurance claim refund | - | 5.52 |
| Income tax Interest received | 0.09 | 3.23 |
| Excess prov for exp written back | 0.22 | 0.07 |
| Rent recd | 0.66 | 0.73 |
| Prior Period Income | 0.46 | 0.44 |
| Profit on sale of shares | - | 4.02 |
| TOTAL | 13.38 | 34.38 |
| <p># Interest received includes Interest on bank deposit & others of Rs. 1.21 Million (March 31, 2020: Rs. 0.63 Million) and Interest on loans and advances of Rs. 0.73 Million (March 31, 2020: Rs. 0.73 Million)</p> | | |
| 22 MATERIALS | | |
| 1) COST OF MATERAILS CONSUMED | | |
| Gold | 475.41 | 285.78 |
| Diamond | 457.01 | 520.59 |
| Others | 58.19 | 56.19 |
| Total | 990.60 | 862.56 |
| 2) PURCHASE OF STOCK IN TRADE | | |
| Diamond and Precious stones | 19.92 | 18.41 |
| 23 Changes in inventories of finished goods | | |
| Opening Stock of Finished Goods | 126.85 | 156.76 |
| Add : Purchases of Finished Goods | 14.71 | 336.86 |
| | 141.56 | 493.62 |
| Less : Closing Stock of Finished Goods | 155.22 | 133.78 |
| Less : Melting of Finished Goods | 9.65 | - |
| Total | (23.31) | 359.84 |
| 24 EMPLOYEE BENEFIT EXPENSES | | |
| Salaries & Wages | 29.81 | 36.82 |
| Contribution to provident and other funds | 3.02 | 3.52 |
| Welfare Expenses | 0.28 | 0.26 |
| | 33.12 | 40.60 |
| Directors Remuneration (Including Rs. 1.59 Million (March 31, 2020: Rs 1.56 Million for perks) | 13.43 | 12.87 |
| Total | 46.55 | 53.47 |

Notes to the consolidated financial statements for the year ended March 31, 2021 (Contd.)

| | Forthe year ended March 31, 2021 | Forthe year ended March 31, 2020 |
|---|---|---|
| 25 FINANCIAL COSTS | | |
| Interest paid | 7.57 | 7.34 |
| Total | 7.57 | 7.34 |
| 26 OTHER EXPENSES | Forthe year ended March 31, 2021 | Forthe year ended March 31, 2020 |
| Consumable Stores,Spares & Tools | 6.03 | 7.00 |
| Labour Charges | 45.00 | 56.79 |
| Rent | 2.87 | 3.94 |
| Electricity Charges | 2.32 | 3.80 |
| Professional & Technical Fees | 6.35 | 5.02 |
| Bank Charges | 2.63 | 3.00 |
| ECGC Premium charges | 1.05 | 0.98 |
| GST expense | 0.01 | - |
| Bad debts written off | 11.30 | - |
| Rates & Taxes | 0.05 | 2.36 |
| Business Promotion | 0.41 | - |
| Travelling & Conveyance | 0.22 | - |
| Repairs & Maintenance : | | |
| Repairs & Maintainence to Machinery | 0.90 | 0.78 |
| Buidling | 0.90 | 1.75 |
| Others | 1.87 | 2.35 |
| | 3.67 | 4.88 |
| Donations | 1.09 | 2.21 |
| Auditors Remuneration : | - | - |
| As Auditors | 1.00 | 1.27 |
| For Taxation Services | 0.20 | 0.20 |
| | 1.20 | 1.47 |
| Insurance | 2.61 | 1.31 |
| Commission & Discount | 1.70 | 2.55 |
| Loss on sale of assets | 4.59 | - |
| loss on Sale of Car | - | 0.02 |
| Loss on Foreign currency transaction/ translation | 0.45 | 0.13 |
| Other General Expenses | 12.26 | 17.55 |
| Prior Period Items | | |
| Electricity charges | 0.02 | - |
| Repairs & maint-others | 0.00 | - |
| Rent A/c Blower | 0.02 | - |
| Freight & Forwarding | 0.02 | - |
| Postage & Telephone | 0.00 | - |
| Fire Cess Rent | - | 0.04 |
| Membership & Subscription | - | 0.04 |
| | 0.07 | 0.08 |
| TOTAL | 105.88 | 113.10 |

Notes to the consolidated financial statements for the year ended March 31, 2021 (Contd.)

27 Contingent liabilities and commitments

As at March 31, 2021 and March 31, 2020, Company does not have any outstanding contingent liabilities and commitments.

28 Earnings per share

| Particulars | As at March 31, 2021 | As at March 31, 2020 |
|---|---------------------------------|---------------------------------|
| Net (Loss) / Profit attributable to equity shareholders | (5.63) | 46.22 |
| Weighted average number of equity shares outstanding during the year | 30,02,000 | 30,02,000 |
| Basic and diluted earnings per share of face value of Rs 10 each, fully paid up | (1.88) | 15.39 |

29 Related party disclosures

A. Names of related parties and description of their relation

Parties where control exists:

| Name of the Related Party | Nature of Relationship |
|--|--|
| Subsidiary and Associate Companies | |
| Shantivijay Jewels International Ltd - Mauritius | Wholly owned subsidiary company |
| Shantivijay Impex DMCC, Dubai (Subsidiary of Shantivijay Jewels International Ltd) | Wholly owned fellow subsidiary company |
| Diamondere Inc USA | Significant Influence of Director |
| Precious Gems Pvt. Ltd | Significant Influence of Director |
| Light Bite Foods Private Ltd | Significant Influence of Director |
| Diamondere Pvt Ltd | Significant Influence of Director |
| Key Managerial Person ('KMP') | |
| Shree Pradeep Kumar Godha - | Chairman & Managing Director |
| Shree Anurag Godha - | Vice Chairman & Managing Director |
| Relatives of Key Management Personnel and Associates | |
| Smt Rajrani Godha | Relative of Key managerial personnel |
| Smt Sudha Godha | Relative of Key managerial personnel |
| Smt Namita Godha | Relative of Key managerial personnel |
| Shree Varun Godha | Relative of Key managerial personnel |
| Shree Anish Godha | Relative of Key managerial personnel |
| Smt Deepika Godha | Relative of Key managerial personnel |

Related parties with whom transactions have taken place during the year:

| Name of the Related Party | Nature of Relationship |
|---|--------------------------------------|
| Subsidiary and Associate Companies | |
| Diamondere Inc USA | Significant Influence of Director |
| Light Bite Foods Private Limited | Significant Influence of Director |
| Diamondere Private Limited | Significant Influence of Director |
| Key Managerial Person ('KMP') | |
| Shree Pradeep Kumar Godha - | Chairman & Managing Director |
| Shree Anurag Godha - | Vice Chairman & Managing Director |
| Relatives of Key Management Personnel and Associates | |
| Smt Rajrani Godha | Relative of Key managerial personnel |
| Smt Sudha Godha | Relative of Key managerial personnel |
| Smt Namita Godha | Relative of Key managerial personnel |
| Shree Varun Godha | Relative of Key managerial personnel |
| Smt Deepika Godha | Relative of Key managerial personnel |
| Smt Namita Godha | Relative of Key managerial personnel |
| Shree Varun Godha | Relative of Key managerial personnel |
| Smt Deepika Godha | Relative of Key managerial personnel |

Notes to the consolidated financial statements for the year ended March 31, 2021 (Contd.)

B. Transactions with related parties

| Name of the Related Party | Nature of Relationship | Nature of Transaction | For the year ended March 31, 2021 | For the year ended March 31, 2020 |
|---------------------------|-----------------------------------|---------------------------------------|-----------------------------------|-----------------------------------|
| Diamondere Inc USA | Significant Influence of Director | Sales | 20.49 | 1.81 |
| Diamondere P Ltd | Significant Influence of Director | Sales & Labour | 20.78 | 48.32 |
| Diamondere P Ltd | Significant Influence of Director | Rent | 0.66 | 0.73 |
| Diamondere P Ltd | Significant Influence of Director | Purchases | 6.61 | - |
| Light Bite Foods P Ltd | Significant Influence of Director | Diminution in the value of investment | 7.20 | - |
| Pradeep Kumar Godha | Managing Director | Remuner+perks | 6.27 | 6.11 |
| Anurag Godha | Managing Director | Remuner+perks | 6.32 | 5.95 |
| Rajrani Godha | Relative of Director | Rent paid | 0.12 | 0.12 |
| Sudha Godha | Relative of Director | Remuneration +Bonus | 0.42 | 0.58 |
| Namita Godha | Relative of Director | Remuneration +Bonus | 0.42 | 0.58 |
| Deepika Godha | Relative of Director | Remuneration +Bonus | 0.31 | 0.43 |

C. Details of balances receivable / (payable) to related parties

| | | As at March 31, 2021 | As at March 31, 2020 |
|---|-----------------------------------|----------------------|----------------------|
| Trade Receivable | | | |
| Diamondere P Ltd | Significant Influence of Director | - | 12.94 |
| Diamondere P Ltd | Significant Influence of Director | - | 0.20 |
| Diamondere Inc USA | Significant Influence of Director | 4.24 | 1.96 |
| Rent payable | | | |
| Rajrani Godha | Relative of Director | (0.22) | (0.20) |
| Remuneration payable | | | |
| Pradeep Kumar Godha | Managing Director | (0.36) | (0.54) |
| Anurag Godha | Managing Director | (0.10) | (0.42) |
| Sudha Godha | Relative of Director | (0.12) | (0.13) |
| Namita Godha | Relative of Director | (0.13) | (0.14) |
| Deepika Godha | Relative of Director | (0.09) | (0.10) |
| Security deposit paid | | | |
| Rajrani Godha | Relative of Director | 12.00 | 12.00 |
| Surety given to Company's banker by Third parties (Market Price) | | | |
| Rajrani Godha | Relative of Director | 45.57 | 44.10 |

Notes to the consolidated financial statements for the year ended March 31, 2021 (Contd.)
30 Employee benefits

- a. The Company makes contributions determined as a specified percentage of employees' salary in respect of qualifying employees towards Provident Fund and Employees State Insurance Corporation which are defined contribution plans. The contributions are charged to statement of profit and loss as they accrue. The Company has recognised the following amount as an expense and included in the Note 24 under "Contribution to provident fund":

| Particulars | For the year ended March 31, 2021 | For the year ended March 31, 2020 |
|---|--|--|
| Contribution to provident and other funds | 3.03 | 3.52 |
| Total | 3.03 | 3.52 |

b. Defined benefit plans
Gratuity

Company have opted for Group Gratuity Scheme with LIC of India ; Company's contribution based on a actuarial valuation by LIC is charged to Profit and Loss Account . Company have made provsion for Gratuity for the employees who are not covered by LIC 's Group Gratuity scheme.

The amount to be recognized in Balance Sheet

| Particulars | As at March 31, 2021 | Asat March 31, 2020 |
|--|---------------------------------|--------------------------------|
| Present value of the defined benefit obligation at the end of the year | 15.11 | 14.31 |
| Fair value of plan assets | 0.19 | 0.78 |
| Plan asset / (liability) | (14.93) | (13.53) |

Changes in the present value of the defined benefit obligation are, as follows :

| | | |
|---|---------------|--------|
| Defined benefit obligation at beginning of the year | 14.31 | 10.69 |
| Current service cost | 1.05 | 0.64 |
| Interest cost | 1.04 | 0.80 |
| Actuarial (Gains)/Losses | (0.65) | 2.39 |
| Sub-total included in statement of profit and loss | 1.44 | 3.83 |
| Benefits paid | (0.64) | (0.21) |
| Defined benefit obligation at the end of the year | 15.11 | 14.31 |

Changes in the fair value of plan assets are as follows:

| | | |
|-----------------------------------|---------------|--------|
| Opening fair value of plan assets | 0.78 | 0.81 |
| Expected return | 0.04 | 0.02 |
| Contributions by employer | - | 0.16 |
| Benefits paid | (0.64) | (0.21) |
| Actuarial gains / (losses) | - | - |
| Closing fair value of plan assets | 0.18 | 0.78 |

Expense recognised in Statement of Profit and Loss

| | | |
|--|---------------|--------|
| Current service cost | 1.05 | 0.64 |
| Interest cost on benefit obligation | 1.04 | 0.80 |
| Expected return on plan assets | (0.04) | (0.02) |
| Net actuarial (gain) / loss recognized in the year | (0.65) | 2.39 |
| Net benefit expense | 1.40 | 3.81 |

Following table summarises the key assumptions used for actuarial valuation of gratuity obligations for each reporting year:

Actuarial assumptions

| | | |
|-------------------------|------------|------------|
| Discount rate | 7.00% p.a. | 7.25% p.a. |
| Future salary increases | 5% p.a. | 5% p.a. |

Leave encashment

Accrued leave salary is estimated and provided on accrual basis. The expense is recognised at present value of amount payable to employees. Total Liability for leave salary outstanding at year end rate is Rs. 1.76 Million (March 31, 2020 Rs. 1.55 Million)

Notes to the consolidated financial statements for the year ended March 31, 2021 (Contd.)**31 Impact of Covid-19 Crisis**

The Company has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of property, plant and equipment, investments, inventory, receivable and other current assets. In developing the assumptions relating to the possible future uncertainties in the global economic condition because of the pandemic, the Company, as at the date of the approval of these financial statements has used internal and external sources on the expected future performance of the Company. The management of the Company has exercised due care in concluding significant accounting judgements and estimates in preparation of financial statements. Based on current indicators of future economic conditions, the Company expects the carrying amount of these assets will be recovered and sufficient liquidity is available to fund the business operations. Given the uncertainty because of COVID-19, the final impact on the Company's assets in future may differ from that estimated as at the date of approval of these financial statements.

32 Delay in receipt and payment of foreign currency against export and imports

Foreign currency dues outstanding for more than 15 months and receivables for more than 12 months: As at March 31, 2021, the Company has Trade receivable and payable balances of Rs. 90.31 Million and Rs. 55.23 Million respectively, which includes receivable of Rs. 12.86 Million for more than fifteen months and payable of Rs. 5.91 Million for more than twelve months respectively. The Company is taking necessary steps to remit the overdue payable and receive the overdue receivables. Since the liability on account of non-compliance with the provisions of the Foreign Exchange Management Act cannot be presently determined, no provision for any liability that may result on such non-compliance has been made in the financial statements.

33 Additional information, as required under Schedule III to the Companies Act 2013 of enterprises consolidated as subsidiary :

| Name of the Enterprise | Net Assets i.e total assets minus total liabilities | | Share in Profit or loss | |
|-----------------------------|--|---------------------|--|---------------------|
| | As % of consolidated Net Assets | Amount in Rupees | As % of consolidated profit or loss | Amount in Rupees |
| Parent | | | | |
| Shantivijay Jewels Ltd | 51% | 287.91 | -103% | 5.80 |
| Foreign Subsidiary | | | | |
| Shantivijay Jewels Intl Ltd | 25% | 140.49 | 23% | (1.27) |
| Shantivijay Impex DMCC | 25% | 141.46 | 180% | (10.16) |
| Total | 100% | 569.86 | 100% | (5.63) |

Since subsidiary company and its subsidiaries are wholly owned companies there is no minority interest.

34 Segment reporting

The primary segment reporting format is determined to be business segment. The Company is engaged in only one segment i.e Gems and Jewellery business . The Company's Geographical Segment are as under:

| Country | Sales for the year | | Balance receivables as at | |
|----------------|--------------------|----------------|---------------------------|----------------|
| | March 31, 2021 | March 31, 2020 | March 31, 2021 | March 31, 2020 |
| Exports | | | | |
| U.S.A. | 189.30 | 397.05 | 37.38 | 76.91 |
| Europe | 741.97 | 707.91 | 40.63 | 55.63 |
| Middle East | 61.83 | 90.72 | 110.48 | 152.27 |
| Others | 112.99 | 151.56 | 65.69 | 21.25 |
| Local Sales | 39.58 | 92.59 | 22.35 | 35.62 |
| Total | 1,145.66 | 1,439.83 | 276.53 | 341.68 |

Notes to the consolidated financial statements for the year ended March 31, 2021 (Contd.)

35 Dues to Micro and Small Enterprise

Under the Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED') which came in to force from 2 October, 2006, certain disclosures are required to be made relating to dues to Micro and Small enterprises. On the basis of information and records available with the Management, the following disclosures are made for the amounts due to Micro and Small enterprises:

| | As at March 31, 2021 | As at March 31, 2020 |
|---|---------------------------------|-------------------------|
| The amounts remaining unpaid to micro and small suppliers as at the end of the year | | |
| - Principal | 0.59 | 16.85 |
| - Interest | - | - |
| Amount of interest paid by the Company in terms of Section 16 of the MSMED, along with the amount of payment made to the supplier beyond the appointed day during the accounting year. | - | - |
| The amount of the payments made to micro and small suppliers beyond the appointed day during each accounting year. | - | - |
| Amount of interest due and payable for the delay in making payment (which have been paid but beyond the appointed day during the year) but without adding interest specified under MSMED. | - | - |
| Amount of interest accrued and remaining unpaid at the end of the accounting year. | - | - |
| The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under Section 23 of the MSMED Act, 2006. | - | - |

36 Accounting for deferred tax

The Deferred Tax Liability has arisen mainly on account of timing difference between Depreciation admissible under Income Tax Rules and Depreciation in Books.

Major components of Deferred Tax Liability is arising on account of timing difference as under :

| Particulars | As at March 31, 2021 | As at March 31, 2020 |
|--|---------------------------------|-------------------------|
| Assets | | |
| Difference between Book & Tax Depreciation | 1.40 | 1.78 |
| Less : Provision for Gratuity | (0.09) | (0.15) |
| Net Deferred tax assets | 1.31 | 1.63 |
| Net Deferred tax assets (Rounded off to nearest Rs.'000) | 1.31 | 1.63 |
| Net deferred tax charged / (credit) | (0.31) | (0.42) |

37 Information with regard to other matters specified in Schedule III is either Nil or not applicable to the Company.

38 Previous year's figures have been regrouped / reclassified wherever necessary to correspond with current year's classification.

As per our report of even date attached.

For B.F.Chordia & Co.

Chartered Accountants

ICAI Firm's Registration No: 101914W

Sd/-

B.F.Chordia

Proprietor

Membership No . 09026

Place: Mumbai

Date: August 27, 2021

**For and on behalf of the Board of Directors of
Shantivijay Jewels Limited**

CIN: U36910MH1980PLC023289

Sd/-

P.K.GODHA

Chairman & M.D

DIN No: 00008194

Sd/-

A.K.GODHA

Vice Chairman & M.D

DIN No: 00008224

Place: Mumbai

August 27, 2021

Place: Mumbai

August 27, 2021

Consolidated Cash Flow Statement for the year ended 31st March, 2021

(All amounts in ₹ million, unless otherwise stated)

| | For the year ended March 31, 2021 | For the year ended March 31, 2020 |
|--|--------------------------------------|--------------------------------------|
| Cash Flows from operating activities | | |
| (Loss) / profit before tax | (0.78) | 53.72 |
| Adjustments for: | | |
| Depreciation and amortization expense | 6.27 | 6.16 |
| Interest expense | 7.57 | 7.34 |
| Interest income | (2.03) | (1.36) |
| Bad debts written off | 11.30 | - |
| Provision for diminution in the value of non-current investments | 7.20 | - |
| Excess provision for expenses written back | (0.22) | - |
| Gain on Foreign currency transaction/translation | (10.02) | 1.60 |
| Operating Profit before working capital changes | 19.29 | 67.46 |
| Changes in working capital: | | |
| Increase/(Decrease) in trade payables | (19.44) | 37.54 |
| Increase/(Decrease) in other liabilities | (0.11) | 8.62 |
| Increase/(Decrease) in provisions | (0.58) | 0.53 |
| (Increase)/Decrease in trade receivables | 105.75 | (57.72) |
| (Increase)/Decrease in loans and advances | 4.14 | 2.52 |
| (Increase)/Decrease in Inventories | (16.01) | (41.17) |
| (Increase)/Decrease in Other Current Assets | 3.31 | 0.00 |
| Cash generated from operations | 96.35 | 17.79 |
| Income tax paid, net of refund received | (2.08) | (2.67) |
| Net cash flows used in operating activities | 94.27 | 15.12 |
| Cash Flows from investing activities | | |
| Purchase of Property, Plant and Equipment and intangible assets | (7.04) | (14.39) |
| Investments | - | 0.18 |
| Sale /Impairment of property, plant and equipment | 0.21 | 0.04 |
| Interest received from bank deposits and income tax | 2.09 | (0.53) |
| Dividend received | - | 1.36 |
| (Purchase)/proceeds from Investment in other bank balances, net | (14.71) | - |
| Net cash used in investing activities | (19.45) | (13.34) |
| Cash Flows from financing activities | | |
| Repayment of long-term borrowings/Loan Taken | (2.41) | - |
| Repayment of short-term borrowings, net | (30.57) | (4.14) |
| Interest paid | (7.57) | (7.34) |
| Net cash from in financing activities | (40.55) | (11.48) |
| Net increase in cash and cash equivalents | 34.28 | (9.70) |
| Cash and cash equivalents at the beginning of the year | 11.71 | 21.41 |
| Cash and cash equivalents at the end of the year (refer note 16) | 45.99 | 11.71 |

The accompanying notes from 1 to 38 are an integral part of these consolidated financial statements.

As per our report of even date attached.
For B.F.Chordia & Co.
 Chartered Accountants
 ICAI Firm's Registration No: 101914W
 Sd/-
B.F.Chordia
 Proprietor
 Membership No . 09026

Place: Mumbai
 Date: August 27, 2021

**For and on behalf of the Board of Directors of
 Shantivijay Jewels Limited**
 CIN: U36910MH1980PLC023289
 Sd/-
P.K.GODHA
 Chairman & M.D
 DIN No: 00008194

Place: Mumbai
 August 27, 2021

Sd/-
A.K.GODHA
 Vice Chairman & M.D
 DIN No: 00008224

Place: Mumbai
 August 27, 2021