

SHANTIVIJAY JEWELS LTD.



BEYOND EXCELLENCE

ANNUAL REPORT 2018-19

SHANTIVIJAY JEWELS LIMITED

BOARD OF DIRECTORS

PRADEEP KUMAR GODHA

(Chairman & Managing Director)

ANURAG GODHA

(Vice Chairman & Managing Director)

JAYANT B. SHAH

(Director)



REGISTERED OFFICE

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

Tel: 91 22 - 42182244

Fax: 91 22 - 28291360

E-mail: shantivijay@shantivijay.com

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

CIN: U36910MH1980PLC023289

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BANKERS

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

AUDITORS

B.F. Chordia & Co.,
Chartered Accountants,
17/1004, Indradarshan,
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.

SHANTIVIJAY JEWELS LIMITED

NOTICE is hereby given that the 46th Annual General Meeting of the Members of SHANTIVIJAY JEWELS LIMITED will be held at Conference Hall, All India Institute of Local Self-Government, Sthanikraj Bhavan, C.D. Barfiwala Marg, Juhu Gali, Andheri (West), Mumbai 400 058 on **Tuesday, 17th September, 2019 at 3.00 p.m.** to transact the following business:

ORDINARY BUSINESS

1. To consider and adopt:
 - (a) the audited financial statement of the Company for the financial year ended 31st March, 2019, the reports of the Board of Directors and Auditors thereon; and
 - (b) the audited consolidated financial statement of the Company for the financial year ended 31st March, 2019.
2. To appoint a Director in place of Shri Jayant Shah (DIN: 01426873), who retires by rotation and, being eligible, offers himself for reappointment.

SPECIAL BUSINESS

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

“RESOLVED THAT in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (the Act) and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and subject to such approvals, if and as may be necessary, the Company hereby approves the reappointment of Shri Pradeep Kumar Godha (DIN: 00008194), Chairman, as the Managing Director of the Company for a period of three years with effect from 1st September, 2019 on the terms and conditions including remuneration as set out in the draft agreement proposed to be entered into by the Company with him and submitted to this meeting, which agreement is hereby specifically sanctioned with liberty to the Board of Directors to alter or vary the terms and conditions of the said appointment and/or agreement as the Board of Directors in its discretion deem fit and as acceptable to Shri Pradeep Kumar Godha, provided such variation/ modification/ amendment is in conformity with the applicable provisions of the Act, (including any statutory modifications, clarifications, exemptions or re-enactments thereof, from time to time).

RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year, during the currency of the tenure of Shri Pradeep Kumar Godha, the remuneration as stated above be paid to him as minimum remuneration subject to the provisions of Schedule V of the Act, (including any statutory modifications, clarifications, exemptions or re-enactment thereof, from time to time), without any further approval of the Members.”

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

“RESOLVED THAT in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (the Act) and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and subject to such approvals, if and as may be necessary, the Company hereby approves the reappointment of Shri Anurag Godha (DIN: 00008224), Vice Chairman, as the Managing Director of the Company for a period of three years with effect from 1st September, 2019 on the terms and conditions including remuneration as set out in the draft agreement proposed to be entered into by the Company with him and submitted to this meeting, which agreement is hereby specifically sanctioned with liberty to the Board of Directors to alter or vary the terms and conditions of the said appointment and/or agreement as the Board of Directors in its discretion deem fit and as acceptable to Shri Anurag Godha, provided such variation/ modification/ amendment is in conformity with the applicable provisions of the Act, (including any statutory modifications, clarifications, exemptions or re-enactments thereof, from time to time).

RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year, during the currency of the tenure of Shri Anurag Godha, the remuneration as stated above be paid to him as minimum remuneration subject to the provisions of Schedule V of the Act, (including any statutory modifications, clarifications, exemptions or re-enactment thereof, from time to time), without any further approval of the Members.”

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

“RESOLVED THAT further to the approvals by the members for the payment of remuneration to Shri Pradeep Kumar Godha (DIN:00008194), Chairman and Shri Anurag Godha (DIN:00008224), Vice Chairman, as the Managing Directors of the Company, at the Company’s 41st Annual General Meeting held on September 29, 2014, and pursuant to the provisions of Section 197, Schedule V and other applicable provisions of the Companies Act, 2013 (‘Act’) and the rules made thereunder

(including any statutory modification(s) or re-enactment thereof for the time being in force), consent of the members of the Company be and is hereby accorded to ratify and confirm the waiver of the recovery of managerial remuneration paid/payable as minimum remuneration due to inadequate profits to Shri Pradeep Kumar Godha and Shri Anurag Godha, Managing Directors of the Company during the period from 01.09.2017 to 31.08.2019.

RESOLVED FURTHER that the Board of Directors of the Company or a Committee thereof be and are hereby authorized to do all acts, deeds, matters and things as may be deemed necessary and/or expedient in connection therewith or incidental thereto, to give effect to this Resolution.”

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: 1st August, 2019

NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE (ON POLL) INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company. Further, a Member holding more than ten percent, of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or Member.

A PROXY IN ORDER TO BE EFFECTIVE MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING.
2. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 in respect of the Special Business at item nos. 3 to 5 above is annexed hereto and forms part of the Notice
3. 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. and 1.00 p.m. excluding Saturdays upto the date of the Annual General Meeting.
4. **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.**
 - 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. SH 13 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.
 - vii) Send queries on accounts to the Company 10 days in advance of the Annual General Meeting so that the answers may be made available at the Annual General Meeting.
5. Corporate members are requested to send/bring a duly certified copy of the board resolution authorising their representatives to attend and vote at the Annual General Meeting.

6. Details of Unclaimed Dividends as on the date of the 45th Annual General Meeting held on September 4, 2018 are uploaded on the website of the Company viz. www.shantivijay.com under 'Financial - Investors'. Unclaimed Dividend for the year 2011-12, if not claimed before 25th August, 2019 would be transferred 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") related shares on which dividend has not been claimed for seven consecutive years or more would also be transferred to an IEPF Authority.

The Company has communicated individually, to the concerned shareholders whose shares are liable to be transferred to the IEPF Authority under the said rules.

7. The Company is concerned about the environment. We request you to update your email address with your Depository Participants to enable us to send you communications via email. Members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respect of electronic holdings with the Depository through their concerned Depository Participants. Members who hold shares in physical form are requested to provide their e-mail addresses by sending an e-mail to the Company at investors@shantivijay.com.
8. Copies of the Annual Report 2018-19 are being sent by electronic mode only to all the members whose email addresses are registered with the Company/Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email addresses, physical copies of the Annual Report for 2018-19 are being sent by the permitted mode.
9. Members/Proxies should bring the duly filled Attendance slip enclosed herewith and submit at entrance to attend the meeting.
10. Brief resumes of Directors seeking re-election/re-appointment are as under:

Name of the Director	Shri Pradeep Kumar Godha	Shri Anurag Godha	Shri Jayant B. Shah
Age (years)	61 Years	58 Years	71 Years
Date of Appointment	11.12.1986	17.08.1989	26.07.2002
Qualification	B.Sc.	B.Sc.	B.Com.
Expertise in specific functional areas	He has excellent experience and exposure to jewellery manufacturing operations and international markets.	He has excellent experience and exposure to jewellery manufacturing operations and international markets.	Reputed & experienced businessman & good exposure to import/export business
Chairmanship/Directorship held in other public companies	NIL	NIL	NIL
Membership held in Committees of such Boards of other public companies	NIL	NIL	NIL

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

Item Nos. 3 to 5

Shri Pradeep Kumar Godha and Shri Anurag Godha were appointed as Managing Directors of the Company w.e.f. 1st September, 2014 for a term of 5 years and their tenure is due to expire on 31st August, 2019 vide approval of the members granted at 41st Annual General Meeting (AGM) of the Company held on 29.09.2014.

The remuneration approved and payable to Shri Pradeep Kumar Godha and Shri Anurag Godha as the Managing Director(s) of the Company was Salary of Rs.3,00,000/- per month and perquisites in the manner as stated hereunder with power to the Board to power to revise the Salary/Perquisites, on completion of each 12 months period, so that increase in such remuneration for any such period shall not exceed 25 % of the amount of such remuneration prevailing/provided in the period immediately preceding the period for which such remuneration is fixed in each case, for a period of five years based on then prevalent provisions in Schedule V of the Companies Act, 2013(Act). The Salary payable to them was revised, from time to time, and presently, at Rs.4,00,000/- per month.

The Board of Directors (Board) at its meeting held on 1st August, 2019, has reappointed Shri Pradeep Kumar Godha and Shri Anurag Godha as the Managing Director(s) of the Company with effect from 1st September, 2019 for a period of three years upon

the terms and conditions contained in the draft agreements proposed to be entered into by the Company with each of them, subject to the approval of the Company. The said agreements, *inter alia*, contain the following material terms and conditions:

Particulars	Shri Pradeep Kumar Godha	Shri Anurag Godha
Designation	Managing Director	Managing Director
Period	01.09.2019 to 31.08.2022	01.09.2019 to 31.08.2022
Salary per month	Rs. 5,00,000/-	Rs. 5,00,000/-

- **Perquisites:** Free Furnished Housing accommodation or house rent allowance in lieu thereof together with furnishings, with gas, electricity, water, and other amenities; Reimbursement of medical expenses incurred in India or abroad including hospitalization and surgical charges and travel expenses relating thereto and/or medical insurance, for self and family; Reimbursement of expenses on servants, mobile phone, telephone at residence, leave travel including foreign travel for self and family, fees of clubs, personal accident and life insurance premiums; Bonus, special allowances and such other perquisites as may be determined by the Board of Directors from time to time in each of the cases.
- The following perquisites shall not be included in the computation of the ceiling on remuneration specified herein:
 - i) Contribution to Provident Fund, Superannuation fund or annuity fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961.
 - ii) Gratuity which shall not exceed half a month's salary for each completed year of services, and
 - iii) Encashment of leave at the end of the tenure.
- Provision of car with driver for personal use as well as business of the Company, mobile phone and telephone at residence.
- Annual privilege leave to MDs: On full salary for a period of thirty days and shall be entitled to accumulate such leave.

Notice period: 90 days in writing provided that the same may be waived mutually.

The Board shall have power to revise the Salary/Perquisites, on completion of not less than each 12 months period, so that increase in such remuneration for any 12 months period shall not exceed 25% of the amount of remuneration payable for immediately preceding year.

No sitting fee shall be payable for attending the meetings of the Board of Directors or Committee thereof to any of them.

The above Salary and perquisites/allowances shall be payable notwithstanding the inadequacy or no profits in any financial year during the tenure of their respective offices as such.

The terms and conditions of the said appointments and/or agreements may be altered and varied from time to time by the Board as it may, in its discretion, deem fit in conformity with the provisions of the Companies Act, 2013 and Schedule V thereof, or any amendment made hereafter in that regard.

The other terms and conditions of the agreements are such as are customarily contained in agreements of similar nature.

The said reappointments/agreements including the remuneration as aforesaid shall be subject to the approval of the Company and all such sanctions as may be necessary and shall be given effect to as per the modifications, if any, made/approved as aforesaid.

Provisions of Schedule V of the Act were amended effective 12.09.2016 having effect of requiring approval by members of remuneration payable to managerial person for a period not exceeding three years, *inter alia*, as per Para (A) of Section II of Part II of Schedule V as minimum remuneration in the event of inadequacy or absence of profits, in any financial year or years during the currency of their tenure. This might have effect of managerial remuneration paid/payable as minimum remuneration due to inadequate profits to Shri Pradeep Kumar Godha and Shri Anurag Godha as the Managing Directors of the Company during the period from 01.09.2017 to 31.08.2019 refundable to the Company. However, effective 12.09.2018, Section 197 has been amended whereby the Company can approve waiver of recovery of managerial remuneration by a special resolution passed within two years from the date such remuneration becomes refundable. Further, the Company has not defaulted in payment of dues to any bank or public financial institution or any other secured creditor. The Company has not issued any non-convertible debentures. Hence prior approvals for such waiver is not required from any bank or public financial institution or any other secured creditor or debenture-holders. Approval of the members is thus sought by way of a special resolution proposed at Item No. 5 of the accompanying Notice for your approval.

SHANTIVIJAY JEWELS LIMITED

Disclosure as per Part II Section II (B) para (iv) of second proviso of Schedule V of the Companies Act, 2013 are as under:

I. GENERAL INFORMATION:

1. Nature of Industry: Jewellery manufacturing & export
2. Date of commencement of Commercial production: Since incorporation
3. In case of new companies, expected date of commencement of activities as per project approved by Financial Institutions appearing in the Prospectus: Not Applicable
4. Financial Performance based on given indicators:

(Rs. in Lakhs)

Particulars	FY 2018-19		FY 2017-18		FY 2016-17	
	Standalone	Consolidated	Standalone	Consolidated	Standalone	Consolidated
Income from Operations	8794.29	11940.51	7275.11	10716.37	7080.18	9675.16
Profit/(Loss) Before Tax	110.52	168.52	(61.74)	(7.62)	(128.79)	(99.89)
Profit/(Loss) After Tax	104.83	162.83	(63.56)	(9.45)	(131.45)	(102.56)

5. Foreign Investments or Collaborations, if any: NIL

II. INFORMATION ABOUT APPOINTEE(S):

1. Background details:

Shri Pradeep Kumar Godha aged 61 years and Shri Anurag Godha aged 58 years, both, are Science graduate and have excellent experience and exposure to jewellery manufacturing operations and international markets.

2. Past remuneration:

(Rs. in Lakhs)

Name	Remuneration Paid				
	FY 2018-19	FY 2017-18	FY 2016-17	FY 2015-16	FY 2014-15
Shri Pradeep Kumar Godha	52.03	38.76	39.90	37.21	33.69
Shri Anurag Godha	49.85	37.57	39.64	37.92	34.13

3. Recognition or awards: Nil
4. Job profile and their suitability: Shri Pradeep Kumar Godha and Shri Anurag Godha, both, have industry specific experience of decades.
5. Remuneration proposed: As mentioned herein above.
6. The remuneration paid/proposed to be paid is comparable and competitive, considering the industry, size of the Company, the managerial position and the credentials of the Managerial Personnel.
7. Pecuniary relationship directly or indirectly with the Company or relationship with the Managerial Personnel, if any: Shri Pradeep Kumar Godha and Shri Anurag Godha, both, are promoters of the Company and along with relatives collectively hold 97.42% equity shares in the Company.

III. OTHER INFORMATION:

1. Reasons of loss or inadequate profits
Profits have been inadequate or loss were incurred in past mainly due to overall slow down in demand for discretionary spends like jewellery, increased raw material costs, competition resulting in lower margins and impact of foreign currency rate fluctuations.

2. Steps taken or proposed to be taken for improvement
The Company has been taking necessary steps to reduce costs, realign resources and improve margins wherever possible.
3. Expected increase in productivity and profits in measurable terms
The aforesaid steps taken/to be taken by the Company are expected to improve the Company's performance and profitability.

Your Directors commend the resolutions at Item Nos. 3 to 5 of the accompanying Notice for your approval by way of special resolutions.

Shri Pradeep Kumar Godha and Shri Anurag Godha and their relatives are interested in the resolution pertaining to their respective reappointment and waiver of recovery of managerial remuneration paid to them.

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.

BY ORDER OF THE BOARD

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

Dated: 1st August, 2019

Route Map to the Venue of the Annual General Meeting



DIRECTORS' REPORT

TO THE MEMBERS,
SHANTIVIJAY JEWELS LIMITED

Your Directors present their 46th Annual Report and the Audited Statement of Accounts for the year ended 31st March, 2019.

1. FINANCIAL RESULTS/STATE OF AFFAIRS

(Rs. in Lakhs)

<u>Particulars</u>	<u>Standalone</u>		<u>Consolidated</u>	
	<u>2018-19</u>	<u>2017-18</u>	<u>2018-19</u>	<u>2017-18</u>
Income from operations	8794.29	7275.11	11940.50	10716.37
Less: Expenses	8623.90	7322.44	11706.90	10704.85
Depreciation	43.70	43.45	48.91	48.19
Profit/(Loss) from operations before other income and finance costs	126.69	(90.78)	184.69	(36.68)
Add: Other Income	95.96	125.25	95.96	125.25
Profit/(Loss) from ordinary activities before finance costs	222.65	34.47	280.65	88.57
Less: Finance Cost	112.13	96.19	112.13	96.20
Profit/(Loss) from ordinary activities before tax	110.52	(61.74)	168.52	(7.62)
Less: Tax expenses	5.69	1.82	5.69	1.82
Profit/(Loss) for the period	104.83	(63.56)	162.83	(9.45)
Earnings Per Share (Rs.)	3.49	(2.12)	5.42	(0.31)

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, 8 (Eight) Board meetings were held on 07.05.2018, 28.05.2018, 23.06.2018, 31.08.2018, 17.09.2018, 26.11.2018, 15.12.2018 and 21.02.2019. Details of attendance by each Director at the said Board meetings are as under:

Name of Director(s)	Board Meetings attended during FY 2018-19
Shri Pradeep Kumar Godha	8
Shri Anurag Godha	8
Shri Jayant B. Shah	1

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. EXTRACT OF ANNUAL RETURN

The details forming part of the extracts of Annual Return in **Form MGT-9** pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and administration) Rules, 2014 is furnished in **Annexure 'B'** and forms an integral part of this report. The same is also available on the website of the Company.

7. DIRECTORS

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

The Board of Directors presently is comprised of Shri Pradeep Kumar Godha, Shri Anurag Godha and Shri Jayant Shah.

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 'C'**

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 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 42nd 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 47th AGM of the Company.

B.F. Chordia & Co., Chartered Accountants, Mumbai (Firm Registration No.: 101914W), Chartered Accountants have confirmed that they are not disqualified from continuing as Statutory 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.

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 Lakhs)

	2018-19	2017-18
Foreign Exchange earned:	8139.72	6876.80
Foreign Exchange used:	2368.05	1280.42

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 applicable 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: 1st August, 2019

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 Lakhs)

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)	31.03.2019	US \$ 69.4393	312.65	1043.28	1357.95	1357.95	37.84	0.00	(12.36)	0.00	(12.36)	0.00	100%
2.	Shantivijay Impex DMCC	31.03.2019	US \$ 69.4393	37.84	1279.41	2901.54	2901.54	0.00	4797.53	69.87	0.00	69.87	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: 1st August, 2019

Annexure - 'B'

**Form No. MGT – 9
EXTRACT OF ANNUAL RETURN****As on financial year ended on 31st March, 2019**[Pursuant to section 92(3) of the Companies Act, 2013 and
Rule 12(1) of the Companies (Management and Administration) Rules 2014]**I. REGISTRATION AND OTHER DETAILS:**

- i) CIN : U36910MH1980PLC023289
- ii) Registration Date : 14/10/1980
- iii) Name of the Company : Shantivijay Jewels Limited
- iv) Category of the Company : Company Limited by shares
- v) Sub-Category of the Company : Indian Non Government Company
- vi) Address of the Registered office and contact details : G-37, Gem & Jewellery Complex,
Building No. III, SEEPZ, Andheri (East),
Mumbai 400 096.
+91 – 22 – 42182244
- vii) Whether listed Company : No
- viii) Name, address and Contact Details of Registrar and Transfer Agent : Bigshare Services Private Limited
1st Floor, Bharat Tin Works Bldg.,
Opp. Vasant Oasis, Makwana Road,
Marol, Andheri (East),
Mumbai 400 059
Tel: +91 22 6263 8200/6263 8299

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

All the business activities contributing 10% or more of the total turnover of the company shall be stated:-

Sr. No.	Name and Description of main products/ services	NIC Code of the product/ service	% total turnover of the company
1.	Manufacturing and exports of studded gold jewellery and Diamond and Precious stones	3211	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

Sr. No.	Name and Address of the Company	CIN/GLN	Holding/Subsidiary/ Associate	% of Shares Held	Applicable Section
1.	Shantivijay Jewels International Limited (Mauritius)	NA	Subsidiary	100.00	2(87)(ii)
2.	Shantivijay Impex DMCC	NA	Subsidiary	100.00	2(87)(ii)

IV. SHARE HOLDING PATTERN (Equity Share Capital Break-up as percentage of Total Equity):

i) Category-wise Share Holding:

Category of Shareholders	No. of Shares Held at the beginning of the year				No. of Shares Held at the end of the year				% Change during the Year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
1. Indian									
(a) Individual/HUF	2848935	74900	2923835	97.40	2849385	74900	2924285	97.42	0.00
(b) Central Govt.	0	0	0	0.00	0	0	0	0.00	0.00
(c) State Govt.	0	0	0	0.00	0	0	0	0.00	0.00
(d) Bodies Corp.	0	0	0	0.00	0	0	0	0.00	0.00
(e) Any Other ...	0	0	0	0.00	0	0	0	0.00	0.00
Sub-Total (A)(1)	2848935	74900	2923835	97.40	2849385	74900	2924285	97.42	0.02
2. Foreign									
(a) NRI Individuals	0	0	0	0.00	0	0	0	0.00	0.00
(b) Other Individuals	0	0	0	0.00	0	0	0	0.00	0.00
(c) Bodies Corp.	0	0	0	0.00	0	0	0	0.00	0.00
(d) Banks/FI	0	0	0	0.00	0	0	0	0.00	0.00
(e) Any Other	0	0	0	0.00	0	0	0	0.00	0.00
Sub-total (A)(2)	0	0	0	0.00	0	0	0	0.00	0.00
Total shareholding of Promoter (A) = (A)(1) + (A)(2)	2848935	74900	2923835	97.40	2849385	74900	2924285	97.42	0.02
B. Public Shareholding									
1. Institutions									
(a) Mutual Funds/UTI	0	0	0	0.00	0	0	0	0.00	0.00
(b) Banks/Financial Institutions	0	0	0	0.00	0	0	0	0.00	0.00
(c) Central Govt.	0	0	0	0.00	0	0	0	0.00	0.00
(d) State Govt.(s)	0	0	0	0.00	0	0	0	0.00	0.00
(e) Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
(f) Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
(g) Foreign Institutional Investors	0	0	0	0.00	0	0	0	0.00	0.00
(h) Foreign Venture Capital Investors	0	0	0	0.00	0	0	0	0.00	0.00
(i) Others (specify)	0	0	0	0.00	0	0	0	0.00	0.00
2. Non-Institutions									
(a) Bodies Corporate									
i) Indian	4049	0	4049	0.14	4109	0	4109	0.14	0.00
ii) Overseas	-	-	-	-	-	-	-	-	-
(b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 Lakh	59407	13619	73026	2.43	58897	13619	72516	2.42	0.00
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 Lakh.	0	0	0	0.00	0	0	0	0.00	0.00
(c) Others (specify)									
Clearing member	275	0	275	0.0092	275	0	275	0.0092	0.00
i) Non Resident Indians (NRI)	15	800	815	0.02	15	800	815	0.02	0.00
Sub-Total (B)(2):-	63746	14419	78165	2.60	63296	14419	77715	2.58	0.00
Total Public Shareholding (B) = (B)(1) + B(2)	63746	14419	78165	2.60	63296	14419	77715	2.58	0.00
Shares held by Custodians for GDRs & ADRs	0	0	0	0.00	0	0	0	0.00	0.00
GRAND TOTAL (A)+(B)+(C)	2912681	89319	3002000	100	2912681	89319	3002000	100	0.00

ii) Shareholding of Promoters:

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% Change in Shareholding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged/ Encumbered to Total Shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged/ Encumbered to Total Shares	
1.	Rajrani Bimalchand Godha	837607	27.90	0.00	837607	27.90	0.00	0.00
2.	Pradeepkumar Bimalchand Godha	491674	16.38	0.00	491899	16.39	0.00	0.01
3.	Anurag Bimalchand Godha	488764	16.28	0.00	488989	16.29	0.00	0.01
4.	Namita Anurag Godha	191295	6.37	0.00	191295	6.37	0.00	0.00
5.	Sudha Pradeepkumar Godha	188795	6.29	0.00	188795	6.29	0.00	0.00
6.	Anish Anurag Godha	151600	5.05	0.00	151600	5.05	0.00	0.00
7.	Varun Pradeep Godha	147500	4.91	0.00	147500	4.91	0.00	0.00
8.	Anuvi Godha	142400	4.74	0.00	142400	4.74	0.00	0.00
9.	Varun Godha	121000	4.03	0.00	121000	4.03	0.00	0.00
10.	A K Godha (HUF)	69000	2.30	0.00	69000	2.30	0.00	0.00
11.	Pradeep Kumar Godha (HUF)	68700	2.29	0.00	68700	2.29	0.00	0.00
12.	Anushree Mayur Doshi	25,500	0.85	0.00	25500	0.85	0.00	0.00
	Total	2,923,835	97.40	0.00	2924285	97.42	0.00	0.02

iii) Change in Promoters' Shareholding (please specify if there is no change):

Sr. No.	Name of Promoter	Shareholding		Date	Increase/ Decrease in Shareholding	Reason	Cumulative Shareholding during the year	
		No. of Shares at the beginning (01.04.2018)/end of the year (31.03.2019)	% of Total Shares of the Company				No. Shares	% of Total Shares of the Company
1.	Pradeepkumar Godha	491674	16.38	01.04.2018 21.12.2018 31.03.2019	225	transfer	491674	16.38
		491899	16.39				491899	16.39
2.	Anurag Godha	488764	16.28	01.04.2018 21.12.2018 31.03.2019	225	transfer	488764	16.28
		488989	16.29				488989	16.29

iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDR and ADRs):

Sr. No.	Name of Shareholder	Shareholding		Date*	Increase/ Decrease in Shareholding	Reason	Cumulative Shareholding during the year	
		No. Shares at the beginning (01.04.2018)/end of the year (31.03.2019)	% of Total Shares of the Company				No. of Shares	% of Total Shares of the Company
1.	Arun Kumar Sancheti	6723 6723	0.22 0.22	01.04.2018 31.03.2019				
2.	VSL Securities Private Limited	3595 3595	0.12 0.12	01.04.2018 31.03.2019	-	-	-	-
3.	Mamta Sancheti	2677 2677	0.09 0.09	01.04.2018 31.03.2019	-	-	-	-
4.	Arun Kumar Sancheti (HUF)	2153 2153	0.07 0.07	01.04.2018 31.03.2019	-	-	-	-
5.	Arun Kumar Sancheti	2090 2090	0.07 0.07	01.04.2018 31.03.2019	-	-	-	-
6.	Girdharlal Bhansali	1900 1900	0.06 0.06	01.04.2018 31.03.2019	-	-	-	-
7.	Seema Bhansali	1900 1900	0.06 0.06	01.04.2018 31.03.2019	-	-	-	-
8.	Snehalatha Singhi	1726 1726	0.06 0.06	01.04.2018 31.03.2019	-	-	-	-
9.	Mahesh Mittal	1436 1436	0.05 0.05	01.04.2018 31.03.2019	-	-	-	-
10.	Multani Devi Sancheti	1300 1300	0.04 0.04	01.04.2018 31.03.2019	-	-	-	-

* indicates end date of week in which change occurred.

v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	Name of Director/Key managerial Personnel	Shareholding		Date	Increase/ Decrease in Shareholding	Reason	Cumulative Shareholding during the year	
		No. of Shares at the beginning (01.04.2018)/end of the year (31.03.2019)	% of Total Shares of the Company				No. of Shares	% of Total Shares of the Company
1.	Pradeepkumar Godha	491674 491899	16.38 16.39	01.04.2018 21.12.2018 31.03.2019	225	transfer	491674 491899	16.38 16.39
2.	Anurag Godha	488764 488989	16.28 16.29	01.04.2018 21.12.2018 31.03.2019	225	transfer	488764 488989	16.28 16.29
3.	Jayant B. Shah	-	-	-	-	-	-	-

V. INDEBTEDNESS
Indebtedness of the Company including interest outstanding/accrued but not due for payment (Figures in Rs.)

	Secured Loans excluding deposits	Unsecured Loans	Deposit	Total Indebtedness
Indebtedness at the beginning of financial year				
i) Principal Amount	174,002,144	0	0	174,002,144
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
Total (i + ii + iii)	174,002,144	0	0	174,002,144
Change in Indebtedness during the financial year				
Addition	1,282,757,611	0	0	1,282,757,611
Reduction	1,286,222,640	0	0	1,286,222,640
Net Change	(3,465,029)	0	0	(3,465,029)
Indebtedness at the end of financial year				
i) Principal Amount	17,0537,115	0	0	17,537,115
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
Total (i + ii + iii)	170,537,115	0	0	170,537,115

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL
A. Remuneration to Managing Director, Whole-time Directors and/or Manager (Figures in Rs.)

Sr. No.	Particulars of Remuneration	Name of M.D./W.T.D./Manager		Total Amount (Rs.)
		Chairman & M.D.	Vice Chairman & M.D.	
		Pradeep Kumar Godha	Anurag Godha	
1.	Gross Salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	4,350,000	4,350,000	8,700,000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	852,569	635,270	1,487,839
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961			
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission			
	– as% of profit	-	-	-
	– others, specify..	-	-	-
5.	Others, please specify	-	-	-
	Total (A)	5,202,569	4,985,270	10,187,839
	Ceiling as per the Act	10% of net profits of the Company or Minimum Remuneration as per Schedule V		

B. Remuneration to other directors:

(Figures in Rs.)

Sr. No.	Particulars of Remuneration	Name of Directors		Total Amount
		Jayant Shah		
1.	Independent Directors <ul style="list-style-type: none"> Fee for attending board/committee meetings Commission Others, please specify 	-	-	-
	Total (1)	-	-	-
2.	Other Non-Executive Directors <ul style="list-style-type: none"> Fees for attending board/committee meetings Commission Others, please specify 	-	-	-
	Total (2)	-	-	-
	Total (B) = (1 + 2)	-	-	-
	Total Managerial Remuneration (A + B)	10,187,839		
	Overall Ceiling as per the Act	11% of net profits of the Company		

C. Remuneration to key managerial personnel other than M.D./Whole-time Director/Manager: N.A.

Sr. No.	Particulars of Remuneration	Name of Key Managerial Personnel			Total
		CEO	Company Secretary	CFO	
1.	Gross Salary <ul style="list-style-type: none"> (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961 	-	-	-	-
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission <ul style="list-style-type: none"> – as a% of profit – others, specify... 	-	-	-	-
5.	Others, please specify (Bonus)	-	-	-	-
	Total	-	-	-	-

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty/Punishment/Compounding fees imposed	Authority(RD)/NCLT/Court	Appeal made, if any (give details)
A. COMPANY					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
B. DIRECTORS					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
C. OTHER OFFICER IN DEFAULT					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

FOR AND ON BEHALF OF THE BOARD

Sd/-

PRADEEP KUMAR GODHA
CHAIRMAN & MANAGING DIRECTOR
DIN: 00008194

Place: Mumbai
Dated: 1st August, 2019

Annexure - 'C'

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	<ul style="list-style-type: none"> Rs. 1,20,000/- Monthly Rental Rs.10,000/- p.m. w.e.f. 01.10.2014 Security Deposit Rs. 120 lakhs Other usual terms are common in any such lease agreement 	<ul style="list-style-type: none"> 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. 	30.09.2014	-	N.A.
2.	Diamondere Pvt. Ltd.	Sales & Labour	5 (Five) years	Rs. 3,46,31,972/-	Access to online sales portal	01.04.2017	-	N.A.
3.	Diamondere Pvt. Ltd.	Rent	5 (Five) years	Rs. 4,95,000/-	Commercial terms	01.04.2017	-	N.A.
4.	Sudha Godha	Remuneration	Permanent	Rs. 4,18,176/-	Sales support & administration	07.05.2018	-	N.A.
5.	Namita Godha	Remuneration	Permanent	Rs. 4,18,176/-	Sales support & administration	07.05.2018	-	N.A.
6.	Deepika Godha	Remuneration	Permanent	Rs. 3,06,662/-	Sales support & administration	07.05.2018	-	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: 1st August, 2019

Independent Auditors' Report

To
THE MEMBERS OF SHANTIVIJAY JEWELS LIMITED

Report on the Financial Statements

We have audited the accompanying standalone financial statements of Shantivijay Jewels Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2019, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with accounting principles generally accepted in India, including the Companies (Accounting Standards) Rules, 2006 (as amended) specified under section 133 of the Act, read with the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial control that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's

preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the standalone financial statements give the information required by 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 31st March, 2019, its profit, and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose 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 Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid standalone financial statements comply with the Companies (Accounting Standards) Rules, 2006 (as amended) specified under section 133 of the Act, read with the Companies (Accounts) Rules, 2014;
 - (e) On the basis of written representations received from the directors as on March 31, 2019, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019, 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) In our opinion, the managerial remuneration for the year ended March 31, 2019, 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;
- (h) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i) The Company does not have any pending litigations which would impact its financial position.
- ii) The Company has made provision, as required

under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative Contracts.

- iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **B.F. Chordia & Co.**
Chartered Accountants
ICAI Firm Registration No.: 101914W

B.F. Chordia
Proprietor
Membership No.: 9026
UDIN No.: 19009026AAAAAG1609

Place: Mumbai
Date: 1st August, 2019

Annexure - A to the Independent Auditors' Report

Referred to in paragraph 1 under "Report on Other Legal and regulatory Requirements" section of our report to the members of the Company on the standalone financial statements for the year ended 31st March, 2019, we report that:

- i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets
- (b) As per the information and explanations given to us physical verification of fixed assets has been carried out during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
- (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) In respect of Inventories,
 - (a) As explained to us, inventories have been physically verified during the year by the management at reasonable intervals.
 - (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
 - (c) In our opinion and on the basis of our examination of the records, the Company is generally maintaining proper records of its inventories. No material discrepancy was noticed on physical verification of stocks by the management as compared to book records.
- iii) In respect of loans, secured or unsecured, granted or taken by the Company to/from Companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act, 2013.
 - (a) According to information & explanations given to us during the year the company has not granted any loans, secured/unsecured to the Companies, Firms & other parties covered by section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3 (iii) (a) to (c) of the Orders are not applicable to the Company.
 - (b) During the year Company had not taken any fresh loans from such parties.
- iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 & 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 & 186 of the Act.

- v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of provisions of Section 73 to 76 of the Act or any other relevant provisions of the Act and the rules framed there under.
- vi) As informed to us, the management, maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Act, in respect of the activities carried on by the Company.
- vii) (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 Services Tax, Customs Duty, Cess and other material statutory dues were in arrears as at 31st March, 2019, for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no material dues of duty of Income Tax or Goods and Services Tax or Customs Duty or Cess have not been deposited with the appropriate authorities on account of any dispute.
- viii) In our opinion and according to the information and explanations given to us, The Company has not defaulted in the repayment of loans to banks and government. The Company has not taken any borrowings from financial institutions and has not issued any debentures.
- ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.
- x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- 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) In our opinion and according to the information and

- explanations given to us, the Company is not a *nidhi* company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the 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) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

- xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company.
- xvi) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company.

For **B.F. Chordia & Co.**
Chartered Accountants
ICAI Firm Registration No.: 101914W

B.F. Chordia
Proprietor
Place: Mumbai
Date: 1st August, 2019
Membership No.: 9026
UDIN No.: 19009026AAAAAG1609

Annexure - B to the Independent Auditors' Report

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

We have audited the internal financial controls over financial reporting of Shantivijay Jewels Limited ("the Company") as of 31 March, 2019, in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('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 its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our

audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting with reference to these standalone financial statements.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are

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

Opinion

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

For **B.F. Chordia & Co.**
Chartered Accountants
ICAI Firm Registration No.: 101914W

Place: Mumbai
Date: 1st August, 2019

B.F. Chordia
Proprietor
Membership No.: 9026
UDIN No.: 19009026AAAAAG1609

SHANTIVIJAY JEWELS LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2019

Particulars	Note No.	As at 31st March, 2019 (₹)	As at 31st March, 2018 (₹)
I. EQUITY AND LIABILITIES			
1. Shareholder's Funds			
(a) Share Capital	2.1	30,020,000	30,020,000
(b) Reserves and Surplus	2.2	216,758,711	206,276,082
2. Non-Current Liabilities			
(a) Long term Borrowings	2.3	622,096	1,561,218
(b) Long term provisions	2.4	874,021	850,081
3. Current Liabilities			
(a) Short-term borrowings	2.5	170,537,115	174,002,144
(b) Trade payables	2.6		
dues to Micro enterprises and small enterprises ('MSME')		7,937,235	2,075,991
dues to others		238,510,941	167,571,975
(c) Other current liabilities	2.7	2,606,470	2,056,683
(d) Short-term provisions	2.8	2,520,725	947,148
Total		670,387,314	585,361,322
II. ASSETS			
1. Non-current assets			
(a) Property, Plant & Equipment			
(i) Tangible assets	2.9	36,325,978	32,877,234
(ii) Intangible assets	2.9	2,314,098	1,752,428
(iii) Capital work-in- progress		52,614	-
(b) Non-current investments	2.10	28,502,385	29,002,385
(c) Deferred tax assets (net)		2,044,000	2,613,000
(d) Long term loans and advances	2.11	60,373,347	63,481,524
2. Current assets			
(a) Inventories	2.12	346,416,605	271,200,856
(b) Trade receivables	2.13	152,826,508	142,748,569
(c) Cash and cash equivalents	2.14 A	11,015,302	11,075,265
(d) Other bank balances	2.14 B	8,247,034	9,428,921
(d) Short-term loans and advances	2.15	21,765,534	20,473,214
(e) Other current assets	2.16	503,910	707,926
Total		670,387,314	585,361,322
Summary of significant accounting policies	1		
The accompanying notes are integral part of financial statements	2.1 to 2.35		

IN TERMS OF OUR ATTACHED REPORT OF EVEN DATE

B.F. Chordia & Co.
Chartered Accountants
Firm Registration No.: 101914W

For SHANTIVIJAY JEWELS LIMITED

Sd/-
B.F. Chordia
Proprietor
Membership No.: 9026
UDIN No.: 19009026AAAAAG1609

Sd/-
P.K. GODHA
(Chairman & M.D.)
(DIN No: 00008194)

Sd/-
A.K. GODHA
(Vice Chairman & M.D.)
(DIN: 00008224)

Place: MUMBAI
Dated: 1st August, 2019

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2019

Particulars	Note No.	31.03.2019 (₹)	31.03.2018 (₹)
I. Revenue from operations	2.17	879,428,606	727,511,559
II. Other Income	2.18	9,596,166	12,525,016
III. Total Revenue (I + II)		889,024,772	740,036,575
IV. Expenses:			
Cost of materials consumed	2.19	700,193,450	611,043,167
Purchase of Stock-in-Trade	2.19	18,262,135	17,369,675
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	2.20	9,470,652	6,533,357
Employee benefit expense	2.21	44,145,502	35,110,449
Financial costs	2.22	11,212,628	9,619,993
Depreciation and amortization expense		4,369,643	4,345,787
Other expenses	2.23	90,319,133	62,188,290
Total Expenses		877,973,143	746,210,718
V. Profit before tax (III – IV)		11,051,629	(6,174,143)
VI. Tax expense:			
Deferred tax charged		569,000	182,000
VII. Profit for the year		10,482,629	(6,356,143)
VIII. Earning per equity share:			
Equity share of par value of Rs. 10/- each			
1. Basic & Diluted	2.30	3.49	(2.12)
Summary of significant accounting policies	1		
The accompanying notes are integral part of financial statements	2.1 to 2.35		

IN TERMS OF OUR ATTACHED REPORT OF EVEN DATE

B.F. Chordia & Co.
Chartered Accountants
Firm Registration No.: 101914W

Sd/-
B.F. Chordia
Proprietor
Membership No.: 9026
UDIN No.: 19009026AAAAAG1609

Place: MUMBAI
Dated: 1st August, 2019

For SHANTIVIJAY JEWELS LIMITED

Sd/-
P.K. GODHA
(Chairman & M.D.)
(DIN No: 00008194)

Sd/-
A.K. GODHA
(Vice Chairman & M.D.)
(DIN: 00008224)

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES & OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED 31ST MARCH, 2019

1. SIGNIFICANT ACCOUNTING POLICIES

Corporate Information:

Shantivijay Jewels Ltd is located in Special Economic Zone Mumbai having its showroom in Trident Hotel, Mumbai and factory at MIDC, Andheri. Company is engaged in Manufacturing, Local and exports of wide range of studded gold jewellery and Diamond and P.stones.

(a) System of Accounting:

- i) The Company follows the mercantile system of accounting and recognises income and expenditure on accrual basis unless otherwise stated hereinafter.
- ii) The Accounts are prepared under historical cost convention, as a going concern and generally in accordance with applicable Accounting standards.
- iii) **Use of Estimates**
The Preparation of financial statements require management to make certain estimates and assumptions that effect the amounts reported in financial statements and notes thereon. Difference in actual results & estimates are recognised in the period in which they materialise.

(b) Fixed Assets and Depreciation:

- i) **Tangible Assets**
 - (a) Fixed Assets are stated at their cost of acquisition less Deprecation. Additions to Fixed assets are net of Modvat Credit wherever applicable. Rubber moulds of small value have not been capitalised and considered as consumables and charged to revenue.
 - (b) Effective 1st April 2014, the Company depreciates its fixed assets over the useful life in the manner prescribed in Schedule II of the Act, as against the earlier practise of depreciating at the rates prescribed in Schedule XIV of the Companies Act, 1956.
- ii) **Intangible Assets:**
Computer Software:
Intangible Assets are stated at cost of acquisition less accumulated amortization.
Computer Software is amortized over a period of Five Years in equal instalments.

(c) Investments

Long term Investments are valued at cost with an appropriate provision for permanent diminution in value.

(d) Inventories

- (A) Raw materials are valued at lower of the cost or net realisable value; cost is arrived at on FIFO basis. Cost includes costs incurred in bringing them to their present location.
- (B) Stores & Consumables are valued at lower of the cost or net realisable value.
- (C) Loose Tools are valued at lower of the cost or net realisable value.
- (D) Finished goods are valued at lower of the cost or net realisable value. Cost of finished goods is determined by taking material, labour and appropriate factory overheads.
- (E) Inventory of spares, Rubber Moulds is not valued and is charged to revenue.

(e) Sales/Revenue Recognition

Sales are net of tax

Company recognises sales at the point of dispatch/delivery of the goods to the customer. Interest/rental income is recognised on time proportionate basis.

(f) Foreign Currency Transaction

- (a) Transactions denominated in Foreign Currencies are normally recorded at the exchange rate prescribed by customs at the time of transaction.
- (b) Monetary items denominated in foreign currencies at the year-end are restated at the year end rates.
- (c) Non-monetary foreign currency items are carried at cost.
- (d) Any income or expense on account of exchange difference either on settlement or on translation is recognised in the profit and loss account.
- (e) Exchange difference on acquisition of fixed assets is adjusted to carrying cost of such fixed assets.

(g) Employee Benefits

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 & Loss Account. Company have made provision for Gratuity for the employees who are not covered by LIC's Group Gratuity scheme. Contribution to Provident/ESIC as percentage of salary is charged to Profit & Loss Account on accrual basis.

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019 (Contd.)

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. 1,260,336/-.

(h) Purchases & Sales are accounted for net of GST.

(i) Taxation

In view of C/F losses, there is no tax liability and also no tax payable under MAT. Deferred Tax Liability resulting from timing difference between book Profit and taxable profit for the year is calculated by using tax rates & tax laws that have been enacted or substantially enacted at the balance sheet date

(j) Provisions, Contingent Liabilities and Contingent Assets

Provisions in respect of present obligations arising out of past events are made in Accounts where reliable estimation can be made of the amount of obligation. Contingent Liabilities are not provided for and if material are disclosed separately by way of note. Contingent Assets are neither recognised nor disclosed in Financial Statement.

2. NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

	31.03.2019	31.03.2018
	(₹)	(₹)
2.1 SHARE CAPITAL		
Authorised- Equity shares of Rs. 10 par value 60,00,000 Equity Shares	<u>60,000,000</u>	<u>60,000,000</u>
Issued, Subscribed & Paid Up		
30,02,000 Equity Shares of Rs. 10/- par value fully paid	<u>30,020,000</u>	<u>30,020,000</u>
TOTAL	<u>30,020,000</u>	<u>30,020,000</u>

1. Refer to note 2.30 for details of basic and diluted shares.

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.

The details of shareholder holding more than 5% shares as at March 31, 2019, is set out below:

<u>Name of the shareholder</u>	31.03.2019		31.03.2018	
	No. of Shares	%	No. of Shares	%
1. Rajrani Bimalchand Godha	837,607	27.90	837,607	27.90
2. Pradeepkumar Bimalchand Godha	491,899	16.38	491,674	16.38
3. Anurag Bimalchand Godha	488,989	16.28	488,764	16.28
4. Varun Pradeep Kumar Godha	268,500	8.94	268,500	8.94
5. Namita Anurag Godha	191,295	6.37	191,295	6.37
6. Sudha Pradeep Kumar Godha	188,795	6.29	188,795	6.29
7. Anish Anurag Godha	151,600	5.05	151,600	5.05

The reconciliation of the number of shares outstanding as at March 31, 2019 and March 31, 2018, is set out below:

<u>Particulars</u>	As at 31.03.2019		As at 31.03.2018	
	No. of Shares		No. of Shares	
Number of shares at the beginning and at the end	3,002,000		3,002,000	
	₹ 30,020,000/-		₹ 30,020,000/-	

2.2 RESERVE AND SURPLUS

Security Premium	46,797,952	46,797,952
Capital Reserve	20,055,422	20,055,422
General Reserve	108,961,350	108,961,350
Profit & Loss Account		
Opening Balance	30,461,358	36,817,501
Add: Trf. from statement of profit & loss	<u>10,482,629</u>	<u>(6,356,143)</u>
	<u>40,943,987</u>	<u>30,461,358</u>
TOTAL	<u>216,758,711</u>	<u>206,276,082</u>

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019 (Contd.)

	31.03.2019 (₹)	31.03.2018 (₹)
2.3 LONG TERM BORROWINGS (SECURED)		
Term loan from Bank (loan in the name of the Director) (Secured by Hypothecation of Motor Car)	622,096	1,561,218
Secured vehicle loan take @ 7.88% upto period of November 20, 2020 and equal monthly instalments of Rs. 93,060.		
TOTAL	622,096	1,561,218
2.4 LONG TERM PROVISIONS		
Provision for Employee benefits-Gratuity	874,021	850,081
TOTAL	874,021	850,081
2.5 SHORT TERM BORROWINGS		
PACKING CREDIT (Secured)	117,431,191	103,776,554
DISCOUNTED BILLS (Secured)	53,105,924	70,225,590
(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	170,537,115	174,002,144
2.6 TRADE PAYABLES		
Total outstanding dues of Micro enterprises and small enterprises (‘MSME’) (Refer note: 2.34)	7,937,235	2,075,991
Total outstanding dues of creditors other than MSME		
– related parties (Refer note: 2.28)	22,382,499	248,233
– Others	216,128,442	167,323,742
TOTAL	246,448,176	169,647,966
2.7 OTHER CURRENT LIABILITIES		
Current maturities of long term debt	1,116,720	1,116,720
Advance from customers	36,698	-
Unpaid dividends *	17,199	17,199
Other Payables #	1,435,853	922,764
TOTAL	2,606,470	2,056,683
* This amount, due and outstanding, to be credited to Investor Education and Protection Fund.		
# Includes Statutory dues & security deposit		
2.8 SHORT TERM PROVISION		
Provisions for Employee Benefits- Bonus	2,520,725	947,148
TOTAL	2,520,725	947,148
2.9 PROPERTY, PLANT & EQUIPMENT:		(Figures in ₹)

Particulars	GROSS BLOCK				DEPRECIATION AND AMORTIZATION				NET BLOCK	
	As at 01.04.2018	Additions/ Adjustments	Deductions/ Adjustments	As at 31.03.2019	As at 01.04.2018	For the Year	Deductions/ Adjustments	Upto 31.03.2019	As on 31.03.2019	As on 31.03.2018
Tangible Assets										
Building	37,283,439	156,080	0	37,439,519	25,262,401	569,447	0	25,831,848	11,607,671	12,021,042
Plant and Equipments	29,687,861	6,103,477	0	35,791,338	18,561,576	1,454,241	0	20,015,817	15,775,521	11,126,284
Office Equipments	10,277,967	589,178	0	10,867,145	8,587,770	575,495	0	9,163,264	1,703,881	1,690,197
Furniture and Fixtures	6,085,057	118,850	0	6,203,907	4,037,761	324,413	0	4,362,175	1,841,733	2,047,300
Vehicles	11,286,829	35,678	0	11,322,507	5,294,410	630,924	0	5,925,334	5,397,173	5,992,424
Total (a)	94,621,153	7,003,263	0	101,624,416	61,743,918	3,554,520	0	65,298,438	36,325,978	32,877,247
Intangible Assets										
Software	9,455,626	1,376,794	0	10,832,420	7,703,199	815,123	0	8,518,321	2,314,098	1,752,427
Total (b)	9,455,626	1,376,794	0	10,832,420	7,703,199	815,123	0	8,518,321	2,314,098	1,752,427
Total (a + b)	104,076,779	8,380,057	0	112,456,836	69,447,117	4,369,643	0	73,816,760	38,640,076	34,629,674
Previous Year	95,358,130	11,129,825	2,411,176	104,076,779	67,052,549	4,345,787	1,951,219	69,447,118	34,629,662	28,305,581

Note: Motor Vehicles costing Rs. 85.23 Lakhs are in the name of the Directors of the Company.

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019 (Contd.)

	31.03.2019 (₹)	31.03.2018 (₹)
2.10 NON CURRENT INVESTMENTS		
(A) QUOTED, FULLY PAID EQUITY SHARES, NON TRADING, AT COST		
Gujrat Fluorochemicals Ltd - 300 Shares of Rs. 10/- each	32,475	32,475
Canara Bank -4100 shares of Rs. 10/- each	143,500	143,500
(B) UNQUOTED		
In wholly owned Subsidiary Company		
4,50,250 fully paid Equity shares of US \$ 1 each in Shantivijay Jewels International Ltd Mauritius.	18,826,410	18,826,410
1,83,000 fully paid Equity shares of Rs. 10/- each of German Garden Ltd.	2,021,613	2,021,613
Less: Provision for Diminution in the value (Total Provision for diminution in the value of Investment Rs. 20.22 Lakhs)	2,021,613	0
IIFL MF Common Collection A/c	0	5,000,000
80,000 fully paid equity shares of 100/- each of Light Bite Foods P Ltd (Related Party)	8,000,000	5,000,000
Investment in Canara Bank Robecco Fund (Market Value of quoted shares Rs. 15.28 Lakhs, Previous Year: Rs. 13.21 Lakhs) (Book value Rs.1.76 Lakhs, Previous Year: Rs.1.76 Lakhs)	1,500,000	-
TOTAL	28,502,385	29,002,385
2.11 LONG TERM LOANS AND ADVANCES		
Unsecured, considered good		
Loans and advances to Employees	964,000	1,031,000
Capital advances-Advance against property	27,869,200	29,369,200
Balances with Tax authorities	8,624,780	10,428,717
Other loans & advances	9,134,337	9,134,337
Rental Deposits	12,703,230	12,703,230
Other Security Deposits	1,077,800	815,040
TOTAL	60,373,347	63,481,524
2.12 INVENTORIES		
(Inventories are valued at lower of the cost or net realisable value)		
Raw Materials	280,201,201	200,743,473
Finished Goods	62,081,977	65,885,329
Stores & Spares	3,208,225	3,231,067
Loose tools	925,202	1,340,987
TOTAL	346,416,605	271,200,856
2.13 TRADE RECEIVABLES		
Unsecured considered good		
Debts outstanding for a period exceeding six months from the date they were due for payment	19,276,492	20,074,436
Other debts considered good	133,550,016	122,674,133
TOTAL	152,826,508	142,748,569
Total trade receivables from related parties (Refer note: 2.28)	8,201,603	6,855,158

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019 (Contd.)

	31.03.2019 (₹)	31.03.2018 (₹)
2.14A CASH AND CASH EQUIVALENTS		
Cash on Hand	655,696	572,551
Balance with Bank		
In current and Deposit Account *	<u>10,359,606</u>	<u>10,502,714</u>
TOTAL	<u>11,015,302</u>	<u>11,075,265</u>
* Includes Unclaimed Dividend A/c Rs. 17,199/- (Previous Year: Rs. 17,199/-)		
2.14B OTHER BANK BALANCES		
– Deposits with remaining maturity for less than 12 months	<u>8,247,034</u>	<u>9,428,921</u>
TOTAL	<u>8,247,034</u>	<u>9,428,921</u>
2.15 SHORT TERM LOANS AND ADVANCES		
Unsecured, considered good		
Balances with Tax authorities	9,283,977	9,391,448
Advances to Employees and Contractors	9,008,426	8,225,747
Prepaid Expenses	1,412,384	1,604,031
Other Advances	<u>2,060,746</u>	<u>1,251,988</u>
TOTAL	<u>21,765,534</u>	<u>20,473,214</u>
2.16 OTHER CURRENT ASSETS		
Interest accrued on FDR	463,806	669,332
Other Current Assets	<u>40,104</u>	<u>38,594</u>
TOTAL	<u>503,910</u>	<u>707,926</u>
2.17 REVENUE FROM OPERATIONS		
Sales - Jewellery	859,894,604	709,108,877
Sales - Diamond	17,685,290	17,220,152
Sales - P.stones & Others	1,550,212	980,229
Services - Labour charges	<u>298,500</u>	<u>202,301</u>
TOTAL	<u>879,428,606</u>	<u>727,511,559</u>
2.18 OTHER INCOME		
Dividend - Long term Investments	11,750	15,100
Interest received #	1,371,276	1,656,550
Gain on Foreign currency transaction/translation	1,754,493	10,199,223
Income tax Interest received	5,925,679	107,153
Excess prov. for exp written back	37,968	101,769
Rent recd.	495,000	420,000
Commission received	-	25,221
TOTAL	<u>9,596,166</u>	<u>12,525,016</u>
# Interest received includes Interest on bank deposit & others of Rs. 6.32 Lakhs (Previous Year: Rs. 9.22 Lakhs) and Interest on loans and advances of Rs.7.31 Lakhs (Previous Year: Rs. 7.31 Lakhs)		
2.19 MATERIALS		
1. COST OF MATERIALS CONSUMED		
Gold	202,769,177	153,606,965
Diamond	433,391,084	414,091,868
Others	<u>64,033,189</u>	<u>43,344,334</u>
TOTAL	<u>700,193,450</u>	<u>611,043,167</u>
2. PURCHASE OF STOCK IN TRADE		
Diamond & P/stones	<u>18,262,135</u>	<u>17,369,675</u>
2.20 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND STOCK-IN-TRADE		
Opening Stock of Finished Goods	65,885,329	69,536,834
Add: Purchases of Finished Goods	<u>5,667,300</u>	<u>9,131,480</u>
	71,552,629	78,668,314
Less: Closing Stock of Finished Goods	<u>62,081,977</u>	<u>65,885,329</u>
Less: Melting of Finished Goods	0	6,249,628
TOTAL	<u>9,470,652</u>	<u>6,533,357</u>

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019 (Contd.)

	31.03.2019 (₹)	31.03.2018 (₹)
2.21 EMPLOYEE BENEFIT EXPENSES		
Salaries & Wages	30,970,595	24,618,750
Contribution to PF & Other Funds	2,842,443	2,716,386
Welfare Expenses	144,625	140,088
	33,957,663	27,475,224
Directors Remuneration (Including Rs. 14,87,839/- for perks)	10,187,839	7,635,225
TOTAL	44,145,502	35,110,449
2.22 FINANCIAL COSTS		
Interest paid	11,212,628	9,619,993
TOTAL	11,212,628	9,619,993
2.23 OTHER EXPENSES		
Consumable Stores, Spares & Tools	5,461,167	3,280,428
Labour Charges	43,593,275	29,855,824
Rent	2,987,565	3,281,944
Electricity Charges	3,256,908	2,651,491
Professional & Technical Fees	4,276,374	3,160,194
Bank Charges	1,808,046	1,176,112
ECGC Premium charges	862,610	532,970
Rates & Taxes	2,365,683	39,523
Repairs & Maintenance:		
Repairs & Maintenance to Machinery	851,964	731,604
Building	374,670	22,864
Others	2,266,031	2,157,019
Donations	1,573,984	1,358,852
Auditors Remuneration:		
As Auditors	900,000	750,000
For Taxation Services	200,000	150,000
	1,100,000	900,000
Insurance	2,294,976	613,911
Commission & Discount	2,271,523	831,704
loss on Sale of Car	0	101,467
Other General Expenses	12,646,371	11,481,490
Prior Period Items		
Lease Rent Digging	8,976	0
Electricity charges	3,447	0
Repairs & maint. - others (BDB)	5,495	0
Property taxes (Nirmal life style)	2,310,068	0
Professional fees	0	5,175
Sundry Expenses	0	1,605
Directors Perks	0	4,113
TOTAL	90,319,133	62,188,290

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019 (Contd.)

2.24 CONTINGENT LIABILITIES: NIL

2.25 FINANCIAL AND DERIVATIVE INSTRUMENT:

1. Forward exchange contract entered into by the company for hedging currency related risks and outstanding as on 31-03-2019 Rs. 135,913,000/- (Previous Year: Rs. 71,960,000/-)
2. The Company uses Foreign Currency forward contracts to hedge its risks against Foreign Currency.
3. Foreign Currency exposure that is not hedged by forward exchange contract as on 31-03-2019 Rs. 42,298,087/- on account of Imports & others (Previous Year: Rs. 10,219,005/-) and Nil on account of Export of goods. (Previous Year: Rs. 41,344,046/-)

2.26(a) CONSUMPTION OF IMPORTED & INDIGENOUS RAW MATERIALS & STORES

(A) RAW MATERIALS CONSUMED	Amount in Rs.	%	Amount in Rs.	%
Indigenous	511,444,725	71%	510,212,658	81%
Imported	207,010,860	29%	118,200,183	19%
(B) STORES & TOOLS CONSUMED				
Indigenous	3,184,649	58%	1,495,248	46%
Imported	2,276,519	42%	1,785,180	54%

2.26(b) CIF VALUE OF IMPORTS

(Including Inter Unit Purchases)	Amount in Rs.	Amount in Rs.
Raw Materials	228,444,794	116,784,964
Stores & Consumables & Spares	1,388,107	1,103,204
Finished Goods	0	6,240,808
Fixed Assets	4,961,171	1,350,749
TOTAL	234,794,072	125,479,725

2.26(c) EARNINGS IN FOREIGN EXCHANGE

FOB Value of Exports	813,972,253	687,679,788
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2.26(d) EXPENDITURE IN FOREIGN CURRENCY

Travelling Expenses	1,180,021	1,437,196
Exhibition Expenses & Advances	695,635	1,063,016
Bank Charges	118,023	62,274
Sales promotion expenses	17,371	0
TOTAL	2,011,050	2,562,486

2.27 SEGMENT REPORTING

Company is exclusively engaged in the Gems & Jewellery Business, which as per Accounting Standard AS-17 is considered the only primary reportable business segment.

GEOGRAPHICAL SEGMENT REPORTING (GEMS & JEWELLERY)

COUNTRY	(Amount in Rs.)			
	SALES 31.03.2019	BALANCE ON 31.03.2019	SALES 31.03.2018	BALANCE ON 31.03.2018
EXPORTS				
U.S.A.	421,521,306	86,159,952	402,465,633	67,802,218
EUROPE	308,197,609	2,810,691	128,745,021	7,739,259
MIDDLE EAST	79,940,041	31,289,495	151,617,828	37,762,568
OTHERS	4,565,297	589,718	5,210,725	93,227
LOCAL SALES	64,905,853	31,976,653	39,270,052	29,351,296
TOTAL	879,130,106	152,826,508	727,309,259	142,748,569

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019 (Contd.)**2.28. RELATED PARTY TRANSACTIONS**

Related Party Disclosures have been set out below. The Related parties, as defined by Accounting Standard 18 related party disclosure, issued by Institute of Chartered Accountants of India, in respect of which the disclosures have been made, have been identified on the basis of information available with the Company.

A) Wholly owned Subsidiary Companies

- i) Shantivijay Jewels International Ltd -Mauritius
- ii) Shantivijay Impex DMCC (Subsidiary of Shantivijay Jewels International Ltd)

B) Key Management Personnel

Shri Pradeep Kumar Godha - Chairman & Managing Director
Shri Anurag Godha - Vice Chairman & Managing Director

C) Relatives of Key Management Personnel and Associates

Smt. Rajrani Godha
Smt. Sudha Godha
Smt. Namita Godha
Shri Varun Godha
Smt. Deepika Godha

} Relatives of Directors

D) Enterprises over which Key Management Personnel or their Relatives have significant influence

- i) Precious Gems Pvt. Ltd
- ii) Light Bite Foods Private Ltd
- iii) Diamondere Pvt Ltd

Details of Transactions are as below,

SR. NO.	NAME OF THE PARTY	RELATIONSHIP	NATURE OF TRANSACTION	TRANSACTION AMOUNT 31.03.2019	OUTSTANDING 31.03.2019	TRANSACTION AMOUNT 31.03.2018	OUTSTANDING 31.03.2018
1.	Shantivijay Impex DMCC	Subsidiary of Wholly owned subsidiary	Sales Purchases	18,460,133 146,671,018	0 21,585,901 CR	16,338,381 55,377,399	1,021,866 CR 0 CR
2.	Diamondere P. Ltd.	Enterprise under significant influence as referred in 2.28 D	Sales & Labour Rent	34,631,972 495,000	8,201,603 DR	14,457,406 420,000	6,855,158 DR
3.	Light Bite Foods P. Ltd.	Enterprise under significant influence as referred in 2.28 D	Investment in Shares	3,000,000	0	5,000,000	0
4.	Pradeep Kumar Godha	Managing Director	Remuner + perks	5,202,569	292,604 CR	3,875,919	5,134 CR
5.	Anurag Godha	Managing Director	Remuner + perks	4,985,270	299,946 CR	3,756,627	26,522 CR
6.	Rajrani Godha	Relative of Director	Rent paid	120,000	116,067 CR	120,000	128,596 CR
	---- Do-----	---- Do-----	Security deposit paid	0	12,000,000 DR	0	12,000,000 DR
7.	Sudha Godha	Relative of Director	Remuneration + Bonus	418,176	17,155 CR	343,189	17,155 CR
8.	Namita Godha	Relative of Director	Remuneration + Bonus	418,176	70,236 CR	343,190	70,236 CR
9.	Varun Godha	Relative of Director	No Transaction	0	590 CR	0	590 CR
10.	Deepika Godha	Relative of Director	Remuneration + Bonus	306,662	0 CR	251,672	0 CR
Surety given to Company's banker by Third parties							
1.	Rajrani Godha	Relative of Director	Surety given to Company bankers (without any charge)		Market value	44,100,000	44,100,000

2.29. LEASE DISCLOSURES**Operating lease: Company as lessee**

Company have entered into lease agreement and taken premises on lease for 24 months, which are in the nature of operating lease.

Lease Expense Rs. 1,776,000/- is recognised on straight line basis in the Profit & Loss Account.

Future Lease rent payable with in the period of One year is Rs. 1,812,000/- . (Previous Year: is Rs. 1,776,000/-)

Future Lease rent payable with in the period of more than year but less than five year is Rs. 906,000. (Previous Year: is Rs. 2,718,000)

Operating sublease: Company as lessor

Company have entered into sub-lease agreement for 12 months, which are in the nature of operating lease.

Sub lease income of Rs. 495,000 (Previous Year: of Rs. 420,000) is recognised on straight line basis in the Profit & Loss Account.

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019 (Contd.)

2.30. EARNING PER SHARE (EPS)

EPS computed in accordance with Accounting Standard - 20.

Basic & Diluted	31.03.2019	31.03.2018
Profit/(Loss) after Tax as per Accounts	10,482,629	(6,356,143)
Number of Equity Shares issued	3002000	3002000
Par Value of the Shares	10	10
EPS (Basic & Diluted) Rs.	3.49	(2.12)

2.31. 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:

Deferred Tax Assets

Assets	31.03.2019	31.03.2018
Difference between Book & Tax Depreciation	2,287,143	2,875,904
Less: Provision for Gratuity	243,130	263,000
Net Deferred tax assets	2,044,013	2,612,904
Deferred Tax Liability Provision required	(569,000)	(182,000)

2.32 GRATUITY AND OTHER POST-EMPLOYMENT BENEFIT PLANS

Company have opted for Group Gratuity Scheme with LIC of India; Company's contribution based on an 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. Contribution to Provident/ESIC as percentage of salary is charged to Profit & Loss Account on accrual basis. 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. 12,60,336/-.

The following tables summarise the components of net benefit expense recognised in the statement of profit and loss and the funded status and amounts recognised in the balance sheet for the respective plans.

Statement of Profit and Loss

Net Employee benefit expense recognised in the Employee Cost

Particulars	Gratuity 31.03.2019	Gratuity 31.03.2018
Current service cost	614,845	537,184
Interest cost on benefit obligation	751,375	614,336
Expected return on plan assets	(85,776)	(118,464)
Net actuarial (gain)/loss recognized in the year	220,888	713,644
Net benefit expense	1,501,332	1,746,700
as per profit and loss account	69,292	254,972

Balance sheet

Benefit asset/liability

Particulars	Gratuity	Gratuity
Present value of defined benefit obligation	10,691,531	10,018,333
Fair value of plan assets	808,395	1,636,529
Plan asset/(liability)	(9,883,136)	(8,381,804)

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

Particulars	Gratuity	Gratuity
Opening defined benefit obligation	10,018,333	8,191,149
Current service cost	614,845	537,184
Interest cost	751,375	614,336
Benefits paid	(913,910)	(37,980)
Actuarial (gains)/losses on obligation	220,888	713,644
Transferred from Contextual Advertising Private Limited	0	0
Closing defined benefit obligation	10,691,531	10,018,333

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019 (Contd.)

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

Particulars	Gratuity	Gratuity
Opening fair value of plan assets	1,636,529	1,556,045
Expected return	85,776	118,464
Contributions by employer	-	-
Benefits paid	(913,910)	(37,980)
Actuarial gains/(losses)	-	-
Closing fair value of plan assets	808,395	1,636,529

The principal assumptions used in determining obligations for the Company's plans are shown below:

Particulars	Gratuity	Gratuity
Discount rate	7.50%	7.50%
Salary escalation	5.00%	5.00%
Employee turnover	-	-

2.33 The Profit & Loss A/c includes exchange difference of Rs. 1,754,493 (Credit) (Previous Year: Rs 10,199,223).

2.34 Details of dues to micro and small enterprises as defined under the MSMED Act, 2006

Particulars	31.03.2019	31.03.2018
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
Principal amount due to micro and small enterprises	7,937,235	2,075,991
Interest due on above	-	-
	<u>7,937,235</u>	<u>2,075,991</u>

The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year

The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006.

The amount of interest accrued and remaining unpaid at the end of each accounting year

The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006.

2.35 Figures of previous year has been regrouped and rearranged wherever necessary.

SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS 1 & 2

IN TERMS OF OUR ATTACHED REPORT OF EVEN DATE

B.F. Chordia & Co.
Chartered Accountants
Firm Registration No.: 101914W

Sd/-
B.F. Chordia
Proprietor
Membership No.: 9026
UDIN No.: 19009026AAAAAG1609

Place: MUMBAI
Dated: 1st August, 2019

For SHANTIVIJAY JEWELS LIMITED

Sd/-
P.K. GODHA
(Chairman & M.D.)
(DIN No: 00008194)

Sd/-
A.K. GODHA
(Vice Chairman & M.D.)
(DIN: 00008224)

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2019

	(Amount in Rs.)	
	2019 (₹)	2018 (₹)
A. CASH FLOW FROM OPERATION ACTIVITIES:-		
Net Loss before tax & extraordinary items	11051629	(6156620)
Add: Adjustments for:		
Depreciation & Amortisation	4369643	4345787
Finance Cost	11212628	9619993
	<u>26633900</u>	<u>7809160</u>
Adjustments for:		
Interest/Dividend Received	(1383026)	(1671650)
<i>Operating Loss before working capital changes</i>	<u>25250874</u>	<u>6137510</u>
Adjustments for:		
(Increase)/Decrease in operating assets		
Inventories	(75215749)	(10476894)
Trade receivables	(10077939)	(32887004)
Short term loans & advances	(1292320)	(6483265)
Long term loans & advances	1304240	(647000)
Other Current assets	204016	1470077
	<u>(59826878)</u>	<u>(42886576)</u>
Increase/(Decrease) in operating liabilities		
Trade Payables	76800210	69177928
Other Current liabilities	549787	849736
Long term provisions	23940	212937
Short term Provisions	1573577	(1050332)
Cash generated from Operation	<u>19120637</u>	<u>26303693</u>
Finance Cost	(11212628)	(9619993)
Taxes Paid	1803937	184314
Net cash (used in)/from Operating activities	<u>9711946</u>	<u>16868014</u>
B. CASH FLOW FROM INVESTING ACTIVITIES:-		
Purchase of Fixed assets	(8432671)	(11129825)
Investments	500000	0
Sale/Impairment of Fixed Assets.	0	459957
Deposits placed in banks	1181887	(685125)
Interest & Dividend Received	1383026	1671650
<i>Net cash(used in)/from Investment activities</i>	<u>(5367758)</u>	<u>(9683343)</u>
C. CASH FLOW FROM FINANCING ACTIVITIES:-		
Decrease in Bank borrowings	(4404151)	(5941591)
<i>Net cash used in Finance activities</i>	<u>(4404151)</u>	<u>(5941591)</u>
NET DECREASE IN CASH EQUIVALENTS (B+C+A)	<u>(59963)</u>	<u>1243080</u>
Cash and Cash Equivalents		
Opening Balance	11075265	9875981
Closing Balance	<u>11015302</u>	<u>11119061</u>
	<u>(59963)</u>	<u>1243080</u>

() Indicates deductions.

IN TERMS OF OUR ATTACHED REPORT OF EVEN DATE

B.F. Chordia & Co.
Chartered Accountants
Firm Registration No.: 101914W

Sd/-
B.F. Chordia
Proprietor
Membership No.: 9026
UDIN No.: 19009026AAAAAG1609

Place: MUMBAI
Dated: 1st August, 2019

For SHANTIVIJAY JEWELS LIMITED

Sd/-
P.K. GODHA
(Chairman & M.D.)
(DIN No: 00008194)

Sd/-
A.K. GODHA
(Vice Chairman & M.D.)
(DIN: 00008224)

Independent Auditors' Report

To the Board of Directors of Shantivijay Jewels Limited

Report on the Consolidated Financial Statements

1. We have audited the accompanying consolidated financial statements of Shantivijay Jewels Limited ("the Company") and its subsidiaries (collectively referred to as "the Group"), which comprise the consolidated Balance Sheet as at 31st March, 2019, and the consolidated Statement of Profit and Loss and the consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information (herein after refer to as the consolidated financial statements).

Management's Responsibility for the Consolidated Financial Statements

2. The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") 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 principles generally accepted in India, including the Accounting Standards specified Under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group are responsible for 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; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and Fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

3. Our responsibility is to express an opinion on these consolidated financial statements based on our audit while conducting the audit.

4. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

5. We conducted our audit in accordance with the Standards on Auditing specified under Section 143 (10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain

reasonable assurance about whether the consolidated financial statements are free from material misstatement.

6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Holding Company has an adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.
7. We believe that the audit evidence obtained by us, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

8. 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 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 consolidated state of affairs of the Group, as at 31st March, 2019, and their consolidated profit and their consolidated cash flows for the year ended on that date.

Other Matters

9. 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 (Net) of Rs. 2903.52 Lakhs as at 31st March, 2019, and total revenues of Rs. 4797.53 Lakhs for the year then ended. 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 the Subsidiary Companies, is based solely on the report of the other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the report of the other auditors.

10. As required by Section 143 (3) of the Act, we report, to the extent applicable, 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 of the aforesaid consolidated financial statements.
 - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.
 - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statements dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
 - (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 Company, as on 31st March, 2019 taken on record by the Board of Directors of the Holding Company, its subsidiary company incorporated in India, none of the Directors of the Group Companies is disqualified as on 31st March, 2019 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 Group and the operating effectiveness of such controls, refer to our separate report in '**Annexure A**' 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 Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us,
 - i) The Consolidated financial statements does not have any pending litigations which would impact its financial position.
 - ii) The Company in Group has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any on long-term contracts including derivatives contracts.
 - iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **B.F. Chordia & Co.**
Chartered Accountants
ICAI Firm Registration No.: 101914W

B.F. Chordia
Proprietor
Membership No.: 9026
UDIN No.: 19009026AAAAAG1609

Place: Mumbai
Date: 1st August, 2019

ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORTS OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF SHANTIVIJAY JEWELS LIMITED

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

Companies Act, 2013 ("the Act")

1. In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31 March, 2019, We have audited the internal financial controls over financial reporting of Shantivijay Jewels Limited ("the Company") as of 31 March, 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. The respective Board of Directors of the Holding Company and its subsidiary companies, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial

Reporting issued by the Institute of Chartered Accountants of India ('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 its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance

about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

Meaning of Internal Financial Controls over Financial Reporting

6. A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that
 - (a) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company
 - (b) 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
 - (c) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

7. Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.
8. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of subsidiary companies which are incorporated outside India, in terms of their reports referred to in the other Matters Paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Opinion

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

Other Matters

10. Our aforesaid reports under Section 143(3) (1) of the Act on the adequacy and operating effectiveness of the internal controls over financial reporting in so far as it related to the subsidiaries, is based on the corresponding reports of the auditors of such companies.

For **B.F. Chordia & Co.**
Chartered Accountants
ICAI Firm Registration No.: 101914W

Place: Mumbai
Date: 1st August, 2019

B.F. Chordia
Proprietor
Membership No.: 9026
UDIN No.: 19009026AAAAAG1609

SHANTIVIJAY JEWELS LIMITED

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2019

Particulars	Note No.	As at 31st March, 2019 (₹)	As at 31st March, 2018 (₹)
I. EQUITY AND LIABILITIES			
1. Shareholder's Funds			
(a) Share Capital	2.1	30,020,000	30,020,000
(b) Reserves and Surplus	2.2	461,186,017	429,089,777
2. Non-Current Liabilities			
(a) Long-term Borrowings	2.3	622,096	1,561,218
(b) Long-term provisions	2.4	2,082,612	1,352,411
3. Current Liabilities			
(a) Short-term borrowings	2.5	170,537,115	174,002,144
(b) Trade payables	2.6		
dues to Micro enterprises and small enterprises ('MSME')		7,937,235	2,075,991
dues to others		241,990,475	200,656,764
(c) Other current liabilities	2.7	3,150,805	2,559,404
(d) Short-term provisions	2.8	2,520,725	947,148
Total		920,047,080	842,264,858
II. ASSETS			
1. Non-current assets			
(a) Property, Plant & Equipment			
(i) Tangible assets	2.9	41,749,257	38,395,178
(ii) Intangible assets	2.9	2,314,098	1,752,428
(iii) Capital work-in- progress		52,614	0
(b) Non-current investments	2.10	9,675,975	10,175,975
(c) Deferred tax assets (net)		2,044,000	2,613,000
(d) Long term loans and advances	2.11	61,301,473	64,393,774
2. Current assets			
(a) Inventories	2.12	441,098,715	360,303,474
(b) Trade receivables	2.13	302,437,647	298,885,397
(c) Cash and cash equivalents	2.14 A	21,411,476	28,321,007
(d) Other Bank balances	2.14 B	8,247,034	9,428,921
(e) Short-term loans and advances	2.15	29,210,882	27,287,780
(f) Other current assets	2.16	503,910	707,926
Total		920,047,080	842,264,858
Summary of significant accounting policies	1		
The accompanying notes are integral part of financial statements	2.1 to 2.32		

IN TERMS OF OUR ATTACHED REPORT OF EVEN DATE

B.F. Chordia & Co.
Chartered Accountants
Firm Registration No.: 101914W

For SHANTIVIJAY JEWELS LIMITED

Sd/-
B.F. Chordia
Proprietor
Membership No.: 9026
UDIN No.: 19009026AAAAAG1609

Sd/-
P.K. GODHA
(Chairman & M.D.)
(DIN No: 00008194)

Sd/-
A.K. GODHA
(Vice Chairman & M.D.)
(DIN: 00008224)

Place: MUMBAI
Dated: 1st August, 2019

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2019

Particulars	Note No	31.03.2019 (₹)	31.03.2018 (₹)
I. Revenue from operations	2.17	1,194,050,514	1,071,636,674
II. Other Income	2.18	<u>9,596,166</u>	<u>12,525,016</u>
III. Total Revenue (I + II)		<u>1,203,646,680</u>	<u>1,084,161,690</u>
IV. Expenses:			
Cost of materials consumed	2.19	700,193,450	611,043,167
Purchase of Stock-in-Trade	2.19	18,262,135	17,369,675
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	2.20	308,014,185	336,736,871
Employee benefit expense	2.21	47,452,194	37,231,933
Financial costs	2.22	11,212,628	9,619,993
Depreciation and amortization expense		4,890,615	4,819,447
Other expenses	2.23	<u>96,768,997</u>	<u>68,104,164</u>
Total Expenses		<u>1,186,794,204</u>	<u>1,084,925,251</u>
V. Profit before tax (III – IV)		<u>16,852,476</u>	<u>(763,561)</u>
VI. Tax expense:			
Deferred tax charged		569,000	182,000
VII. Profit for the year		16,283,476	(945,561)
VIII. Earning per equity share:			
Equity share of par value of Rs. 10/- each			
1. Basic & Diluted	2.27	5.42	(0.31)
Summary of significant accounting policies	1		
The accompanying notes are integral part of financial statements	2.1 to 2.32		

IN TERMS OF OUR ATTACHED REPORT OF EVEN DATE

B.F. Chordia & Co.
Chartered Accountants
Firm Registration No.: 101914W

Sd/-
B.F. Chordia
Proprietor
Membership No.: 9026
UDIN No.: 19009026AAAAAG1609

Place: MUMBAI
Dated: 1st August, 2019

For SHANTIVIJAY JEWELS LIMITED

Sd/-
P.K. GODHA
(Chairman & M.D.)
(DIN No: 00008194)

Sd/-
A.K. GODHA
(Vice Chairman & M.D.)
(DIN: 00008224)

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES & OTHER EXPLANATORY INFORMATION FOR THE YEAR ENDED 31ST MARCH, 2019

1. SIGNIFICANT ACCOUNTING POLICIES

Corporate Information:

Shantivijay Jewels Ltd. is located in Special Economic Zone Mumbai having its showroom in Trident Hotel, Mumbai and factory at MIDC, Andheri. Company is engaged in Manufacturing, Local and exports of wide range of studded gold jewellery and Diamond and P.stones. Company is having two Subsidiaries. {as per Note No b (c)}

(a) System of Accounting:

- i) The Company follows the mercantile system of accounting and recognises income and expenditure on accrual basis unless otherwise stated hereinafter.
- ii) The Accounts are prepared under historical cost convention, as a going concern and generally in accordance with applicable Accounting standards.

(b) Principles of Consolidation:

- (a) The Consolidated financial statements relates to Shantivijay Jewels Ltd ('the Company ') and its wholly owned Subsidiary Company Shantivijay Jewels International Ltd 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.

- (b) 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.
- (c) The Subsidiary Companies considered in the consolidated financial statements are,

<u>Name of the Company</u>	<u>County of Incorporation</u>	<u>% of Voting Power held as at 31.03.2019</u>
(a) Shantivijay Jewels International Ltd	Mauritius	100%
(b) Shantivijay Impex DMCC (Wholly owned subsidiary of Shantivijay Jewels International Ltd)	Dubai	100%

(c) Exchange Adjustments

In case of foreign subsidiaries, being non-integral foreign operations, revenue items are consolidated at the exchange rate prevailing during the year. All assets and liabilities are converted at rates prevailing at the end of the year. Any exchange difference arising on consolidation is recognised in the exchange fluctuation reserve.

(d) Fixed Assets and Depreciation:

i) **Tangible Assets**

- (a) Fixed Assets are stated at their cost of acquisition less Deprecation. Additions to Fixed assets are net of Modvat Credit wherever applicable. Rubber moulds of small value have not been capitalised and considered as consumables and charged to revenue.
- (b) Effective 1st April, 2014, the Company depreciates its fixed assets over the useful life in the manner prescribed in Schedule II of the Act, as against the earlier practise of depreciating at the rates prescribed in Schedule XIV of the Companies Act, 1956.

ii) **Intangible Assets:**

Computer Software:

Intangible Assets are stated at cost of acquisition less accumulated amortization.

Computer Software is amortized over a period of Five Years in equal instalments.

(e) Investments

Long term Investments are valued at cost with an appropriate provision for permanent diminution in value.

Current investments are stated at lower of the cost or quoted/fair value.

(f) Inventories

- (A) Raw materials are valued at lower of the cost or net realisable value; cost is arrived at on FIFO basis. Cost includes costs incurred in bringing them to their present location.
- (B) Stores & Consumables are valued at lower of the cost or net realisable value.
- (C) Loose Tools are valued at lower of the cost or net realisable value.
- (D) Finished goods are valued at lower of the cost or net realisable value. Cost of finished goods is determined by taking material, labour and appropriate factory overheads.
- (E) Inventory of spares, Rubber Moulds is not valued and is charged to revenue.

CONSOLIDATED NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019 (Contd.)**(g) Foreign Currency Transaction**

- (a) Transactions denominated in Foreign Currencies are normally recorded at the exchange rate prescribed by customs at the time of transaction.
- (b) Monetary items denominated in foreign currencies at the year-end are restated at the year end rates. In case of forward exchange contracts, the difference between the year end rate and rate on the date of contract is recognised as exchange difference and premium or discount on forward exchange contracts is recognised over the life of the contract.
- (c) Non-monetary foreign currency items are carried at cost.
- (d) Any income or expense on account of exchange difference either on settlement or on translation is recognised in the profit and loss account.
- (e) Exchange difference on acquisition of fixed assets is adjusted to carrying cost of such fixed assets.

(h) Employee Benefits

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 & Loss Account. Contribution to Provident/ESIC as percentage of salary is charged to Profit & Loss Account on accrual basis.

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. 1,260,336/-.

(i) Taxation

In view of C/F losses, there is no tax liability and also no tax payable under MAT. Deferred Tax Liability resulting from timing difference between book Profit and taxable profit for the year is calculated by using tax rates & tax laws that have been enacted or substantially enacted at the balance sheet date

(j) Other Significant Accounting Policies

These are set out in the Notes to Accounts under Significant Accounting Policies for Financial statements of the Company and its Subsidiaries.

2. CONSOLIDATED NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

The previous period figures have been regrouped/reclassified, wherever necessary to conform to the current presentation.

	31.03.2019 (₹)	31.03.2018 (₹)
2.1 SHARE CAPITAL		
Authorised- Equity shares of Rs. 10 par value 6000000 Equity Shares	60,000,000	60,000,000
Issued, Subscribed & Paid Up		
3002000 Equity Shares of Rs. 10/- par value fully paid	30,020,000	30,020,000
TOTAL	30,020,000	30,020,000

1. Refer to note 2.27 for details of basic and diluted shares.

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.

The details of shareholder holding more than 5% shares as at 31st March, 2019 is set out below:

Name of the shareholder	31.03.2019		31.03.2018	
	No. of Shares	%	No. of Shares	%
1. Rajrani Bimalchand Godha	837,607	27.90	837,607	27.90
2. Pradeepkumar Bimalchand Godha	491,899	16.38	491,674	16.38
3. Anurag Bimalchand Godha	488,989	16.28	488,764	16.28
4. Varun Pradeepkumar Godha	268,500	8.94	268,500	8.94
5. Namita Anurag Godha	191,295	6.37	191,295	6.37
6. Sudha Pradeepkumar Godha	188,795	6.29	188,795	6.29
7. Anish Anurag Godha	151,600	5.05	151,600	5.05

The reconciliation of the number of shares outstanding as at 31st March, 2019 and 31st March, 2018 is set out below:

Particulars	As at 31.03.2019 No. of Shares	As at 31.03.2018 No. of Shares
Number of shares at the beginning and at the end	3,002,000	3,002,000
	₹ 30,020,000/-	₹ 30,020,000/-

CONSOLIDATED NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019 (Contd.)

	31.03.2019 (₹)	31.03.2018 (₹)
2.2 RESERVE AND SURPLUS		
Security Premium	46,797,952	46,797,952
Capital Reserve	20,055,422	20,055,422
General Reserve	108,961,350	108,961,350
Exchange Translation reserve	78,609,464	62,796,699
Profit & Loss Account		
Opening Balance	190,478,354	191,423,915
Add: Trf. from statement of profit & loss	16,283,476	(945,561)
	206,761,830	190,478,354
TOTAL	461,186,017	429,089,777
2.3 LONG TERM BORROWINGS (SECURED)		
Term loan from Bank (loan in the name of the Director) (Secured by Hypothecation of Motor Car)	622,096	1,561,218
Secured vehicle loan take @ 7.88% upto period of November 20, 2020 and equal monthly instalments of Rs. 93,060.		
TOTAL	622,096	1,561,218
2.4 LONG TERM PROVISIONS		
Provision for Employee benefits – Gratuity	2,082,612	1,352,411
TOTAL	2,082,612	1,352,411
2.5 SHORT TERM BORROWINGS		
PACKING CREDIT (Secured)	117,431,191	103,776,554
DISCOUNTED BILLS (Secured)	53,105,924	70,225,590
(Against hypothecation of stocks, collaterally secured by hypothecation of Book debts and Machinery and Negative Lien of Immoveable Property of Bharat Diamond Bourse and Rajrani Godha, personally guaranteed by Whole-time Directors)		
TOTAL	170,537,115	174,002,144
2.6 TRADE PAYABLES		
Total outstanding dues of Micro enterprises and small enterprises ('MSME') (Refer note: 2.30)		
Total outstanding dues of creditors other than MSME	7,937,235	2,075,991
– related parties (Refer note: 2.26)	22,382,499	248,233
– Others	219,607,976	200,408,531
TOTAL	249,927,710	202,732,755
2.7 OTHER CURRENT LIABILITIES		
Current maturities of long term debt	1,116,720	1,116,720
Advance from customers	36,698	0
Unpaid dividends *	17,199	17,199
Other payables #	1,980,188	1,425,485
TOTAL	3,150,805	2,559,404
* This amount, due and outstanding, to be credited to Investor Education and Protection Fund. # includes statutory dues and security deposit.		
2.8 SHORT TERM PROVISIONS		
Provisions for Employee Benefits- Bonus	2,520,725	947,148
TOTAL	2,520,725	947,148

CONSOLIDATED NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019 (Contd.)**2.9 PROPERTY, PLANT AND EQUIPMENT:**

Particulars	GROSS BLOCK				DEPRECIATION AND AMORTIZATION				NET BLOCK	
	As at 01.04.2018	Additions/ Adjustments	Deductions/ Adjustments	As at 31.03.2019	As at 01.04.2018	For the Year	Deductions/ Adjustments	Upto 31.03.2019	As on 31.03.2019	As on 31.03.2018
1. Tangible Assets										
Building	47040911	156080	0	47196991	29165723	1057397	0	30223120	16973871	17515259
Plant and Equipments	29687861	6103477	0	35791338	18561576	1454241	0	20015817	15775521	11126285
Office Equipments	10277967	589178	0	10867145	8587770	575495	0	9163264	1703881	1690197
Furniture and Fixtures	8236009	180165	0	8416174	6163437	353925	0	6517362	1898811	2071018
Vehicles	11286829	35678	0	11322507	5294410	630924	0	5925334	5397177	5992423
Total (a)	106529577	7064578	0	113594154	67772916	4071982	0	71844898	41749257	38395178
2. Intangible Assets										
Software	9455626	1376794	0	10832420	7703199	815123		8518321	2314098	1752428
Total (b)	9455626	1376794	0	10832420	7703199	815123	0	8518321	2314098	1752428
Total (a + b)	115985204	8441372	0	124426574	75476114	4887105	0	80363219	44063355	40147606
Previous Year	106534395	11129825	2411176	115253043	72239494	4817162	1951219	75105438	40147606	

Note: Motor Vehicles costing Rs. 85.23 Lakhs are in the name of the Directors of the Company.

	31.03.2019 (₹)	31.03.2018 (₹)
2.10 NON CURRENT INVESTMENTS		
A) QUOTED, FULLY PAID EQUITY SHARES, NON TRADING, AT COST		
Gujrat Fluorochemicals Ltd - 300 Shares of Rs. 10/- each	32,475	32,475
Canara Bank -4100 shares of Rs. 10/- each	143,500	143,500
183000 fully paid Equity shares of Rs.10/- each of German Garden Ltd.	2,021,613	175,975
Less: Provision for Diminution in the value (Total Provision for diminution in the value of Investment Rs. 20.22 Lakhs)	2,021,613	0
IIFL MF Common Collection A/c	0	5,000,000
80,000 fully paid equity shares of 100/- each of Light Bite Foods P Ltd (Related Party)	8,000,000	5,000,000
Investment in Canara Bank Robecco Fund (Market Value of quoted shares Rs. 15.28 Lakhs, Previous Yr Rs. 13.21 Lakhs) (Book value Rs.1.76 Lakhs, Previous year Rs.1.76 Lakhs)	1,500,000	0
TOTAL	9,675,975	10,175,975
(Aggregate provision for diminution in the value of investment of Rs. 20.21 Lakhs for 183000 shares of German Garden)		
2.11 LONG TERM LOANS AND ADVANCES		
Unsecured, considered good		
Loans and advances to Employees	964,000	1,031,000
Balance with Tax Authorities	8,624,780	10,428,717
Capital advances-Advance against property	27,869,200	29,369,200
Other loans & advances	9,305,644	9,336,234
Rental Deposits	12,703,230	12,703,230
Other Security Deposits	1,834,619	1,525,393
TOTAL	61,301,473	64,393,774
2.12 INVENTORIES		
(Inventories are valued at lower of the cost or net realisable value)		
Raw Materials	280,201,201	200,743,473
Finished Goods	156,764,087	154,987,947
Stores & Spares	3,208,225	3,231,067
Loose tools	925,202	1,340,987
TOTAL	441,098,715	360,303,474

CONSOLIDATED NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019 (Contd.)

	31.03.2019 (₹)	31.03.2018 (₹)
2.13 TRADE RECEIVABLES		
Unsecured considered good		
Debts outstanding for a period exceeding six months from the date they were due for payment	107,268,570	118,560,542
Other debts considered good	<u>195,169,076</u>	<u>180,324,855</u>
TOTAL	<u>302,437,647</u>	<u>298,885,397</u>
Total trade receivables from related parties (Refer note: 2.26)	8,201,603	6,855,158
2.14A CASH AND CASH EQUIVALENTS		
Cash on Hand	658,751	573,659
Balance with Bank		
In Current and Deposit Account *	<u>20,752,725</u>	<u>27,747,348</u>
TOTAL	<u>21,411,476</u>	<u>28,321,007</u>
* a) Includes unpaid Dividend A/c Rs. 17,199/- (Previous Year: Rs. 17,199/-)		
2.14B OTHER BANK BALANCES		
– Deposits with remaining maturity for less than 12 months	<u>8,247,034</u>	<u>9,428,921</u>
TOTAL	<u>8,247,034</u>	<u>9,428,921</u>
2.15 SHORT TERM LOANS AND ADVANCES		
Unsecured, considered good		
Balances with Tax authorities	9,283,977	9,391,448
Advances to Employees and Contractors	9,008,426	8,225,747
Prepaid Expenses	2,323,147	2,197,013
Other Advances	<u>8,595,331</u>	<u>7,473,573</u>
TOTAL	<u>29,210,882</u>	<u>27,287,780</u>
2.16 OTHER CURRENT ASSETS		
Interest accrued on FDR	463,806	669,332
Other Current Assets	<u>40,104</u>	<u>38,594</u>
TOTAL	<u>503,910</u>	<u>707,926</u>
2.17 REVENUE FROM OPERATIONS		
Sales - Jewellery	1,174,516,512	1,053,233,992
Sales - Diamond	17,685,290	17,220,152
Sales - P.stones & Others	1,550,212	980,229
Service - Labour charges	<u>298,500</u>	<u>202,301</u>
TOTAL	<u>1,194,050,514</u>	<u>1,071,636,674</u>
2.18 OTHER INCOME		
Dividend - Long term Investments	11,750	15,100
Interest received #	1,371,276	1,656,550
Gain on foreign currency transaction/translation	1,754,493	10,199,223
Income tax for interest received	5,925,679	107,153
Excess prov for exp written back	37,968	101,769
Rent recd	495,000	420,000
Commission received	<u>0</u>	<u>25,221</u>
TOTAL	<u>9,596,166</u>	<u>12,525,016</u>

Interest received includes Interest on bank deposit & others of Rs. 6.32 Lakhs (Previous Year: Rs. 9.22 Lakhs) and Interest on loans and advances of Rs. 7.31 Lakhs (Previous Year: Rs. 7.31 Lakhs)

CONSOLIDATED NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019 (Contd.)

	<u>31.03.2019</u> (₹)	<u>31.03.2018</u> (₹)
2.19 MATERIALS		
1. COST OF MATERIALS CONSUMED		
Gold	202,769,177	153,606,965
Diamond	433,391,084	414,091,868
Others	<u>64,033,189</u>	<u>43,344,334</u>
TOTAL	<u>700,193,450</u>	<u>611,043,167</u>
2. PURCHASE OF STOCK IN TRADE		
Diamond & P.stones	<u>18,262,135</u>	<u>17,369,675</u>
2.20 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND STOCK-IN-TRADE		
Opening Stock of Finished Goods	154,987,947	218,892,543
Add: Purchases of Finished Goods	<u>309,790,325</u>	<u>279,081,903</u>
	464,778,272	497,974,446
Less: Closing Stock of Finished Goods	156,764,087	154,987,947
Less: Melting of Finished Goods	<u>0</u>	<u>6,249,628</u>
TOTAL	<u>308,014,185</u>	<u>336,736,871</u>
2.21 EMPLOYEE BENEFIT EXPENSES		
Salaries & Wages	32,799,311	26,181,835
Contribution to PF & Other Funds	3,520,364	3,221,283
Welfare Expenses	<u>144,625</u>	<u>193,590</u>
	36,464,300	29,596,708
Directors Remuneration (Including Rs. 14,87,839/- for perks)	<u>10,987,894</u>	<u>7,635,225</u>
TOTAL	<u>47,452,194</u>	<u>37,231,933</u>
2.22 FINANCIAL COSTS		
Interest paid	<u>11,212,628</u>	<u>9,619,993</u>
TOTAL	<u>11,212,628</u>	<u>9,619,993</u>

CONSOLIDATED NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019 (Contd.)

	31.03.2019 (₹)	31.03.2018 (₹)
2.23 OTHER EXPENSES		
Consumable Stores, Spares & Tools	5,461,167	3,280,428
Labour Charges	43,593,275	29,855,824
Rent	3,743,087	4,809,798
Electricity Charges	3,261,383	2,734,396
Professional & Technical Fees	5,306,504	3,945,175
Bank Charges	2,080,696	1,220,642
ECGC Premium Charges	862,610	532,970
Rates & Taxes	2,365,683	39,523
Repairs & Maintenance:		
Repairs & Maintenance to Machinery	851,964	731,604
Building	374,670	22,864
Others	2,703,111	2,174,766
Donations	1,573,984	1,358,852
Auditors' Remuneration:		
As Auditors	1,169,994	987,845
For Taxation Services	200,000	150,000
	1,369,994	1,137,845
Insurance	2,364,816	627,990
Commission & Discount	2,271,523	831,704
Loss on foreign currency transaction/translation	65,087	79,827
Loss on sale of car	0	101,467
Prior Period Items		
Lease Rent Digging	8,976	0
Electricity charges	3,447	0
Repairs & maint. - others (BDB)	5,495	0
Property taxes (Nirmal life style)	2,310,068	0
Professional Fees	0	5,175
Membership and Subscription	0	0
Sundry Expenses	0	1,605
Directors' Perks	0	4,113
Other General Expenses	16,191,457	14,607,595
TOTAL	96,768,997	68,104,163

CONSOLIDATED NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019 (Contd.)**2.24 CONTINGENT LIABILITIES: NIL****2.25 SEGMENT REPORTING**

Company is exclusively engaged in the Gems & Jewellery Business, which as per Accounting Standard AS-17 is considered the only primary reportable business segment.

GEOGRAPHICAL SEGMENT REPORTING (GEMS & JEWELLERY)

COUNTRY	SALES	BALANCE ON	SALES	BALANCE ON
	31.03.2019	31.03.2019	31.03.2018	31.03.2018
EXPORTS				
U.S.A.	421,861,767	86,159,952	403,555,320	72,061,860
EUROPE	512,335,541	46,290,614	325,511,002	29,057,409
MIDDLE EAST	90,145,979	115,417,277	236,685,500	166,530,536
OTHERS	104,502,875	22,593,151	66,412,500	1,884,294
LOCAL SALES	64,905,853	31,976,653	39,270,052	29,351,296
TOTAL	1,193,752,014	302,437,647	1,071,434,374	298,885,396

2.26 RELATED PARTY TRANSACTIONS

Related Party Disclosures have been set out below. The Related parties, as defined by Accounting Standard 18 related party disclosure, issued by Institute of Chartered Accountants of India, in respect of which the disclosures have been made, have been identified on the basis of information available with the Company.

A) Wholly owned Subsidiary Companies

- i) Shantivijay Jewels International Ltd -Mauritius
- ii) Shantivijay Impex DMCC (Subsidiary of Shantivijay Jewels International Ltd)

B) Key Management Personnel & Relatives

- Shri Pradeep Kumar Godha - Chairman & Managing Director
Shri Anurag Godha - Vice Chairman & Managing Director

C) Relatives of Key Management Personnel and Associates

- Smt. Rajrani Godha
Smt. Sudha Godha
Smt. Namita Godha
Shri Varun Godha
Smt. Deepika Godha
Shri Anurag Godha - Vice Chairman & Managing Director
- } Relatives of Directors

D) Enterprises over which Key Management Personnel or their Relatives have significant influence

- i) Precious Gems Pvt. Ltd.
- ii) Light Bite Foods Private Ltd.
- iii) Diamondere Pvt. Ltd.

Details of Transactions are as below,

SR. NO.	NAME OF THE PARTY	RELATIONSHIP	NATURE OF TRANSACTION	TRANSACTION AMOUNT 31.03.2019	OUTSTANDING 31.03.2019	TRANSACTION AMOUNT 31.03.2018	OUTSTANDING 31.03.2018
1.	Diamondere P Ltd.	Enterprise under significant influence as referred in 2.26 D	Sales & Services Rent	34,631,972 495,000	8,201,603 DR	14,457,406 420,000	6,855,158 DR
2.	Light Bite Foods P. Ltd.	Enterprise under significant influence as referred in 2.26 D	Investment in Shares	3,000,000	0	5,000,000	0
3.	Pradeep Kumar Godha	Managing Director	Remuner+perks	5,202,569	292,604 CR	3,875,919	5,134 CR
4.	Anurag Godha	Managing Director	Remuner+perks	4,985,270	299,946 CR	3,756,627	26,522 CR
5.	Rajrani Godha	Relative of Director	Remuneration + Bonus and rent paid	120,000	116,067 CR	120,000	128,596 CR
			Security deposit paid	0	12,000,000 DR	0	12,000,000 DR
6.	Sudha Godha	Relative of Director	Remuneration + Bonus	418,176	17,155 CR	343,189	17,155 CR
7.	Namita Godha	Relative of Director	Remuneration + Bonus	418,176	70,236 CR	343,190	70,236 CR
8.	Varun Godha	Relative of Director	No Transaction	0	590 CR	0	590 CR
9.	Deepika Godha	Relative of Director	Remuneration + Bonus	306,662	0	251,672	0
Surety given to Company's banker by Third parties							
1.	Rajrani Godha	Relative of Director	Surety given to Company bankers (without any charge)		Market value	44,100,000	44,100,000

CONSOLIDATED NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019 (Contd.)
2.27 EARNING PER SHARE (EPS)

EPS computed in accordance with Accounting Standard - 20.

	2019	2018
Basic & Diluted		
Profit after Tax as per Accounts	16,283,476	(945,561)
Number of Equity Shares issued	3002000	3002000
Par Value of the Shares	10	10
EPS (Basic & Diluted) Rs.	5.42	(0.31)

2.28 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:

Deferred Tax Assets

Assets	2019	2018
Difference between Book & Tax Depreciation	2,287,143	2,875,904
Less: Provision for Gratuity	243,130	263,000
Net Deferred tax assets	2,044,013	2,612,904
Deferred Tax Liability Provision required	(569,000)	(182,000)

2.29 GRATUITY AND OTHER POST-EMPLOYMENT BENEFIT PLANS

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. Contribution to Provident/ESIC as percentage of salary is charged to Profit & Loss Account on accrual basis.

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. 12,60,336/-.

The following tables summarise the components of net benefit expense recognised in the statement of profit and loss and the funded status and amounts recognised in the balance sheet for the respective plans.

Statement of Profit and Loss
Net Employee benefit expense recognised in the Employee Cost

Particulars	Gratuity 31.03.2019	Gratuity 31.03.2018
Current service cost	614,845	537,184
Interest cost on benefit obligation	751,375	614,336
Expected return on plan assets	(85,776)	(118,464)
Net actuarial (gain)/loss recognized in the year	220,888	713,644
Net benefit expense	1,501,332	1,746,700
as per profit and loss account	69,292	254,972

Balance sheet
Benefit asset/liability

Particulars	Gratuity	Gratuity
Present value of defined benefit obligation	10,691,531	10,018,333
Fair value of plan assets	808,395	1,636,529
Plan asset/(liability)	(9,883,136)	(8,381,804)

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

Particulars	Gratuity	Gratuity
Opening defined benefit obligation	10,018,333	8,191,149
Current service cost	614,845	537,184
Interest cost	751,375	614,336
Benefits paid	(913,910)	(37,980)
Actuarial (gains)/losses on obligation	220,888	713,644
Transferred from Contextual Advertising Private Limited	0	0
Closing defined benefit obligation	10,691,531	10,018,333

CONSOLIDATED NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019 (Contd.)

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

Particulars	Gratuity	Gratuity
Opening fair value of plan assets	1,636,529	1,556,045
Expected return	85,776	118,464
Contributions by employer	0	0
Benefits paid	(913,910)	(37,980)
Actuarial gains/(losses)		-
Closing fair value of plan assets	808,395	1,636,529

The principal assumptions used in determining obligations for the Company's plans are shown below:

Particulars	Gratuity	Gratuity
Discount rate	7.50%	7.50%
Salary escalation	5.00%	5.00%
Employee turnover	0	0

2.30 Details of dues to micro and small enterprises as defined under the MSMED Act, 2006

Particulars	31.03.2019	31.03.2018
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
Principal amount due to micro and small enterprises	7,937,235	2,075,991
Interest due on above	0	0
	<u>7,937,235</u>	<u>2,075,991</u>

The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year

- -

The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006.

- -

The amount of interest accrued and remaining unpaid at the end of each accounting year

- -

The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006.

- -

2.31 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% of consolidated profit or loss	Amount in Rupees
Parent				
Shantivijay Jewels Ltd.	49%	246778711	135	(22034375)
Foreign Subsidiary				
Shantivijay Jewels Intl Ltd.	27%	135593080	8	(1235736)
Shantivijay Impex DMCC	24%	131724963	(43)	6986636
TOTAL		514096754		(16283476)

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

2.32 Figures of previous year has been regrouped and rearranged wherever necessary.

IN TERMS OF OUR ATTACHED REPORT OF EVEN DATE

B.F. Chordia & Co.
Chartered Accountants
Firm Registration No.: 101914W

For SHANTIVIJAY JEWELS LIMITED

Sd/-
B.F. Chordia
Proprietor
Membership No.: 9026
UDIN No.: 19009026AAAAAG1609

Sd/-
P.K. GODHA
(Chairman & M.D.)
(DIN No: 00008194)

Sd/-
A.K. GODHA
(Vice Chairman & M.D.)
(DIN: 00008224)

Place: MUMBAI
Dated: 1st August, 2019

SHANTIVIJAY JEWELS LIMITED

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2019

	2019 (₹)	2018 (₹)
A. CASH FLOW FROM OPERATION ACTIVITIES:-		
Net Loss before tax & extraordinary items	16763775	(1128494)
Adjustments for:		
Depreciation & Amortisation	4887105	4817162
Finance Cost	11212628	9619993
	32863508	13308661
Adjustments for:		
Interest/Dividend Received	(1383026)	(1671650)
<i>Operating Profit before working capital changes</i>	31480482	11637011
Adjustments for:		
Trade receivables	(13820787)	(95019886)
Inventories	(74886537)	50885809
Short term loans & advances	(1432795)	(6362440)
Long term loans & advances	1304240	(647000)
Other Current assets	204016	1470077
	(57151381)	(38036429)
Increase/(Decrease) in operating liabilities		
Trade Payables	65526601	75126776
Other Current liabilities	549787	849736
Long term provisions	697293	715267
Short term Provisions	1580313	(1052092)
Cash generated from Operation	11202612	37603260
Finance Cost	(11212628)	(9619993)
Taxes Paid	1803937	184314
Net cash (used in)/from Operating activities	1793921	28167581
B. CASH FLOW FROM INVESTING ACTIVITIES:-		
Purchase of Fixed assets	(8493986)	(11129825)
Investments	500000	0
Sale/Impairment of Fixed Assets.	0	459957
Deposits placed in banks	1181887	(685125)
Profit on sale of shares	0	0
Interest & Dividend Received	1383026	1671650
<i>Net cash/(used in)/from Investment activities</i>	(5429073)	(9683343)
C. CASH FLOW FROM FINANCING ACTIVITIES:-		
Decrease in Bank borrowings	(4404151)	(5941591)
<i>Net cash (used in)/from Finance activities</i>	(4404151)	(5941591)
NET DECREASE IN CASH EQUIVALENTS (B + C + A)	(8039303)	12542646
Cash and Cash Equivalents		
Opening Balance	29450779	15822157
Closing Balance	21411476	28364803
	(8039303)	12542646

() Indicates deductions.

Note: Difference in the opening balance of cash & cash equivalent is due to exchange translation difference.

AS PER OUR REPORT OF EVEN DATE ATTACHED

B.F. Chordia & Co.
Chartered Accountants
Firm Registration No.: 101914W

For SHANTIVIJAY JEWELS LTD

Sd/-
B.F. Chordia
Proprietor
Membership No.: 9026
UDIN No.: 19009026AAAAAG1609

Sd/-
P.K. GODHA
(Chairman & M.D.)
(DIN No.: 00008194)

Sd/-
A.K. GODHA
(Vice Chairman & M.D.)
(DIN: 00008224)

Place: MUMBAI
Dated: 1st August, 2019

**Proxy Form
Form No. MGT-11**

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



Regd. Office/Factory: G-37, Gems & Jewellery Complex III, SEEPZ, Andheri (E), Mumbai – 500 096, INDIA
Tel: +91 - 22 - 421822244 • **Fax:** +91-22-28291360/42182211
E-mail: shantivijay@shantivijay.com • **Website:** www.shantivijay.com
CIN-U36910MH1980PLC023289

46th Annual General Meeting – Tuesday, 17th September, 2019

Name of the Member(s) :																					
Registered Address :																					
E-mail ID :																					
Folio No./Client ID: DP ID :	<table border="1" style="width: 100%; height: 20px;"><tr><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td></tr></table>																				

I/We, being the member(s) of _____ shares of the above named company, hereby appoint:

1. Name: _____
Address: _____
E-mail ID: _____
Signature: _____ or failing him;
2. Name: _____
Address: _____
E-mail ID: _____
Signature: _____ or failing him; (Contd.)

(Tear Here)



Regd. Office/Factory: G-37, Gems & Jewellery Complex III, SEEPZ, Andheri (E), Mumbai – 500 096, INDIA
Tel: +91 - 22 - 421822244 • **Fax:** +91-22-28291360/42182211 • **E-mail:** shantivijay@shantivijay.com • **Website:** www.shantivijay.com
CIN-U36910MH1980PLC023289

46th Annual General Meeting – Tuesday, 17th September, 2019

ADMISSION SLIP

Folio No./Client ID:

--

I certify that I am a registered shareholders/proxy for the registered shareholders of the Company.
I hereby record my presence at the 46th Annual General Meeting of the Company being held at the Conference Hall, All India Institute of Local Self-Government, Sthanikraj Bhavan, C.D. Barfiwala Marg, Juhu Gali, Andheri (West), Mumbai – 400 058, on Tuesday, 17th September, 2019 at 3.00 P.M.

Name of the Member in BLOCK Letters	Member's Signature
Name of the Proxy in BLOCK Letters	Proxy's Signature

Note: Please fill in the Attendance Slip, and hand it over at the ENTRANCE OF THE HALL.

3. Name: _____
 Address: _____
 E-mail ID: _____
 Signature: _____

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 46th Annual General Meeting of the Company, to be held on Tuesday, 17th September, 2019 at 3.00 p.m. at the Conference Hall, All India Institute of Local Self-Govt., Sthanikraj Bhavan, C.D. Barfiwala Marg, Juhu Gali, Andheri (West), Mumbai – 400 058, Maharashtra, and at any adjournment thereof in respect of such resolution as are indicated below:

Resolution Number	Resolution	Optional*	
		For	Against
1	Adoption of Financial Statements (Standalone and Consolidated) for the year ended 31st March, 2019.		
2.	To appoint a Director in place of Shri Jayant B. Shah, who retires by rotation and, being eligible, offers himself for reappointment.		
3.	To approve reappointment of Shri Pradeep Kumar Godha as the Managing Director w.e.f. 01.09.2019.		
4.	To approve reappointment of Shri Anurag Godha as the Managing Director w.e.f. 01.09.2019.		
5.	To approve waiver of recovery of refundable managerial remuneration paid to the Managing Directors.		

Signed this _____ day of _____ 2019

Signature of Proxy holder(s) _____

Affix Re. 1/- Revenue Stamp

Signature of Shareholder _____

Notes:

- This form Proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.**
 - A person can act as proxy on behalf of Members upto and not exceeding fifty and holding in the aggregate not more than ten per cent of the total share capital of the Bank. Further, a Member holding more than ten per cent of the total share capital of the Bank carrying voting rights may appoint a single person as proxy, and such person shall not act as proxy for any other person or Member.
- * It is important to put a '✓' in the appropriate column against the Resolutions included in the Box. If you leave the 'For' or 'Against' column blank against any or all Resolutions, your proxy will be entitled to vote in the manner as he/she thinks appropriate.

(Tear Here)