










**31st Annual Report
of
Manoj Vaibhav Gems 'N' Jewellers Private Limited**



2019-20**Corporate Information****Chairperson & Managing Director** Mrs. G.B.M Ratna Kumari**Directors** Mr. G.S.V Amarendra
 Mrs. Sai Sindhuri Grandhi
 Mrs. Sai Keerthana Grandhi**Chief Executive Officer (CEO)** Mr. Satish Ramanujakoodam**Company Secretary** Mr. Bandari Shiva Krishna**Statutory Auditor** Mr. KKS Swamy, Chartered Accountant, Eluru.**Bankers** State Bank of India
 Andhra Bank
 HDFC Bank Limited
 Axis Bank Limited
 Canara Bank
 Federal Bank Limited**Registered Office**

7A-9-21, Main Bazaar, Eluru-534 001, West Godavari District, Andhra Pradesh, India, Ph.: +91 8812 668664, Website: www.vaibhavjewellers.com.

Corporate Office

D. No. 47-10-19, 2nd Lane, Dwarakanagar, Visakhapatnam-530016, Andhra Pradesh, India. Ph: +91 891 6634567, Website: www.vaibhavjewellers.com.

SHOWROOMS

Visakhapatnam

1. A-1, Pavan Palace, Dwarakanagar, Visakhapatnam- 530 016, Andhra Pradesh, India, Ph: +91 891 6623700.
2. V Square, D.No. 47-15-8, Station Road, Dwarakanagar, Visakhapatnam- 530 016, Andhra Pradesh, India, Ph: +91 891 6667777.

Kakinada

3. D.No: 34-1-1, Opp. District Co-Operative Bank, Pulavarthivari Street, Kakinada, Andhra Pradesh 533001, India, Ph: +91 884 6666610.

Gajuwaka

4. D.No.10-7-110/1, Cinema Hall Junction, Gajuwaka, Andhra Pradesh, India, Ph: +91 891 6637779

Parvathipuram

5. D.No: 25-1, Near RTC Complex, Main Road, Parvathipuram, Vizianagaram Dist. – 535501, Andhra Pradesh, India, Ph: 08963 222 100.

Rajamahendravaram

6. D.No:6-5-85, Opp. Hero Motor bike showroom, Main Rd, Tyagaraja Nagar, Rajahmundry, Andhra Pradesh 533101, India, Ph: 0883 660 1777.

Bobbili

7. D.No.13-182, Korada Street Jn., Balijipeta Road, Bobbili – 535558, Vizianagaram Dist, Andhra Pradesh, India, Ph:08008572629

Anakapalle

8. D.No.11-1-50, Near Sri Kanyakaparameswari Temple, Main Road, Anakapalle, 531001, Visakhapatnam, Andhra Pradesh, India, Ph:90320 77277

Dilsukhnagar, Hyderabad

9. D.No.16-11-477, Near Hanuman Temple, Main Road, Dilsukhnagar, Hyderabad, 500 060, Telangana, India, Ph:040 6656 5787

A.S Rao Nagar, Hyderabad

10. D.No:1-19-71/A-8/2 Aiswarya Chambers, Above Ratnadeep Super Market, Main Road, Lakshmiapuram Colony, Rukminipuri Colony, Dr.AS Rao Nagar, Secunderabad, 500 062, Telangana, India, Ph:040 66134777

Gopalapatnam

11. 4-218/6/1, Main Road, Gopalapatnam, Simhachalam, Visakhapatnam-530027, Andhra Pradesh, India, Ph: 0891 6667777

Srikakulam (Franchise Store)

12. MSR gold, Sri Satya Complex, Opp. Hotel Vijetha, GT Road, 7 Road Junction, Srikakulam - 532001, Andhra Pradesh, India, Ph: 99897 63007

Our Vision

A richer tomorrow:

The three E's of enrichment:

Our Vision is to enrich the lives of everyone we touch through innovative products and services that enable Expression, Experience and Evolution.

Our Mission

Our Mission is to enrich Stakeholders' value through:

- Customer Delight
- Employee Satisfaction
- Expand our presence at various Strategic Locations.

Awards & Recognition



Best Entrepreneur Award -2019,
Andhra Jewellery Awards conducted
by GJC (All India GEM and Jewellery Domestic Council)



"Network & Celebrate with Great People Mana

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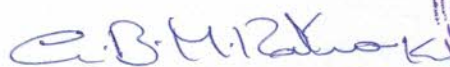
NOTICE

Notice is hereby given that the 31st Annual General Meeting (AGM) of the members of **Manoj Vaibhav Gems 'N' Jewellers Private Limited**, CIN: U55101AP1989PTC009734 will be held on Wednesday, 30th September, 2020 at 10:00 a.m. at its Registered office at 7A-9-21, Main Bazar, Eluru, 534 001, Andhra Pradesh, India to transact the following business:

ORDINARY BUSINESS:

1. To consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March, 2020 including Balance Sheet as at 31st March, 2020 and the statement of profit and loss made upto that date, along with the Reports of the Board of Directors and Auditors thereon.

By order of the Board of Directors
For **Manoj Vaibhav Gems 'N' Jewellers Private Limited**



G.B.M Ratna Kumari
Chairperson & Managing Director
DIN: 00492520

Place: Visakhapatnam

Date: 03rd September, 2020.

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND THE PROXY SO APPOINTED NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED AT THE COMPANY(S) REGISTERED OFFICE NOT LATER THAN 48 (FORTY EIGHT HOURS) BEFORE THE COMMENCEMENT OF THE MEETING.
2. Members / Proxies should bring the attendance slip sent herewith duly filled in for attending the meeting.
3. Members are requested to notify immediately any change in their address to the company.
4. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights.
5. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

Proxy Form (MGT-11)

(Pursuant to Section 105 (6) of the Companies Act, 2013 and Rule 19 (3) of the Companies (Management and Administration) Rules, 2014)

Name of the Member(s): _____
Registered address: _____
E-mail Id: _____
Folio No./DPID No /Client ID No: _____

I/We, being the member(s) of _____ Shares of Manoj Vaibhav Gems 'N' Jewellers Private Limited, hereby appoint:

1. Name:: _____ E-mail Id: _____

Address: _____

Signature: _____

Or failing him

2. Name:: _____ E-mail Id: _____

Address: _____

Signature: _____

Or failing him

3. Name:: _____ E-mail Id: _____

Address: _____

Signature: _____

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 31st Annual General Meeting to be held on Wednesday, 30th September, 2020 at 10:00 a.m. at the Registered office at 7A-9-21, Main Bazar, Eluru, 534 001, Andhra Pradesh, India, and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.

1. To consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March, 2020, together with the Reports of the Board of Directors and Auditors thereon.

Signed this..... day of..... 20.....

Signature of shareholder: _____

Signature of Proxy holder(s): _____

*Affix
Revenue
Stamp*

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

Manoj Vaibhav Gems 'N' Jewellers Private Limited
CIN: U55101AP1989PTC009734
Regd. Office: 7A-9-21, Main Bazar, Eluru, 534 001, Andhra Pradesh, India.

ATTENDANCE SLIP
(To be presented at the entrance)

I hereby record my presence at the 31st Annual General Meeting of the Company held at its registered office at 7A-9-21, Main Bazar, Eluru, 534 001, Andhra Pradesh, India, on Wednesday, 30th September, 2020 at 10:00 a.m.

Folio No. _____ DP. ID. No. _____ Client ID No. _____

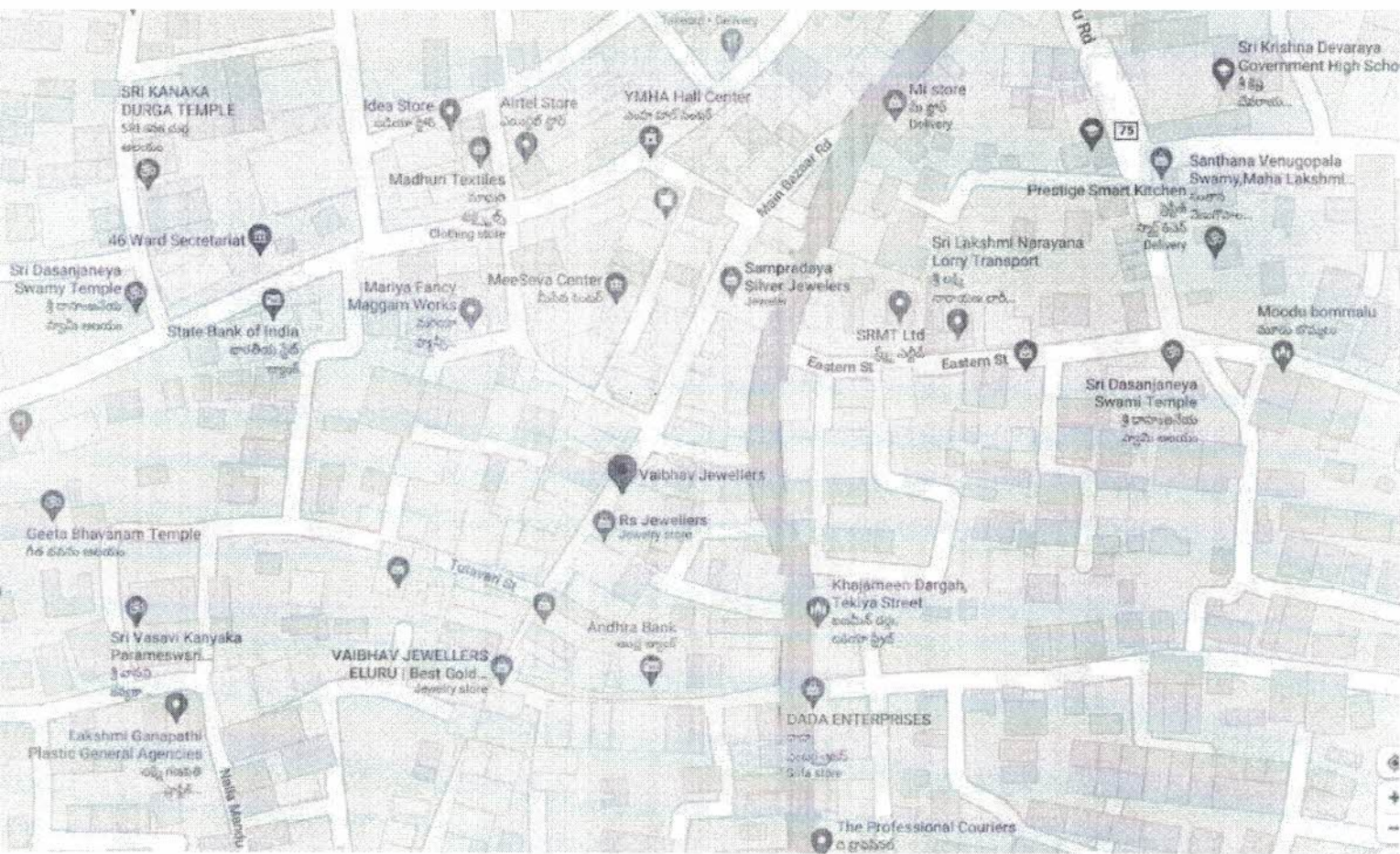
Name of the Member _____

Signature _____

Name of the Proxy holder _____

Signature _____

Route Map



Link of the route map: <https://goo.gl/maps/UvWCX6UqNiz7Wfbm9>

DIRECTORS' REPORT

To
The Shareholders,
MONOJ VAIBHAV GEMS 'N' JEWELLERS PRIVATE LIMITED

Your Directors are pleased to present the 31st Annual Report on the business and operations of your Company along with the Audited Financial Statements for the Financial Year 2019-20.

FINANCIAL SUMMARY/HIGHLIGHTS, OPERATION:

The financial performance of your Company for the year ended 31st March, 2020 is summarized below:

(Rs. in Lakhs)

Particulars	Current Financial year 2019-20	Previous Financial year 2018-19
Revenue from Operations	127912.99	124743.13
Other Income	451.95	588.64
Total Revenue	128364.93	125331.77
Profit/loss before Depreciation, Finance Costs, Exceptional items and tax Expense	8345.60	8752.50
Less: Depreciation / Amortization / Impairment	710.91	714.70
Profit/loss before Finance Costs, Exceptional items and tax Expense	7634.68	8037.80
Less: Finance Costs	3977.01	3247.62
Profit/loss before Exceptional items and tax Expense	3657.67	4790.19
Add/ (Less): Exceptional items	0.00	0.00
Profit/loss before tax Expense	3657.67	4790.19
Less: Tax Expense (Current & Deferred)	971.22	1719.48
Profit/loss for the year	2686.44	3070.71
Earning Per Equity share		
a. Basic	27.50	30.37
b. Diluted	27.50	30.37

1. STATE OF THE COMPANY'S AFFAIRS

The Company prepared its financial statements in accordance with applicable accounting principles in India, the applicable accounting standards prescribed under Section 133 of the Companies Act, 2013 ('Act') read with Rule 7 of the Companies (Accounts) Rules, 2014, the provisions of the Act (to the extent notified) and other accounting principles generally accepted in India to the extent applicable.

During the year under review, Total revenue from retail operations of the Company is Rs.1279.13 Crore as Compared to Rs.1247.43 Crore in the previous year i.e. an increase of 2.5% in retail operations. During the year, Company optimized profitability by concentrating on Retail sale of Jewellery excluding bullion sales from the core strategy. Thus, the total Revenue of the Company stood at Rs.1283.65 Crore as compared to Rs.1253.32 Crores in the previous year. Profit before Tax for the year under review was Rs.36.58 Crores as compared to Rs.47.90 Crore reported last year. Net Profit of the Company for the year under review is Rs.26.86 Crore as compared to previous year Net Profit of Rs.30.71 Crores.

In order to compete in the changing market conditions, Company focused and is continuing to focus on its core business expansion viz., Jewellery business. A focused approach and unique strategy was adopted for the retail jewellery business with the objective of achieving higher growth and profitability. Various strategic initiatives such as optimization of cost, focused sales strategy, regular performance improvement initiatives contributed to an impressive performance by your Company both in terms of revenue and profitability.

2. IMPACT OF COVID 19 ON PERFORMANCE OF THE COMPANY IN THE CURRENT YEAR AND FOR THE FY 2020-21

During the financial year 2019-20, in spite of lowest economic growth, sudden and steep surge in gold prices, regulatory reforms and weak demand in export markets, the company sustained to its stable growth performance. However, complete shut of business for the last 10 days of the end of March, 2020 and complete loss of revenue for the 1st Quarter of the financial year 2020-21 due to nationwide lock downs because of COVID 19 Pandemic, will have an adverse impact on the overall future performance of the company. After the end of second lockdown in May, 2020, the Company gradually started its business operations with minimum workforce combined with work from home policy after obtaining necessary permissions as required from the authorities concerned and all safety measures including social distancing are being followed.

The unprecedented challenges faced by economy, the jewellery industry and business entities across the world due to Covid 19 pandemic, and resultant restrictions imposed by the regulatory authorities, your Company has seen a drastic hit in the operational performance and declined sales volume and yet the company is committed to sustain the challenges. The immediate demand from customers also is uncertain in the Covid 19 affected business environment after lifting lock downs. Main business, being running jewellery stores, the fixed cost associated with rentals, staff compensation, general admin expenses and cost of funds borrowed and idle inventory are to be met by future operations. Due to which business expansion plans have been halted by the Company for the FY 2020-21 during which normalcy is reasonable expected to be restored in the market to cope up with the general demand in the market. As the normalcy restored by absorbing the effect of the Covid -19 pandemic in the market, the company may resume the expansion of business plans which may take place from the financial year 2021-22.

3. GROUP CONCERN

- ☆ Vaibhav Sky Scapes Limited*
- ☆ Vaibhav Jewellers Private Limited
- ☆ Vaibhav Goldfin Services Private Limited*
- ☆ Vaibhav Green Energy Private Limited*
- ☆ Vaibhav Hospitalities Private Limited*
- ☆ Vaibhav Hotels & Leisures(Visakhapatnam) Private Limited
- ☆ Vaibhav Golden Avenues Private Limited*
- ☆ Vaibhav Sign Tower Private Limited*
- ☆ Harshil Enterprises (India) Private Limited
- ☆ Emerge Enterprises India Private Limited*

*(*the group companies are under the process of striking off by Registrar of Companies subsequent to closure of financial year ended 31st March, 2020)*

4. TRANSFER TO RESERVE

The Company used to plough-back the Profit generated during the year. Total amount available under Reserves and Surplus as on 31st March, 2020 is Rs. 200.96 Crores. With a view to conserve the resources of the Company, the Directors of the Company have not recommended any dividend for the financial year 2019-20.

5. DIVIDEND

No interim or final dividend is declared for the financial year 2019-20 due to conservation of profits by the company.

6. BOARD MEETINGS

During the year under review 8 (Eight) Board Meetings were held and the maximum time-gap between any two consecutive meetings was within the period prescribed under the Companies Act, 2013.

7. DETAILS OF DIRECTORS OR KEY MANAGERIAL PERSONNELS WHO WERE APPOINTED OR HAVE RESIGNED DURING THE YEAR

There were no appointments or resignations of directors or key managerial personnel during the year.

8. DIRECTOR'S RESPONSIBILITY STATEMENT

Pursuant to Section 134(3)(c) and 134(5) of the Act, the Board of Directors, to the best of their knowledge and ability, confirm that:

- (a) In the preparation of the annual accounts, the applicable accounting standards had been followed and there are no material departures from the same;

- (b) The directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and 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 this 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;
- (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.

9. AUDITORS

Mr. KKS Swamy, Chartered Accountant, Eluru, having Membership No.022067 was appointed as Statutory Auditor of the Company for a period of 5 years in the 28th Annual General Meeting of the Company held on 29th September, 2017 upto the conclusion of 33rd Annual General Meeting.

10. EXTRACT OF ANNUAL RETURN

Pursuant to the provisions of Section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014, an extract of annual return in Form MGT 9 has been annexed as a part of this Board's report as **Annexure-I**.

11. CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Board of Directors, on recommendation of the Corporate Social Responsibility Committee framed a Corporate Social Responsibility Policy in consonance with Section 135 of the Companies Act, 2013 read with the rules made there under duly indicating the activities to be undertaken by the Company as specified in the Schedule VII of the Companies Act, 2013.

A report on CSR Activities as required under Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014 is enclosed herewith as **Annexure – II**.

12. RELATED PARTY TRANSACTIONS

Related party transactions entered during the financial year under review are disclosed in Note No. 36 to the Financial Statements of the Company for the financial year ended 31st March, 2020.

The requisite details of the related party transactions are provided as **Annexure –III** to this report. Suitable disclosure as required by the Accounting Standards (AS-18) has been made in the notes to the Financial Statements. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large.

All Related Party Transactions were placed before the Board for approval/approval of shareholders, wherever required.

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

The information required under Section 134(3) (m) of the Companies Act, 2013 and Rule 8(3) of The Companies (Accounts) Rules, 2014 are given hereunder:

1. Part A & B pertaining to conservation of energy and technology absorption are not applicable to the Company. However, the company makes its best efforts to conserve energy in a more efficient and effective manner. The company has not carried out any specific research and development activities. The company uses indigenous technology for its operations.
2. Foreign Exchange earnings and outflows:
 - i) Foreign Exchange Earnings: Rs. 2.91 Lakhs
 - ii) Foreign Exchange Outgo: Rs. 5.04 Lakhs

14. EXPLANATION OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY THE AUDITORS IN THEIR REPORT:

There are no qualifications, reservations or adverse remarks made by the Auditors in their report. The provisions relating to submission of Secretarial Audit Report is not applicable to the Company for the Financial Year 2019-20.

15. PUBLIC DEPOSITS

The Company has not accepted any public deposits under Section 73 & 76 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014 during the year under review.

16. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The Company has not given any loans, guarantees or made investments as per the provision of **Section 186** of the Companies Act, 2013 during the financial year 2019-20

17. MATERIAL CHANGES AND COMMITMENTS

There are no material changes and commitments, affecting the financial position of the Company which occurred between the end of the financial year 31st March, 2020 to which the financial statements relates and the date of signing of this report except for the impact arising out of COVID-19, which is detailed elsewhere in this Report.

18. SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS

There are no significant and material orders passed by the regulators or Courts or Tribunals impacting the going concern status and the company's operations in future.

19. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

The Company does not have any subsidiary, Joint venture or Associate Companies.

20. DETAILS OF ESTABLISHMENT OF VIGIL MECHANISM

Pursuant to Section 177(9) of the Companies Act, 2013 read with Rule 7 of Companies (Meetings of Board and its Powers) Rules 2014, Company established a Vigil Mechanism System and adopted a Whistle Blower Policy for directors and employees to enable them to report their concerns about unethical behavior, actual or suspected fraud, malpractices, or violation of the Company's code of conduct without any fear and Mrs. Sai Keerthana Grandhi, Director has been appointed as Vigilance Officer to oversee the Vigil Mechanism System in the Company.

21. POLICY ON PREVENTION, PROHIBITION AND REDRESSAL OF SEXUAL HARASSMENT AT WORK PLACE

Your Company strongly supports the rights of all its employees to work in an environment that is free from all forms of harassment. The Company has zero tolerance for sexual harassment at workplace and has adopted a Policy on Prevention, Prohibition and Redressal of Sexual Harassment at workplace as per the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules made thereunder.

The Policy aims to provide protection to employees at workplace and prevent and redress complaints of sexual harassment and for matters connected or incidental thereto, with the objective of providing a safe working environment, where employees feel secure. The Company has also constituted an Internal Complaints Committee, known as the Prevention of Sexual Harassment (POSH) Committee, to enquire into complaints of sexual harassment and recommend appropriate action. During the year under review, there were no Complaints under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act.

22. RISK MANAGEMENT POLICY

The Company has in place a mechanism to identify, assess, monitor and mitigate various risks to key business objectives. At present the company has not identified any element of risk which may threaten the existence of the company.

23. DETAILS OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS

We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the Auditors, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to address these deficiencies. The Company has appointed Internal Auditor to regularly carry out review of the internal control systems and procedures.

24. ACKNOWLEDGEMENTS

Your Directors take this opportunity to place on record their appreciation for the co-operation and support extended by all stakeholders including Shareholders, employees, customers, Bankers, vendors, Suppliers, investors, communities and other Business Associates.

Your Directors also wish to place on record their deep sense of gratitude and appreciation for all the employees at all levels for their hard work, cooperation and dedication, commitment and their contribution towards achieving the goals of the Company.

Your Directors also thank the Government of India, State Governments of Andhra Pradesh & Telangana, Governments of various States in India and concerned government departments/agencies for their co-operation.

By order of the Board of Directors
For **Manoj Vaibhav Gems 'N' Jewellers Private Limited**


G.B.M Ratna Kumari

Chairperson & Managing Director

DIN: 00492520

Place: Visakhapatnam

Date: 03rd September, 2020.



Annexure-I

Form No. MGT-9
EXTRACT OF ANNUAL RETURN
As on the Financial Year ended on 31st March, 2020

[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	U55101AP1989PTC009734
ii.	Registration Date	13/03/1989
iii.	Name of the Company	Manoj Vaibhav Gems 'N' Jewellers Private Limited
iv.	Category/Sub-Category of the Company	Category: Company limited by Shares Sub-Category: Non-govt. company
v.	Address of the Registered Office and contact details	7A-9-21, Main Bazar, Eluru, 534001, Andhra Pradesh, India. +91 8812 668664, Fax: +91 8812 668668, Website: www.vaibhavjewellers.com
vi.	Address of the Corporate Office and contact details	D. No. 47-10-19, 2 nd Lane, Dwarakanagar, Visakhapatnam – 530 016, Andhra Pradesh, India. Ph: +91 891 6634567, Fax: +91 891 6637777, Website: www.vaibhavjewellers.com
vii.	Whether listed company	No
viii.	Name, Address and Contact details of Registrar and Transfer Agent, If any	N.A.

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	% to total turnover of the company
1	Retail sale of jewellery	47733	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. NI	NIL	NA	NA	NA	NA

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

(i) Category-wise Share Holding

[illegible]

Sr. No.	For Each of the Directors and KMP Mrs. Sai Sindhuri Grandhi	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	At the beginning of the year:	5,000	0.05	5,000	0.05
2	Date wise Increase /Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment /transfer / bonus/ sweat equity etc):	-	-	-	-
3	At the end of the year:	-	-	5,000	0.05

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment:

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i)Principal Amount	367,10,44,784	45,00,00,000	-	412,10,44,784
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	20,32,732	-	-	20,32,732
Total(i+ii+iii)	367,30,77,516	45,00,00,000	-	412,30,77,516
Change in Indebtedness during the financial year				
- Addition	8,07,15,312	-	-	8,07,15,312
- Reduction	-	-	-	-
Net Change	8,07,15,312	-	-	8,07,15,312
Indebtedness at the end of the financial year				
i)Principal Amount	374,31,94,442	45,00,00,000	-	419,31,94,442

C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	-	97,70,000	97,70,000	100%	-	97,70,000	97,70,000	100%	-

(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	Bharata Mallika Ratna Kumari Grandhi	13,38,000	13.69	10	13,38,000	13.69	10	-
2	Bharata Mallika Ratna Kumari Grandhi(HUF)	73,37,600	75.10	-	73,37,600	75.10	-	-
3	Harshil Enterprises(India) Private Limited	10,64,400	10.89	10	10,64,400	10.89	10	-
4	Mrs. Sai Keerthana Grandhi	10,000	0.10	-	10,000	0.10	-	-
5	Miss. Durga Krishna Sai Sarayu Grandhi	10,000	0.10	-	10,000	0.10	-	-
6	Mrs. Sai Sindhuri Grandhi	5,000	0.05	-	5,000	0.05	-	-
7	Mr. Chaluvadi Maruthi Venkatesh	5,000	0.05	-	5,000	0.05	-	-
	Total	97,70,000	100	20	97,70,000	100	20	-

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

Sr.No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of	% of total	No. of	% of total

		shares	shares of the company	shares	shares of the company
1	At the beginning of the year	97,70,000	100%	97,70,000	100%
2	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	No Change	No Change	No Change	No Change
3	At the End of the year	-	-	97,70,000	100%

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs) – NOT APPLICABLE

3. Shareholding of Directors and Key Managerial Personnel:

Sr. No.	For Each of the Directors and KMP Mrs. Bharata Mallika Ratna Kumari Grandhi	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	At the beginning of the year:	13,38,000	13.69	13,38,000	13.69
2	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc):	-	-	-	-
3	At the end of the year:	-	-	13,38,000	13.69

Sr. No.	For Each of the Directors and KMP Mrs. Sai Keerthana Grandhi	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	At the beginning of the year:	10,000	0.10	10,000	0.10
2	Date wise Increase /Decrease in Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment /transfer / bonus/ sweat equity etc):	-	-	-	-
3	At the end of the year:	-	-	10,000	0.10

ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	1,05,98,386	-	-	1,05,98,386
Total (i+ii+iii)	375,37,92,828	45,00,00,000	-	420,37,92,828

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sr. No.	Particulars of Remuneration	Name of MD/WTD/Manager	Total Amount
		G.B.M. Ratna Kumari Managing Director	
1.	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	1,62,77,304	1,62,77,304
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	13,55,480	13,55,480
	(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	-	-
6.	Total(A)	1,76,32,784	1,76,32,784
	Ceiling as per the Act	NA	NA

Sr. No	Particulars of Remuneration	Name of the Director	Total Amount
		Sai Keerthana Grandhi	

	(Executive Director)	
Gross salary		
Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	22,07,988	22,07,988
Value of perquisites u/s 17(2) Income-tax Act, 1961	2,22,392	2,22,392
Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-
Stock Option	-	-
Sweat Equity	-	-
Commission - as % of profit - Others, specify...	-	-
Others, please specify	-	-
Total(A)	24,30,380	24,30,380
Ceiling as per the Act	NA	NA

5. Remuneration to other directors (Non-executive Directors)

Particulars of Remuneration	Name of Director Sai Sindhuri Grandhi (Non-Executive Director)	Total Amount
<u>Independent Directors</u>		
Fee for attending board committee meetings	-	-
Commission	-	-
Others, please specify	-	-
Total(1)	-	-
<u>Other Non-Executive Directors</u>		
Fee for attending board committee meetings	-	-
Commission	-	-
Others, please specify	14,49,596	14,49,596
Total(2)	14,49,596	14,49,596

Total(B)=(1+2)	14,49,596	14,49,596
Total Managerial Remuneration	-	-
Overall Ceiling as per the Act	-	-

C. Remuneration to Key Managerial Personnel Other than MD/Manager/WTD

Sr. No.	Particulars of Remuneration	Key Managerial Personnel		
		R. Satish CEO	B. Shiva Krishna CS	Total
1.	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	1,03,80,816	9,49,788	1,13,30,604
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	6,35,493	1,69,742	8,05,235
	(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	-	-	-
6.	Total	1,10,16,309	11,19,530	1,21,35,839

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 Officers In Default					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

There were no penalties/punishment/compounding of offences for the year ended 31st March, 2020.

For and on behalf of the Board of Directors

G.B.M. Ratna Kumari

G.B.M Ratna Kumari

Chairperson & Managing Director

DIN: 00492520

Place: Visakhapatnam

Date: 3rd September, 2020.



Annexure II
REPORT ON CSR ACTIVITIES

The CSR is being reported from 1st April, 2019 to 31st March, 2020.

A Brief outline of the Company's CSR policy, including overview of projects or programmes proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programmes:

To actively contribute to the social and economic development of the communities in which we operate and in the process, build a better, sustainable way of life for the weaker sections of society, and to contribute effectively towards inclusive growth and raise the country's human development index. Our projects mainly focus on education, healthcare, sustainable livelihood, infrastructure development and social reform, epitomizing a holistic approach to inclusive growth.

(A) CSR POLICY:

The Board of Directors adopted CSR Policy in line with the section 135 of the Companies Act, 2013.

Resources:

2% of the average net profits of the Company made during the three immediately preceding financial years; Surplus arising out of CSR activities.

Company will engage in the activities mentioned in the CSR Policy of the Company independently or in such manner that it will complement the work being done by local authorities wherever necessary in such a manner, that the work executed by Company will offer a multi fold benefit to the community.

Validity and Maintenance of CSR Policy:

- ☆ CSR Policy of the Company has originally been approved by the Board of Directors, at its meeting held on 12th June, 2014 and subsequently revised after reconstitution of CSR Committee at their meeting held on 16th September, 2017 which shall remain in force until modified by the Board.
- ☆ The CSR policy is maintained by the CSR Committee of the Board of Directors and reviewed by the Board of Directors at periodic intervals.

(B) Corporate Social Responsibility Committee

The Board constituted CSR Committee as per the provisions of the Companies Act, 2013 and entrusted the responsibility to comply with the provisions of said act. The composition of the Corporate Social Responsibility Committee is as under:

Name of the Director	Designation	Membership
Mrs. G.B.M Ratna Kumari	Managing Director	Chairperson
Mr. G.S.V. Amarendra	Director	Member
Mrs. Sai Keerthana Grandhi	Director	Member

Responsibility of the CSR committee:

- ☆ Formulate the CSR policy and identify activities to be undertaken as per Schedule VII of the Companies Act 2013.
- ☆ Recommend CSR policy to the Board for its approval
- ☆ Recommend the CSR expenditure to be incurred.
- ☆ Regularly monitor the implementation of the CSR policy
- ☆ Change/modify the CSR policy as per requirement.

Average net profit of the company for last three financial years:

Rs. 32,90,90,184/-

Prescribed CSR Expenditure (2% of the amount as above):

2% of Average net profit of the Company for last three financial years is Rs.65,81,804/-

(C) Details Of CSR spent during the Financial Year:

- (i) Total amount to be spent for the financial year: Rs.65,81,804/-
- (ii) Total amount spent during the financial year: Rs.26,53,549/-
- (iii) Amount unspent, if any,: Rs. 39,28,255/-
- (iv) Manner in which the amount spent during the financial year is detailed below:

S.No	CSR project or activity identified	Sector in which the project is covered	Projects or programs (1) Local area or other (2) state and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programme (1) Direct expenditure on projects or programmes (2)Overheads	Cumulative expenditure up to the reporting period	Amount Spent direct or through implementing agency
1	Distribution of plates & glasses, benches, chairs, Drums, water purifiers, water coolers, sport and other items, and providing water tanks and erecting sheds etc. at various Schools. Also providing printers, speakers, televisions, projectors etc., at various schools	Education	(1) Local Area; (2) Andhra Pradesh & Telangana	46,07,263	18,00,281	18,00,281	Direct
2	Providing tube lights, village name boards, distribution of rice bags etc.,	Social Welfare & rural development	(1) Local Area; (2) Andhra Pradesh & Telangana	19,74,541	8,53,268	8,53,268	Direct

Reasons for total amount of CSR not spent during the Financial Year: Despite the unprecedented challenges in the Jewellery sector, the Company was, in the financial year 2019-20, able to spend an amount of Rs.26.53 lakhs on its identified programmes as against Rs.65.82 lacs which was required to be spent as per the provisions of the Companies Act, 2013. Company is committed to build its CSR capabilities on a sustainable basis and is also committed to gradually increase its CSR contribution in the coming years. The Company is putting its best efforts to identify certain areas which are most beneficial to the local population. The Company through its Board and CSR Committee is in the process of identifying new processes/areas to allocate the unspent CSR expenditure of Rs. 39.28 lacs to benefit the local area where it operates in coming years.

Place: Visakhapatnam

Date: 03rd September, 2020.

G.B.M. Ratna Kumari
G.B.M. Ratna Kumari
Chairperson, CSR Committee

Annexure III
DETAILS OF RELATED PARTY TRANSACTIONS
Form No. AOC-2

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

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

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

There were no contracts or arrangements or transactions entered into during the year ended 31st March, 2020, which were not at arm's length basis.

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


The details of material contracts or arrangements or transactions at arm's length basis are as follows:

S. 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	Amount paid as advances, if any	Justification for entering into such contracts or arrangements or transactions
1	Bharata Mallika Ratna Kumari Grandhi (HUF) (Holds more than 25% of the Share Capital)	Sale of Jewellery/Bullion	ongoing	Sale of Jewellery/Bullion Rs.271,54,35,993/-	21.05.2019	NIL	The Company and Bharata Mallika Ratna Kumari Grandhi (HUF) are both in the same business; Transactions are entered in the ordinary course of business
		Purchase of	ongoing	Purchase of	21.05.2019	NIL	The Company and Bharata

		Jewellery/Bullion		Jewellery/Bullion Rs.3,03,61,000/-			Mallika Ratna Kumari Grandhi (HUF) are both in the same business; Transactions are entered in the ordinary course of business
		Rental Income	9 years; upto 31/03/2020	Rental Income Rs.7,93,500/-	21.05.2019	NIL	Part of the Company's premises leased to Bharata Mallika Ratna Kumari Grandhi (HUF) for its business purpose.
		Rental Expenses	9 years; upto 31/03/2020	Rental Expenses Rs.3,96,756/-	21.05.2019	NIL	A part of undivided Property of the Bharata Mallika Ratna Kumari Grandhi (HUF) being taken on lease to run company's business
		Royalty	ongoing	Royalty Rs. 1,20,000/-	21.05.2019	NIL	Royalty is received from Bharata Mallika Ratna Kumari Grandhi (HUF) for the use of Company's Trade Marks "Vaibhav Jewellers"
2	Manoj Vaibhav Jewellers Private Limited. (Common Director)	Sale of Jewellery/Bullion	ongoing	Sale of Jewellery/Bullion Rs. 20,21,875/-	21.05.2019	NIL	Transactions entered in the ordinary course of business
3	Mrs. Grandhi Krishna Kumari (Mother in Law of CMD)	Rental expenses	5years; from 01/04/2018	Rental expenses Rs. 2,69,796/-	21.05.2019	NIL	A part of undivided Property of Mrs. Grandhi Krishna Kumari being taken on lease to run company's business
		Rental expenses	5years; from 01/04/2018	Rental expenses Rs. 2,69,796/-	21.05.2019	NIL	A part of undivided Property of Mrs. Grandhi Krishna

									Kumari being taken on lease to run company's business
		Rental expenses	9years upto 31/03/2020		Rental expenses Rs. 2,53,920/-	21.05.2019	NIL		A part of undivided Property of Mrs. Grandhi Krishna Kumari being taken on lease to run company's business
4	Vaibhav Jewellers Private Limited	Sale of Jewellery/Bullion Material	ongoing		Sale of Jewellery/Bullion Material Rs.16,12,524/-	21.05.2019	NIL		Transactions entered in the ordinary course of business
5	Vaibhav Hotels and Leisures (Visakhapatnam) Private Limited	Rental Income	5 years; from 01/04/2018		Rental Income of Rs.70,45,161/-	21.05.2019	NIL		The Company leased its premises to Vaibhav Hotels and Leisures Private (Visakhapatnam) Limited for hotel business.

By order of the Board of Directors
 For Manoj Vaibhav Gems 'N' Jewellers Private Limited


G.B.M Ratna Kumari
 Chairperson & Managing Director
 DIN: 00492520

Place: Visakhapatnam
Date: 3rd September, 2020.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

1. Gems and Jewellery - Industry Overview

Global Gems & Jewellery Industry

Gold is a precious metal. It has emotional, cultural and financial value and different people across the globe buy gold for different reasons, often influenced by a range of national socio-cultural factors, local market conditions and wider macro-economic drivers.

The gems & jewellery market comprises diamond studded jewellery, gold jewellery, silver jewellery and precious and semi-precious gemstones and its jewellery. United States (US) and Japan primarily are markets for diamond studded jewellery, while China, India, Turkey and Middle East have traditionally displayed preference for gold jewellery, although the demand for diamond studded jewellery from these markets too have grown over the last decade.

Gold Demand Trend

2019 was broadly a year of two distinct halves: resilience/growth across most sectors in the first half of the year contrasted with widespread y-o-y declines in the second. Global demand in H2 was down 10% on the same period of 2018 as y-o-y losses in Q4 compounded those from Q3, notably in jewellery demand and retail bar and coin investment. Central bank demand also slowed in the second half – down 38% in contrast with H1's 65% increase. But this was partly due to the sheer scale of buying in the preceding few quarters and annual purchases nevertheless reached a remarkable 650.3t – the second highest level for 50 years. ETF investment inflows bucked the general trend. Investment in these products held up strongly throughout the first nine months of the year, reaching a crescendo of 256.3t in Q3. Momentum then subsided in Q4, with inflows slowing to 26.8t (-76% y-o-y). Technology saw modest declines throughout the year, although electronics demand staged a minor recovery in Q4. The annual supply of gold increased 2% to 4,776.1t. This growth came purely from recycling and hedging, as mine production slipped 1% to 3,463.7t.

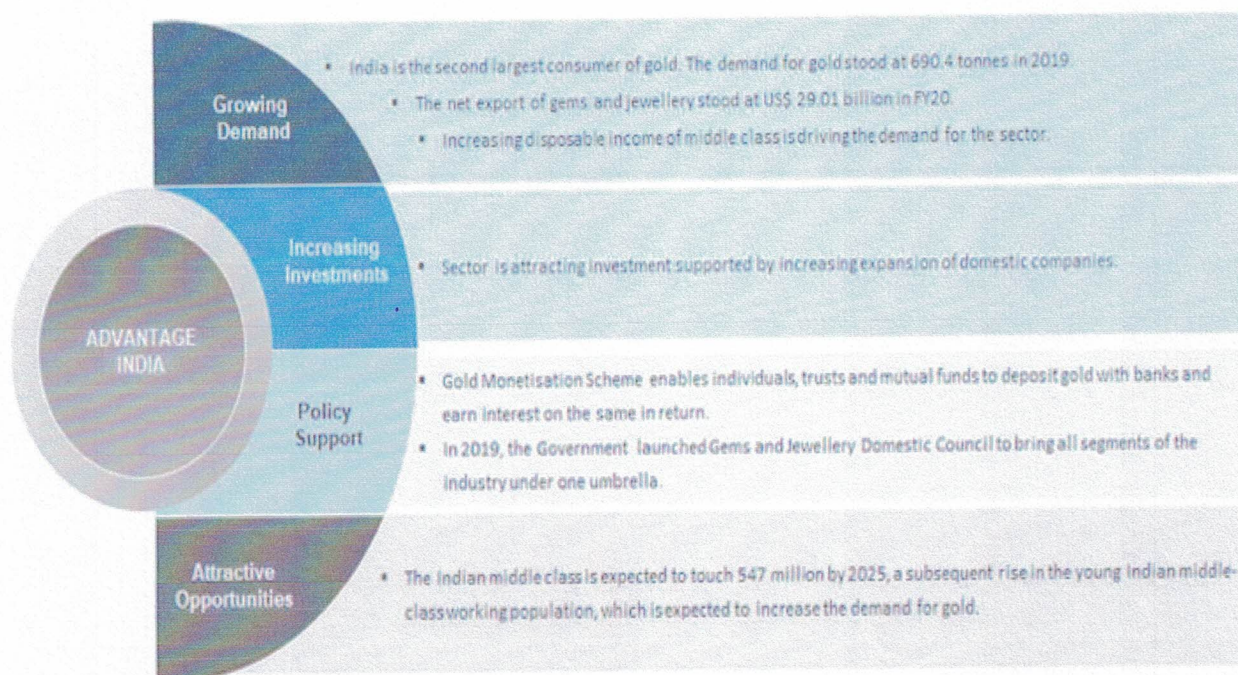
(Source: World Gold Council-Gold Demand Trends)

Indian Gems and Jewellery Industry

The gems and jewellery sector plays a significant role in the Indian economy, contributing around 7 per cent to country's GDP and 15 per cent to India's total merchandise export. It employs over 4.64 million people, which is expected to reach 8.23 million by 2022. One of the fastest growing sectors, it is extremely export oriented and labour intensive.

Based on its potential for growth and value addition, the Government declared gems and jewellery sector as a focus area for export promotion. The Government has undertaken various measures recently to promote investment and upgrade technology and skills to promote 'Brand India' in the international market.

India is deemed to be the hub of the global jewellery market because of its low costs and availability of high-skilled labour. India is the world's largest cutting and polishing centre for diamonds, with the cutting and polishing industry being well supported by Government policies. Moreover, India exports 75 per cent of the world's polished diamonds as per statistics from the Gem and Jewellery Export Promotion Council (GJEPC). India's Gems and Jewellery sector has been contributing in a big way to the country's foreign exchange earnings (FEEs). Government has viewed this sector as a thrust area for export promotion. The Indian Government presently allows 100 per cent Foreign Direct Investment (FDI) in the sector through the automatic route. The sector employs over 4.64 million employees, which is expected to touch 8.23 million by 2022.



Market size

India's gems and jewellery sector is one of the largest in the world, contributing 29 per cent to the global jewellery consumption. The sector is home to more than 300,000 gems and jewellery players. Its market size will grow by US\$ 103.06 billion during 2019-2023.

India's demand for gold reached 690.4 tonnes in 2019. India's gems and jewellery export stood at US\$ 29.01 billion in FY20P. During the same period, India exported US\$ 18.66 billion worth of cut and polished diamonds, thereby contributing 64 per cent of the total gems and jewellery export. India's import of gems and jewellery stood at US\$ 24.01 billion in FY20P.

India is one of the largest exporters of gems and jewellery and the industry is considered to play a vital role in the Indian economy as it contributes a major chunk to country's foreign reserves. The Goods and Services Tax (GST) will steer India's gold demand going forward.

Investments/Developments

The gems and jewellery sector is witnessing changes in consumer preferences due to adoption of western lifestyle. Consumers are demanding new designs and varieties in jewellery, and branded jewellers have managed to fulfil their changing demands better than the unorganised players. Moreover, increase in per capita income has led to an increase in sales of jewellery as jewellery is a status symbol in India.

The cumulative Foreign Direct Investment (FDI) inflow in diamond and gold ornaments in the period April 2000 – March 2020 was US\$ 1.17 billion according to Department for Promotion of Industry and Internal Trade (DPIIT).

Government Initiatives

- Indian Government made hallmarking mandatory for Gold Jewellery and Artefacts. A period of one year is provided for implementation i.e. till January 2021.
- As per Union Budget 2019-20, the GST rate was reduced from 18 per cent to 5 per cent (*5 per cent without Input Tax Credit (ITC)) for services by way of job work in relation to gems and jewellery, leather goods, textiles etc.
- The Bureau of Indian Standards (BIS) has revised the standard on gold hallmarking in India from January 2018. The gold jewellery hallmark will now carry a BIS mark, purity in carat and fineness as well as the unit's identification and the Jeweller's identification mark. The move is aimed at ensuring a quality check on gold jewellery.
- The Gem and Jewellery Export Promotion Council (GJEPC) signed a memorandum of understanding (MoU) with Maharashtra Industrial Development Corporation (MIDC) to build India's largest jewellery park in at Ghansoli in Navi-Mumbai on 25 acres land with a capacity to have more than 5000 jewellery units of various sizes ranging from 500-10,000 square feet. The overall investment will be of Rs 13,500 crore (US\$ 2.09 billion).
- Gold Monetisation Scheme enables individuals, trusts and mutual funds to deposit gold with banks and earn interest on the same in return

Road Ahead

In the coming years, growth in gems and jewellery sector would largely be contributed by the development of large retailers/brands. Established brands are guiding the organised market and are opening opportunities to grow. Increasing penetration of organised players provides variety in terms of products and designs. Online sales are expected to account for 1-2 per cent of the fine jewellery segment by 2021-22. Also, the relaxation of restrictions of gold import is likely to provide a fillip to the industry. The improvement in availability along with the reintroduction of low-cost gold metal loans and likely stabilisation of gold prices at lower levels is expected to drive volume growth for jewellers over short to medium term. The demand for jewellery is expected to be significantly supported by the recent positive developments in the industry.

(Source: www.iebf.org)

Gems and Jewellery

Market Size



Market Size:
US\$ **75** billion
in 2017



More than **300,000**
gems and
jewellery players



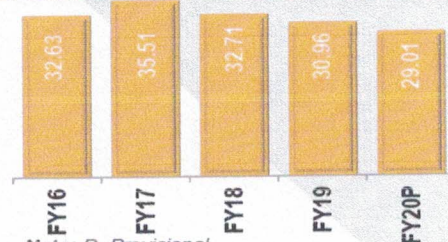
Contributes about
7% to India's
Gross Domestic Product



Employs over
4.64 million
people

Key Trends

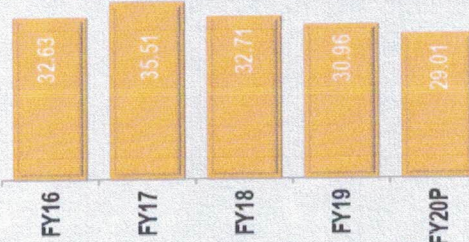
Net Export of Gems and Jewellery
(US\$ billion)



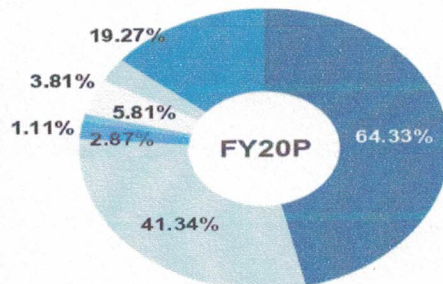
Source: GJEPC

Note: P- Provisional

Import of Gems and Jewellery (US\$ billion)



Sector Composition



Note: P- Provisional
Source: GJEPC

- Cut and Polished Diamonds
- Gold Jewellery
- Gold Medallions and Coins
- Coloured Gemstones
- Silver Jewellery
- Rough Diamonds
- Others

Government Initiatives



Gold Monetisation
Scheme



BIS Hallmark
Scheme



Sovereign Gold
Bond Scheme

2. Company Overview

MANOJ VAIBHAV GEMS 'N' JEWELLERS PRIVATE LIMITED ("MVGJPL") is a privately held, entrepreneurial marvel from Vishakhapatnam. "MVGJPL" is one of the reputed Companies, established in 1989. The group's business is primarily super headed by its jewellery division. The Company offers a very wide range of products in Gold and Jewellery and is a household name in the states of Andhra Pradesh and Telangana. The Company has kept its values in terms of Best Service to Clients, Business Ethics and Caring for Society, Employee Empowerment, and Considering the Organization as a Family. Presently Company is carrying on its retail gems and Jewellery business with 11 showrooms and 1 Franchise Store across the states of Andhra Pradesh and Telangana.

MVGJPL is one among the pioneer of the Jewellery branding and retailing revolution in the state of Andhra Pradesh and Telangana, is currently one of the fastest growing Jewellery businesses across India and abroad.

3. Product Basket

The Company's product portfolio comprises Plain Gold, Ear Rings, Pendants, Rings, Vaddanam, Vanki cum Bajubandand, Bracelets, Necklaces, Bangles and Gold articles, Enamel, Filigri, Casting, Fine Jewellery including Antique, Kundan, Jadau, Junagadh, Polki, Ruby Emerald, Pearl Jewellery, Fusion Jewellery and designer Diamond jewellery, and Platinum jewellery including the following:

- ☆ Handcrafted and hallmarked plain Gold Jewellery and Enameled Jewellery.
- ☆ Gem-studded Gold Jewellery (studded with diamonds, pearls, rubies, emeralds, sapphires, among others and semi-precious stones such as garnet, cubic zirconium, among others).
- ☆ Diversified product catalogue comprising plain Gold sets, Gold Meenakari work sets, JadauKundansets, Gold Mumbai-Kerala-Kolkata- Antique sets, Gold and studded Bangles, Necklace Sets, Polki-Chakri sets and Italian fusion Jewellery, Platinum among others.
- ☆ In silver wear and jewellery, silver items, 925 Sterling silver with wide range of silver ware including dinner sets, tumblers, plates, astalakshmi Chembulu, both in plain and Antique workmanship.

4. Enduring Strengths

- ☆ **Experience:** The Company leveraged more than 25 years of experience of the promoter's family in Jewellery business to grow its presence, transforming it from a family-run business to a professionally run organization. Four generations of business lineage, knowledge & expertise in this domain has been a key to the group's success.
- ☆ **Reputation:** The Company emerged as Customer Preferred Jewellery Company within two and half decades of existence. Vaibhav is a name that has earned the trust of millions of consumers by capturing their imagination when it comes to their jewelry needs. Vaibhav has created new benchmarks – be it in providing choice, service or quality – by building a deep

relation with its customers and surprising them every time by surpassing their expectations on all counts.

- ☆ **Strategic Locations:** The Company operates from different locations namely, Visakhapatnam, Kakinada, Gajuwaka, Parvathipuram, Rajahmundry, Bobbili, Ankapalle and Gopalapatnam in the State of Andhra Pradesh and Dilsukhnagar and A.S Rao Nagar at Hyderabad, Telangana State.
- ☆ **Designing Capabilities:** Company has wide variety of jewellery designed/manufactured through karigars/artisans. The Company provides exclusive customized Jewellery. Our designs find inspiration from a variety of everyday objects that we all often take for granted. For, we at Vaibhav believe that design – whether it is the jewellery itself or indeed, the experience as a whole – is what differentiates the pedestrian from the extraordinary. For this reason, the theme of VAIBHAV is.....“**Relationship, By Design**”.
- ☆ **Relationships:** The Company enjoys long-term relationships with major gold suppliers, enhancing raw material security and bulk purchase economies. Around 70% of the Company’s gold jewellery suppliers are over ten years old.
- ☆ **Brands:** The Company’s Jewellery products are BIS Hall marked and marketed and traded under the registered brand name **VAIBHAV JEWELLERS** among others.
- ☆ **Cash Surplus:** The Company has Reserves & surplus funds of Rs. 200.96 Crores as on 31st March 2020 out of which surplus of profits is Rs.172.94 Crores which are retained and reinvested in the Company.

5. Future Prospects:

- ☆ The uncertainty related to the impact of COVID 19 is looming large downing the economy and operational performance of business entities.
- ☆ The loss of revenue for the 90 days of the year 2020-21 over and above a loss 9 days operations in March, 2020 will have an adverse impact on the overall performance of the Company.
- ☆ Expansion of business by setting up of new stores has been halted and some leases of the buildings for setting of new stores have been terminated.
- ☆ Slowing down of the economy, negative GDP Growth and low customer demand may affect the performance of the Company in the financial year 2020-21.
- ☆ As the normalcy restored by absorbing the effect of the Covid -19 pandemic on the market, the company may resume the expansion of business plans which may take place from the financial year 2021-22.

6. Future plan of action:

- ☆ Plans to develop new quality products with unique designs and upgrade existing range of jewellery in order to meet new market trends and ensure local taste and meeting their requirements.
- ☆ Achieving higher sales growth through e-commerce platforms in both local and abroad.
- ☆ Add new suppliers and gold smith to the basket by retaining existing supply base.
- ☆ Expansion of jewellery business across south India.

Future benefits are expected to flow in from initiatives undertaken by the Company as under:

- ☆ High growth in retail segment.
- ☆ Direct impact on margins by giving access to retailers in target market.
- ☆ Expansion of the Business by setting up of new showrooms across the states of Andhra Pradesh & Telangana.
- ☆ Goodwill earning by maintaining the consistency providing high quality products.

7. Financial Performance

The Company prepared its financial statements in accordance with applicable accounting principles in India, the applicable accounting standards prescribed under Section 133 of the Companies Act, 2013 ('Act') read with Rule 7 of the Companies (Accounts) Rules, 2014, the provisions of the Act (to the extent notified) and other accounting principles generally accepted in India to the extent applicable.

The details of the financial performance of the Company are appearing in the Balance Sheet, Statement of Profit & Loss, notes there on and other Financial Disclosures.

Financial highlights for the year ended on 31st March, 2020 are given in the Directors Report.

8. Internal Control System and their adequacy

The Company has an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and also for the sale of goods. The Company also has internal control system for speedy compilation of accounts and Management Information Reports and to comply with applicable laws and regulations.

Mr. KKS Swamy, Chartered Accountant, the Statutory Auditor of the Company, has audited the Financial Statements included in this Annual Report and has issued a report on the Internal Control over financial reporting (as defined in section 143 of the Companies Act, 2013). The

Company has appointed M/s. VNSS & Associates, Chartered Accountants, Hyderabad to oversee and carry out Internal Audits and provide periodical internal reports to the management.

9. Material Development in Human Resource/Industrial relations front including number of peoples employed



The Company's Human Resources philosophy is to establish and build a strong performance and competency driven culture with greater sense of accountability and responsibility. The Company has taken pragmatic steps for strengthening organizational competency through involvement and development of employees as well as installing effective systems for improving the productivity, equality and accountability at functional levels.



With the changing and turbulent business scenario, the Company's basic focus is to upgrade the skill and knowledge level of the existing human assets to the required level by providing appropriate leadership at all levels, motivating them to face the hard facts of business, inculcating the attitude for speed of action and taking responsibilities.

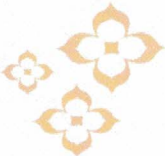

In order to keep the employees skill, knowledge and business facilities updated, ongoing in house and external training is provided to the employees at all levels. The effort to rationalize and streamline the work force is a continuous process. The industrial relations scenario remained harmonious throughout the year. As on 31st March, 2020 the Company had 927 full time employees.

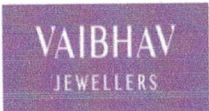

Intellectual Properties- Applied and/or Registered:


Business/Brand	Product/End Use	Status
	Real Estate Service, Real Estate Agencies, Real Estate Management, Leasing of Real Estate, Rental of offices, apartments, flats.	®
	Jewellery, Precious Stones, Watch Chains, Gold & Silver Ware, Jewell Cases, Goods made of precious Metal, Alloys and Precious Stones. Retail Distribution Of Jewellery, Precious Stones, Goods Made Of Precious Metals, Stones & Alloys, Retail Stores, Discount Store Services.	®
	Retail Distribution of Jewellery, Precious Stones, Goods Made of Precious Metals, Stones & Alloys, Retail Stores, Discount Store Service.	®
VAIBHAV	Real Estate Service, Real Estate Agencies, Real Estate Management, Leasing of Real Estate, Rental of offices,	

<p>ವೈಭವ್</p>	<p>apartments, flats. Retail Distribution Of Jewellery, Precious Stones, Goods Made Of Precious Metals, Stones & Alloys, Retail Stores, Discount Store Services.</p>	<p>®</p>
<p>VAIBHAV ವೈಭವ್</p>	<p>Jewellery, Precious Stones, Watch Chains, Gold & Silver Ware, Jewell Cases, and Goods made of precious Metal, Alloys and Precious Stones.</p>	<p>®</p>
	<p>Precious metals and their alloys and goods in precious metals or coated therewith, Gold, Silver or Platinum Jewellery, Precious or semi-precious stones, Gem, Diamond Jewellery, Clocks, Watches, Jewellery, Cutlery and their components and accessories. Silver utensils, Curios, Antiques etc.</p> <p>Wholesale, Retail Store Featuring Purchase And Sale Of Gold And Silver Ornaments For Kids, Precious Metals And Their Alloys, Namely, Gold, Silver, Platinum, Diamond, Rhodium; White Gold, Sterling Silver, Platinum Sterling, Gold And Silver Coins, Gold And Silver Bars, Precious And Semi-Precious Minerals, Precious And Semi-Precious Stones, Gem Stones; Precious Jewels, Processed Or Semi-Processed Precious Metals, Medallions, Bullions, Precious Metal Trophies, Commemorative Coins.</p>	<p>®</p>
	<p>Precious metals and their alloys and goods in precious metals or coated therewith, Gold, Platinum or Silver Jewellery, Precious, semi-precious stones, Gem, Diamond Jewellery, Watches, Jewellery, and their components and accessories etc.</p> <p>Wholesale, Retail Store Featuring Purchase And Sale Of Gold And Silver Ornaments For Kids, Precious Metals And Their Alloys, Namely, Gold, Silver, Platinum, Diamond, Rhodium; White Gold, Sterling Silver, Platinum Sterling, Gold And Silver Coins, Gold And Silver Bars, Precious And Semi-Precious Minerals, Precious And Semi-Precious Stones, Gem Stones; Precious Jewels, Processed Or Semi-Processed Precious Metals, Medallions, Bullions, Precious Metal Trophies, Commemorative Coins.</p>	<p>®</p>
	<p>Precious metals and their alloys and goods in precious metals or coated therewith, Gold, Platinum or Silver Jewellery, Precious, semi-precious stones, Gem,</p>	

<p>V KIDS</p>	<p>Diamond Jewellery, Watches, Jewellery, and their components and accessories etc.</p> <p>Wholesale, Retail Store Featuring Purchase And Sale Of Gold And Silver Ornaments For Kids, Precious Metals And Their Alloys, Namely, Gold, Silver, Platinum, Diamond, Rhodium; White Gold, Sterling Silver, Platinum Sterling, Gold And Silver Coins, Gold And Silver Bars, Precious And Semi-Precious Minerals, Precious And Semi-Precious Stones, Gem Stones; Precious Jewels, Processed Or Semi-Processed Precious Metals, Medallions, Bullions, Precious Metal Trophies, Commemorative Coins.</p>	<p>®</p>
	<p>Precious metals and their alloys and goods in precious metals or coated therewith, Gold, Platinum or Silver Jewellery, Precious, semi-precious stones, Gem, Diamond Jewellery, Watches, Jewellery, and their components and accessories etc.</p> <p>Wholesale, Retail Store Featuring Purchase And Sale Of Gold And Silver Ornaments For Kids, Precious Metals And Their Alloys, Namely, Gold, Silver, Platinum, Diamond, Rhodium; White Gold, Sterling Silver, Platinum Sterling, Gold And Silver Coins, Gold And Silver Bars, Precious And Semi-Precious Minerals, Precious And Semi-Precious Stones, Gem Stones; Precious Jewels, Processed Or Semi-Processed Precious Metals, Medallions, Bullions, Precious Metal Trophies, Commemorative Coins.</p>	<p>T.M</p>
	<p>Precious metals and their alloys and goods in precious metals or coated therewith, Gold, Platinum or Silver Jewellery, Precious, semi-precious stones, Gem, Diamond Jewellery, Watches, Jewellery, and their components and accessories etc.</p> <p>Wholesale, Retail Store Featuring Purchase And Sale Of Gold And Silver Ornaments For Kids, Precious Metals And Their Alloys, Namely, Gold, Silver, Platinum, Diamond, Rhodium; White Gold, Sterling Silver, Platinum Sterling, Gold And Silver Coins, Gold And Silver Bars, Precious And Semi-Precious Minerals, Precious And Semi-Precious Stones, Gem</p>	<p>T.M</p>

	Stones; Precious Jewels, Processed Or Semi-Processed Precious Metals, Medallions, Bullions, Precious Metal Trophies, Commemorative Coins.	
	<p>Precious metals and their alloys and goods in precious metals or coated therewith, Gold, Platinum or Silver Jewellery, Precious, semi-precious stones, Gem, Diamond Jewellery, Watches, Jewellery, and their components and accessories etc.</p> <p>Wholesale, Retail Store Featuring Purchase And Sale Of Gold And Silver Ornaments For Kids, Precious Metals And Their Alloys, Namely, Gold, Silver, Platinum, Diamond, Rhodium; White Gold, Sterling Silver, Platinum Sterling, Gold And Silver Coins, Gold And Silver Bars, Precious And Semi-Precious Minerals, Precious And Semi-Precious Stones, Gem Stones; Precious Jewels, Processed Or Semi-Processed Precious Metals, Medallions, Bullions, Precious Metal Trophies, Commemorative Coins.</p>	T.M
	<p>Gold and Silver ornaments, Precious metals and their alloys, namely, gold, silver, platinum, Diamond, Rhodium; White Gold, Sterling Silver, Platinum Sterling, gold and silver coins, gold and silver bars, precious and semi-precious minerals, precious and semi-precious stones, gem stones; precious jewels, processed or semi-processed precious metals, medallions, bullions, precious metal trophies, commemorative coins.</p> <p>Wholesale, Retail Store Featuring Purchase And Sale Of Gold And Silver Ornaments For Kids, Precious Metals And Their Alloys, Namely, Gold, Silver, Platinum, Diamond, Rhodium; White Gold, Sterling Silver, Platinum Sterling, Gold And Silver Coins, Gold And Silver Bars, Precious And Semi-Precious Minerals, Precious And Semi-Precious Stones, Gem Stones; Precious Jewels, Processed Or Semi-Processed Precious Metals, Medallions, Bullions, Precious Metal Trophies, Commemorative Coins.</p>	®
	Gold and Silver ornaments, Precious metals and their alloys, namely, gold, silver, platinum, Diamond, Rhodium; White Gold, Sterling Silver, Platinum Sterling, gold and silver coins, gold and silver bars,	

	<p>precious and semi-precious minerals, precious and semi-precious stones, gem stones; precious jewels, processed or semi-processed precious metals, medallions, bullions, precious metal trophies, commemorative coins</p> <p>Wholesale, Retail Store Featuring Purchase And Sale of Gold And Silver Ornaments, Precious Metals And Their Alloys, Namely, Gold, Silver, Platinum, Diamond, Rhodium; White Gold, Sterling Silver, Platinum Sterling, Gold And Silver Coins, Gold And Silver Bars, Precious And Semi-Precious Minerals, Precious And Semi-Precious Stones, Gem Stones; Precious Jewels, Processed Or Semi-Processed Precious Metals, Medallions, Bullions, Precious Metal Trophies, Commemorative Coins</p>	<p>®</p>
	<p>Gold and Silver ornaments, Precious metals and their alloys, namely, gold, silver, platinum, Diamond, Rhodium; White Gold, Sterling Silver, Platinum Sterling, gold and silver coins, gold and silver bars, precious and semi-precious minerals, precious and semi-precious stones, gem stones; precious jewels, processed or semi-processed precious metals, medallions, bullions, precious metal trophies, commemorative coins</p>	<p>®</p>
<p>VAIBHAV VISMAYA</p>	<p>Gold and Silver ornaments for kids, Precious metals and their alloys, namely, gold, silver, platinum, Diamond, Rhodium; White Gold, Sterling Silver, Platinum Sterling, gold and silver coins, gold and silver bars, precious and semi-precious minerals, precious and semi-precious stones, gem stones; precious jewels, processed or semi-processed precious metals, medallions, bullions, precious metal trophies, commemorative coins.</p> <p>Wholesale, retail store featuring purchase and sale of Gold and Silver ornaments for kids, Precious metals and their alloys, namely, gold, silver, platinum, Diamond, Rhodium; White Gold, Sterling Silver, Platinum Sterling, gold and silver coins, gold and silver bars, precious and semi-precious minerals, precious and semi-precious stones, gem stones; precious jewels, processed or semi-processed precious metals, medallions, bullions, precious metal trophies,</p>	<p>®</p>

	commemorative coins.	
<p>VISESHA</p>	<p>Gold and Silver ornaments for kids, Precious metals and their alloys, namely, gold, silver, platinum, Diamond, Rhodium; White Gold, Sterling Silver, Platinum Sterling, gold and silver coins, gold and silver bars, precious and semi-precious minerals, precious and semi-precious stones, gem stones; precious jewels, processed or semi-processed precious metals, medallions, bullions, precious metal trophies, commemorative coins.</p> <p>Wholesale, retail store featuring purchase and sale of Gold and Silver ornaments for kids, Precious metals and their alloys, namely, gold, silver, platinum, Diamond, Rhodium; White Gold, Sterling Silver, Platinum Sterling, gold and silver coins, gold and silver bars, precious and semi-precious minerals, precious and semi-precious stones, gem stones; precious jewels, processed or semi-processed precious metals, medallions, bullions, precious metal trophies, commemorative coins.</p>	®
	<p>Gold and Silver ornaments for kids, Precious metals and their alloys, namely, gold, silver, platinum, Diamond, Rhodium; White Gold, Sterling Silver, Platinum Sterling, gold and silver coins, gold and silver bars, precious and semi-precious minerals, precious and semi-precious stones, gem stones; precious jewels, processed or semi-processed precious metals, medallions, bullions, precious metal trophies, commemorative coins.</p> <p>Wholesale, retail store featuring purchase and sale of Gold and Silver ornaments for kids, Precious metals and their alloys, namely, gold, silver, platinum, Diamond, Rhodium; White Gold, Sterling Silver, Platinum Sterling, gold and silver coins, gold and silver bars, precious and semi-precious minerals, precious and semi-precious stones, gem stones; precious jewels, processed or semi-processed precious metals, medallions, bullions, precious metal trophies, commemorative coins.</p>	®
	Gold and Silver ornaments for kids, Precious metals and their alloys, namely, gold, silver, platinum, Diamond, Rhodium; White Gold, Sterling Silver,	

<p>Relationships, By Design</p>	<p>Platinum Sterling, gold and silver coins, gold and silver bars, precious and semi-precious minerals, precious and semi-precious stones, gem stones; precious jewels, processed or semi-processed precious metals, medallions, bullions, precious metal trophies, commemorative coins.</p> <p>Wholesale, retail store featuring purchase and sale of Gold and Silver ornaments for kids, Precious metals and their alloys, namely, gold, silver, platinum, Diamond, Rhodium; White Gold, Sterling Silver, Platinum Sterling, gold and silver coins, gold and silver bars, precious and semi-precious minerals, precious and semi-precious stones, gem stones; precious jewels, processed or semi-processed precious metals, medallions, bullions, precious metal trophies, commemorative coins</p>	<p>®</p>
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REPORT ON CORPORATE GOVERNANCE

1. Company's Philosophy on Corporate Governance

Your Company has based its principles of Corporate Governance philosophy on transparency, accountability, values and ethics, which forms an integral part of the Management's initiative in its ongoing pursuit towards achieving excellence, growth and value creation. Your Company is committed to highest standards of Corporate Governance and disclosure practices to ensure that its affairs are managed in the best interest of all stakeholders.

Your Company has committed to encourage and recognize employee participation and volunteering in environmental and social initiatives that contribute to Organizational Excellence, Sustainability, Human Resources Development and health of its employees and of the neighboring community etc. These actions have become an integral part of your Company's operating plans for performing social responsibilities.

Your company is committed towards transparency in all its dealings and places high emphasis on business principles and believes the good corporate Governance goes beyond working results and financial priority and is pre-requisite for attainment of excellent performance. The Company's business practices are based on the conviction that good business underpins good ethics.

2. Board of Directors

The Board of Directors along with its Committees provides leadership and guidance to the Management and directs and supervises the performance of the Company, thereby enhancing stakeholder value. The Board has a fiduciary relationship in ensuring that the rights of all stakeholders are protected. The Board composition is in conformity with the Companies Act, 2013. All Directors possess relevant qualifications and experience in general Corporate Management, Jewellery Business, Finance, Banking and other allied fields, which enable them to effectively contribute to the Company in their capacity as Directors.

Composition

The composition of and the category of Directors on the Board of the Company are as under:

Category	Name	Designation
Promoter	Mrs. G.B.M. Ratna Kumari	Chairperson & Managing Director
Promoter	Mr. G.S.V Amarendra	Director
Promoter	Mrs. Sai Sindhuri Grandhi	Director
Promoter	Mrs. Sai Keerthana Grandhi	Director

There was no change in the composition of the board during the financial year under review.

3. Conduct of Board Proceedings

The day to day matters concerning the business is conducted regularly. The Board holds its meetings at regular intervals to review and discuss the performance of the Company, its future plans, strategies and other pertinent issues relating to the Company.

The gap between two Board Meetings not exceeded 120 days. The Board is apprised of all the material information relating to the affairs of the Company and the agenda together with all relevant papers sent in advance to enable the Board to discharge and take informed decisions.

During the year under review 8 Board Meetings were held on 21st May, 2019, 17th June, 2019, 22nd August, 2019, 24th September, 2019, 07th October, 2019, 02nd December, 2019, 14th February, 2020, and 20th March, 2020.

The table below sets out details of name, categories of Directors, their attendance at each Board Meeting held during the year.

Name of the Director	Designation	No. of Board Meetings held during the year 2019-20	No. of Meetings Attended
Mrs. G.B.M Ratna Kumari	Chairperson & Managing Director	8	8
Mr. G.S.V Amarendra	Director	8	8
Mrs. G. Sai Sindhuri	Director	8	4
Mrs. G. Sai Keerthana	Director	8	8

4. General Body Meetings

Date, time and venue of last three years Annual General Meetings

Year	Date	Time	Venue
2016-17	29 th September, 2017	09.00 a.m.	Registered office: D. No. 7A-9-21, Main Bazaar, Eluru, 534 001, Andhra Pradesh, India.
2017-18	30 th September, 2018	09.00 a.m.	Registered office: D. No. 7A-9-21, Main Bazaar, Eluru, 534 001, Andhra Pradesh, India.
2018-19	30 th September, 2019	04.00 p.m.	Registered office: D. No. 7A-9-21, Main Bazaar, Eluru, 534 001, Andhra Pradesh, India.

5. Disclosures

The particulars of related party transaction as per the Accounting Standard (AS- 18) are set out in the Notes to Accounts (Note No. 36) forming part of the Annual Report. None of the transaction with any related party was in conflict with the interest of the Company.

6. General Shareholders Information

Annual General Meeting

Day, Date & Time: Wednesday, 30th September, 2020 at 10:00 a.m.

Venue: Registered office: D. No. 7A-9-21, Main Bazaar, Eluru, 534001, Andhra Pradesh, India.

Financial Year

The Financial Year of the Company is from 1st April, 2019 to 31st March, 2020.


Corporate office & Address for communication

Mr. Bandari Shiva Krishna, Company Secretary, Manoj Vaibhav Gems 'N' Jewellers Private Limited, Door No: 47-10-19, 2nd Lane, 2nd Floor, Dwarakanagar, Visakhapatnam - 530016, Andhra Pradesh, India.

Date: 3rd September, 2020.

Place: Visakhapatnam

For and on behalf of the Board


G.B.M Ratna Kumari
Chairperson & Managing Director
DIN: 00492520





INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF MANOJ VAIBHAV GEMS 'N' JEWELLERS PRIVATE LIMITED

Report on the Audit of the Financial Statements

Opinion

I have audited the Financial Statements of Manoj Vaibhav Gems 'N' Jewellers Private Limited ("the Company"), which comprise the Balance Sheet as at 31st March 2020, and the Statement of Profit and Loss and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the Financial Statements").

In my opinion and to the best of my information and according to the explanations given to me, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Accounting Standards prescribed under section 133 of the Act ("AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2020, its profit and its cash flows for the year ended on that date.

Basis for Opinion

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

Emphasis of Matter- Corona developments:

The developments surrounding the Corona (Covid-19) virus have a profound impact on people's health and on our society, as well as on the operational and financial performance of all organizations. The situation changes on a daily basis giving rise to inherent uncertainty. The Company is confronted with this uncertainty as well, which has been disclosed in the Note 38 to the financial statements. We draw attention to these disclosures. Our opinion is not modified in respect of this matter.

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

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

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

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If, based

on the work I have performed, I conclude that there is a material misstatement of this other information; I am required to report that fact. I have nothing to report in this regard.

Management's Responsibility for Financial Statements

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

In preparing the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- i. Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ii. Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, I am also responsible for expressing my opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- iii. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- iv. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- v. Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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

Report on Other Legal and Regulatory Requirements

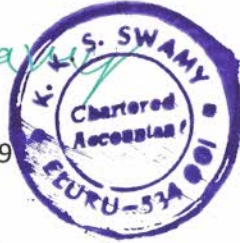
As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of Section 143(11) of the Companies Act 2013, I give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

As required by Section 143(3) of the Act, based on my audit I report that:

- a. I have sought and obtained all the information and explanations which to the best of my knowledge and belief were necessary for the purposes of my audit.
- b. In my opinion, proper books of account as required by law have been kept by the Company so far as it appears from my examination of those books.
- c. The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d. In my opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e. On the basis of the written representations received from the directors as on 31st March 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2020 from being appointed as a director in terms of Section 164(2) of the Act.
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to my separate Report in "Annexure-B".
- g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in my opinion and to the best of my information and according to the explanations given to me:
 - i) The Company does not have any pending litigations which would impact its financial position.

- ii) The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
- iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

K.K.S. Swamy
KKS Swamy
M.No: 022067
UDIN: 20022067AAAAAE1289



Place: Visakhapatnam
Date: 03.09.2020

Annexure A to the Independent Auditor's Report

The annexure referred in my Independent Auditors' Report to the members of the Company on the financial statements for the year ended March 31, 2020. I 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 me, the fixed assets of the Company have been physically verified by the management in accordance with regular programme of verification which, in my opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanations given to me, no material discrepancies were noticed on such verification.
 - c) According to the information and explanations given to me and on the basis of my examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company as at the balance sheet date.
- ii) As explained to us, inventories other than stock lying with third parties (which have substantially been confirmed) were physically verified by the management at reasonable intervals and no material discrepancies were noticed on such physical verification.
- iii)
 - a) As informed to me, the Company has not granted any loans to parties covered in the register maintained under section 189 of the Act.
 - b) Accordingly, the provisions of Clause 3(iii) (a) (b) and (c) of the Order are not applicable to the Company.
- iv) According to the information and explanations given to me, the Company has not given any loans, made any investments and provided any guarantees and securities to parties specified in Section 185 and 186 of the Act during the year. Therefore, the provisions of Clause 3 (iv) of the Order are not applicable to the Company.
- v) According to the information and explanations given to me, the Company has not accepted deposits from the public during the year. Therefore, the provisions of Clause 3 (v) of the Order are not applicable to the Company.
- vi) The maintenance of cost records has not been prescribed by the Central Government under section 148(1) of the Act in respect of the Company's operations. Therefore, the provisions of Clause 3 (vi) of the Order are not applicable to the Company.
- vii)
 - a) According to the information and explanations given to me and on the basis of my examination of records of the Company, the Company is generally regular in depositing all undisputed statutory dues including provident fund, employees' state insurance, income tax, goods and service tax, cess and any other material statutory dues with the appropriate authorities.

According to the information and explanations given to me, no undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, goods and service tax, cess and any other material statutory dues were in arrears as at 31st March 2020 for a period of more than six months from the date they became payable.

- b) According to the information and explanations given to me, the following dues of service tax have not been deposited by the Company on account of disputes as given below:

Nature of Dues	Period to which the dispute relates	Amount in ₹	Forum where the dispute is pending
Service tax (penalty)	01.06.2007 to 31.03.2010	26,11,310	Appellate authority-CESTAT, Bangalore

- viii) According to the records of the Company examined by me and the information and explanations given to me, the Company has not defaulted in repayment of dues to banks as at the balance sheet date.
- ix) According to the information and explanations given to me and based on my examination of the records of the company, the Company has not raised monies by way of initial public offer or further public offer (including debenture instruments).
- x) According to the information and explanations given to me, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of my audit.
- xi) As the Company is a private limited company under Section 2(68) of the Act, compliances with respect to payment of managerial remuneration under the Act is not applicable to the Company. Accordingly, the provisions of Clause 3(xi) of the Order are not applicable to the Company.
- xii) In my opinion and according to the information and explanations given to me, the Company is a not a Nidhi Company under Section 406 (1) of the Act. Accordingly, the provisions of Clause 3(xii) of the Order are not applicable to the Company.
- xiii) According to the information and explanations given to me and based on my examination of the records of the Company, section 177 of Companies Act, 2013 is not applicable to the Company and transactions with related parties are in compliance with section 188 of the Companies Act, 2013 where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv) According to the information and explanations given to me and based on my 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. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.
- xv) According to the information and explanations given to me and based on my examination of the records of the company, the Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.
- xvi) According to the information and explanations given to me and based on my examination of the records of the company, the Company is not required to get registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

K. K. S. Swamy

KKS Swamy
M.No: 022067

Place: Visakhapatnam
Date: 03.09.2020



Annexure - B to the Independent Auditor's Report

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

I have audited the internal financial controls over financial reporting of Manoj Vaibhav Gems 'N' Jewellers Private Limited ("the Company") as of 31st March 2020 in conjunction with my audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Board of Directors 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.

Auditor's Responsibility

My responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on my audit. I conducted my audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by ICAI and the Standards on Auditing 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 I 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.

My audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. My 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.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion on the Company's internal financial controls system over financial reporting.

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 my opinion, to the best of my information and according to explanations given to me, 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 31 March 2020, based on the criteria for internal control over financial reporting 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.

KKS Swamy
M.No: 022067

Place: Visakhapatnam
Date: 03.09.2020



Manoj Vaibhav Gems 'N' Jewellers Private Limited

Balance Sheet as at 31st March 2020

(Amount in ₹)

Particulars	Note No.	As at	
		31st March 2020	31st March 2019
I) Equity and Liabilities			
1) Shareholders' funds			
(a) Share Capital	3	9,77,00,000	9,77,00,000
(b) Reserves and Surplus	4	2,00,96,42,276	1,74,09,98,012
2) Non- current liabilities			
(a) Long-term borrowings	5	45,16,81,953	45,32,69,374
(b) Deferred tax liabilities (Net)	6	8,56,085	58,63,788
(c) Other Long-term Liabilities	7	75,00,000	75,00,000
(d) Long-term Provisions	8	3,21,34,181	2,48,18,915
3) Current Liabilities			
(a) Short term borrowings	9	3,73,98,65,418	3,65,92,33,638
(b) Trade payables	10	-	-
- Dues to micro and small enterprises		-	-
- Dues to creditors other than micro and small enterprises		1,00,59,50,524	57,31,86,137
(d) Other current liabilities	11	36,49,76,035	18,23,73,540
(e) Short term provisions	12	3,57,67,212	9,89,33,419
TOTAL		7,74,60,73,685	6,84,38,76,823
II) Assets			
1) Non-current assets			
(a) Propert, Plant and Equipment			
(i) Tangible assets	13	53,65,37,209	59,97,42,467
(ii) Intangible assets	14	29,58,801	37,59,132
(iii) Capital work in progress		16,95,51,031	12,71,56,652
(b) Non-current investments	15	19,88,71,925	9,22,35,624
(c) Long-term loans and advances	16	5,34,35,260	5,99,25,084
(d) Other non-current assets	17	50,00,000	8,53,22,369
2) Current assets			
(a) Inventories	18	6,33,11,78,205	5,15,41,07,664
(b) Trade receivables	19	7,76,10,865	21,52,43,404
(c) Cash and Bank balances	20	24,40,13,917	41,42,00,554
(d) Short-term loans and advances	21	11,61,75,005	8,51,71,329
(e) Other current assets	22	1,07,41,468	70,12,545
TOTAL		7,74,60,73,685	6,84,38,76,823
Significant accounting policies	2		
Notes forming part of the financial statements	3-41		

For and on behalf of the Board of Directors

K.K.S. Swamy

Chartered Accountant

Membership No. : 022067

UDIN: 20022067AAAAAE1289

GBM Ratna Kumari

Managing Director

UDIN: 00492520

G.S.V. Amarendra

Director

UDIN: 01521848

R. Satish
Chief Executive Officer

B. Shiva Krishna
Company Secretary

Place : Visakhapatnam

Date : 03-Sep-2020

Manoj Vaibhav Gems 'N' Jewellers Private Limited

Statement of Profit and Loss for the year ended 31st March 2020

(Amount in ₹)

Particulars	Note No.	For the year period ended	
		31st March 2020	31st March 2019
I) Revenue from operations	23		
(a) Retail operations		12,79,12,98,510	12,47,43,13,140
(b) Bullion operations		-	-
II) Other Income	24	4,51,94,789	5,88,64,194
III) Total Revenue (I + II)		12,83,64,93,299	12,53,31,77,334
IV) Expenses			
(a) Cost of raw material consumed	25	5,95,66,65,625	5,22,47,29,559
(b) Purchases of stock-in-trade		6,13,30,11,376	5,58,88,21,851
(c) Changes in inventories of finished goods, work-in-progress and	26	-1,21,41,45,355	-25,80,19,006
(d) Employee benefits expense	27	40,36,93,160	36,88,92,985
(e) Finance costs	28	39,77,01,468	32,47,61,528
(f) Depreciation and amortization expense	29	7,10,91,410	7,14,69,651
(g) Other expenses	30	72,27,08,925	73,35,01,832
Total Expenses		12,47,07,26,609	12,05,41,58,401
V) Profit before tax (III - IV)		36,57,66,689	47,90,18,933
Extraordinary items	30	-	-
Profit before tax		36,57,66,689	47,90,18,933
VI) Tax expense:			
(a) Current tax		10,05,94,000	17,67,99,000
(b) Deferred Tax		-50,07,703	-56,51,867
(c) Short/ (Excess) provision of earlier years		15,36,128	8,00,674
		9,71,22,425	17,19,47,807
VII) Profit after tax for the year (V - VI)		26,86,44,264	30,70,71,126
VIII) Discontinuing Operations:			
(a) Gain/ (Loss) from discontinuing operations (before tax)		-	-
(b) Tax expense of discontinuing operations		-	-
(c) Gain / (Loss) from discontinuing operations (after tax) (a-b)		-	-
IX) Profit/(Loss) for the period		26,86,44,264	30,70,71,126
Earnings per equity share	31		
(a) Basic		27.50	30.37
(b) Diluted		27.50	30.37
Significant accounting policies	2		
Notes forming part of the financial statements	3-41		

As per our report of even date

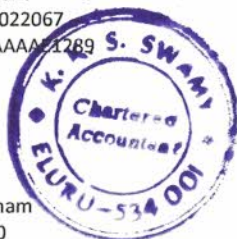
For and on behalf of the Board of Directors

K.K.S. Swamy

Chartered Accountant

Membership No. : 022067

UDIN: 20022067AAAAA1289



GBM Ratna Kumari

Managing Director

DIN: 00492520

R. Satish

Chief Executive Officer



GSV Amarendra

Director

DIN: 01521848

B. Shiva Krishna

Company Secretary

Place : Visakhapatnam

Date : 03-Sep-2020

Manoj Vaibhav Gems 'N' Jewellers Private Limited
Cash Flow Statement for the year ended 31st March 2020

(Amount in ₹)

Particulars	For the Period ended	
	31st March 2020	31st March 2019
A) Net Cash Flows from Operating Activities		
Net profit before tax and extraordinary items	36,57,66,689	47,90,18,933
Adjustments for :		
Depreciation	7,10,91,410	7,14,69,651
Unrealized foreign exchange (gain)/ loss	2,97,31,005	-2,69,03,927
(Profit)/ Loss on sale of Property, Plant and Equipment	13,21,246	-1,20,618
Interest expense	38,43,11,756	31,61,56,750
Interest income	-1,75,71,988	-2,44,59,730
Dividend from Mutual fund	-	-452
Operating profit before working capital changes	83,46,50,118	81,51,60,606
Adjustments for working capital changes		
Long-term loans and advances	44,02,383	-31,65,686
Other non-current assets	8,03,22,369	-6,35,74,563
Inventories	-1,17,70,70,542	-29,73,04,086
Trade Receivables	13,76,32,539	-18,72,63,046
Short-term Loans and Advances	-3,76,73,920	-3,12,17,310
Other Current assets	-45,94,582	-42,23,029
Other Long-term Liabilities	-	-
Long-term Provisions	73,15,266	1,15,19,742
Trade payables	43,27,64,388	9,23,27,621
Other current liabilities	17,43,65,159	-13,96,089
Short term provisions	12,53,067	33,11,913
Cash generated from operations	45,33,66,246	33,41,76,073
Income tax paid	-17,75,76,915	-15,49,65,196
Cash Flow Before Extra Ordinary Items	27,57,89,331	17,92,10,876
Extra Ordinary Items	-	-
Net Cash flows from/(used in) operating activities	27,57,89,331	17,92,10,876
B) Net Cash flows from Investing Activities		
Sale/ (Purchase) of Property, Plant and Equipment/CWIP (incl capital ad	-4,90,42,323	-19,98,83,224
(Increase)/ Decrease in Investments (net)	-10,66,36,300	3,82,312
(Increase)/ Decrease in Deposits	7,63,52,633	9,05,66,002
Interest received	1,83,21,912	2,42,93,823
Net Cash flow from/(used in) Investing Activities	-6,10,04,078	-8,46,41,087
C) Net Cash flows from Financing Activities		
Proceeds/ (repayment) from or of Long-term borrowings	-15,87,420	4,14,60,345
Increase/ (Decrease) in Short-term borrowings	5,05,50,760	28,06,71,344
Interest paid	-35,75,87,048	-30,95,40,679
Net Cash Flow from/(used in) Financing Activities	-30,86,23,708	1,25,91,010
Net change in cash and cash equivalents (A + B + C)	-9,38,38,455	10,71,60,799
Cash and Cash equivalents at the beginning of the year	27,43,97,903	16,72,37,289
Effect of exchange differences on cash and cash equivalents	4,452	-185
Cash and Cash equivalents at the ending of the year	18,05,63,900	27,43,97,904
Cash and Cash equivalents at the ending of the year	18,05,63,900	27,43,97,903

As per our report of even date

K.K.S. Swamy
Chartered Accountant
Membership No. : 022067
UDIN: 20022067AAAAAE1289



Place : Visakhapatnam
Date : 03-Sep-2020

For and on behalf of the Board of Directors

GBM Ratna Kumaris
Managing Director
DIN: 00492520

R. Satish
Chief Executive Officer



G.S.V. Amarendra
Director
DIN: 01521848

B. Shiva Krishna
Company Secretary

Manoj Vaibhav Gems 'N' Jewellers Private Limited

1. General Information:

M/s. Manoj Vaibhav Gems 'N' Jewellers Private Limited ("the Company") (CIN:U55101AP1989PTC009734) is engaged primarily in the business of jewellery and has property and investment segments. The Company is running its jewellery business under the name and style of "Vaibhav Jewellers", being registered trade mark. It has the credentials of ISO 9001:2008.

2. Summary of Significant accounting policies

2.1 Basis of preparation of Financial Statements

These financial statements have been prepared to comply in all material aspects with applicable accounting principles in India, the applicable Accounting Standards prescribed under Section 133 of the Companies Act, 2013 ('Act') read with Rule 7 of the Companies (Accounts) Rules, 2014, the provisions of the Act (to the extent notified) and other accounting principles generally accepted in India, to the extent applicable.

The financial statements have been prepared under historical cost convention on accrual basis (unless otherwise stated).

2.2 Use of Estimates

The preparation of financial statements requires the management of the Company to make certain estimates and assumptions that affect the reported amounts in the financial statements and notes thereto. Difference between the actual results and estimates are recognized in the period in which results are known materialized.

2.3 Property, Plant and Equipment

Property, Plant and Equipment are stated at cost less accumulated depreciation. Cost includes capital cost, freight, duties, taxes and other incidental expenses incurred during the construction/ Installation stage attributable to bringing the asset to working condition for its intended use.

2.4 Impairment of Assets

An Asset is impaired when the carrying cost of the assets exceeds its recoverable value. An impairment loss is charged when an asset identified as impaired. The impairment loss recognized in prior accounting year is reversed if there has been a change in the estimate of recoverable amount.

2.5 Depreciation and amortization

Depreciation on Property, Plant and Equipment is being provided on straight line method at the rates in the manner specified in Schedule II of the Companies Act, 2013. Depreciation on assets sold, scrapped or demolished during the year is being provided at their respective rates up to the date in which such assets are sold, scrapped. Depreciation / Amortisation of Intangibles is in compliance with AS 26 to the extent applicable. The expenditure incurred on Lease Hold premises is depreciated over the Lease period.

2.6 Borrowing Cost

Borrowing costs attributable to the Acquisition/Improvement of qualifying capital assets and incurred till the commencement of commercial use of the assets is capitalized as the cost of the asset as per Accounting Standard(AS) 16 "Borrowing Cost" and other borrowing costs are charged to statement of profit and loss.

2.7 Capital Work-In-Progress

Capital Work-In-Progress is carried at cost, comprising direct cost and related Incidental expenses.

2.8 Inventories

Inventories are valued at lower of cost and estimated net realizable value. Cost is determined on 'Weighted Averages' basis. Cost of Inventories comprises of all cost of purchase, cost of conversion and other costs incurred in bringing the Inventories to their present location and condition.

2.9 Transactions in Foreign Currency

Foreign Currency transactions are recorded at the exchange rates prevailing at the date of the transaction. Monetary foreign currency assets and liabilities are translated in to Indian rupees at the exchange rate prevailing at the balance sheet date. All exchange differences are dealt with in Statement of profit and loss.

2.10 Investments

Long-term Investments including those held through nominees are stated at cost. Provision for diminution in the value of long-term Investment is made only if such a decline is other than temporary in the opinion of the management.

Current Investments are carried at lower of cost and fair value.

2.11 Revenue Recognition

i) Sale of Goods:

Revenue from sale of goods is recognized when risk and rewards of ownership of the products are passed on to the customers, which is generally on dispatch of goods and is stated net of sales tax/goods and service tax, trade discounts and claims etc.

ii) Other revenue:

Other revenue is recognized only when it is reasonably certain that the ultimate collection will be made.



Manoj Vaibhav Gems 'N' Jewellers Private Limited

2.12 Employee Benefits

Defined Contribution Plan: The Company makes defined contribution to Provident Fund and Employee State Insurance which are recognized in the statement of Profit and Loss on accrual basis.

Defined Benefit Plan: The Company's liability towards gratuity is determined on the basis of year end actuarial valuations applying the Projected Unit Credit Method done by an independent actuary as on the Balance sheet date. The actuarial gains or losses determined by the actuary are recognized in the Statement of Profit and Loss as income or expense.

2.13 Provision for Current and Deferred Taxation

Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income Tax Act, 1961.

Deferred tax resulting from "timing difference" between book and taxable profit is accounted for using the tax rates and laws that have been enacted or substantively enacted as on the Balance Sheet date. The deferred tax assets are recognized if there is a virtual certainty that the assets will be realized in future.

2.14 Cash flow Statement

The Cash Flow Statement is prepared by indirect method set in Accounting Standard 3 on Cash flow Statement and presents the cash flows by operating, Investing and Finance activities of the company. Cash and Cash equivalents presented in cash flow consist of cash in hand, cheques on hand and bank balances.

2.15 Earning Per Share

The basic earnings per share is computed by dividing the net profit after tax for the year by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earning per shares, net profit after tax for the year and weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the year, unless they have been issued at a later date.

2.16 Provisions and Contingent Liabilities

Provisions are recognised when there is a present obligation as result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance sheet date and are not discounted to its present value.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

2.17 Leases

Operating Lease payments are recognized as an expense in the statement of profit and loss as per the terms of the agreements which are representative of the time pattern of the user's benefits.

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Manoj Vaibhav Gems 'N' Jewellers Private Limited
Notes forming part of the financial statements

3. Share Capital

(Amount in ₹)

Particulars	As at	
	31st March 2020	31st March 2019
Authorised Share Capital 1,00,00,000 Equity Shares of ₹.10 each (Previous year: 1,00,00,000 Equity Shares of ₹.10 each)	10,00,00,000	10,00,00,000
	10,00,00,000	10,00,00,000
Issued Subscribed and Paid up Share Capital 97,70,000 Equity Shares of ₹.10 each (Previous year: 97,70,000 Equity Shares of ₹.10 each)	9,77,00,000	9,77,00,000
	9,77,00,000	9,77,00,000

3.1 Reconciliation of shares outstanding at the beginning and end of the financial year:

Particulars	31st March 2020	31st March 2019
Equity shares at the beginning of the year	97,70,000	97,70,000
Add: Allotment during the year	-	-
Less: Shares bought back during the year	-	-
Equity shares at the end of the year	97,70,000	97,70,000

3.2. Rights, preferences and restrictions attached to Shares

The Company has one class of equity shares having a par value of ₹.10/- each (Previous Year: ₹.10/- each). Each shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to their shareholding.

3.3. Details of Shareholders holding more than 5 % of the shares in the Company:

Name of the Share Holder	31st March 2020		31st March 2019	
	No. of shares	%	No. of shares	%
1. Grandhi Bharata Mallika Ratna Kumari (HUF) (Formerly known as G. Manoj Kumar (HUF))	73,37,600	75.10%	73,37,600	75.10%
2. G.B.M. Ratna Kumari	13,38,000	13.69%	13,38,000	13.69%
3. Harshil Enterprises (India) Pvt. Ltd.	10,64,400	10.89%	10,64,400	10.89%

4. Reserves and Surplus

(Amount in ₹)

Particulars	As at	
	31st March 2020	31st March 2019
Securities Premium		
Opening Balance	28,02,50,000	28,02,50,000
Add: Additions during the year	-	-
Balance as at the end of the year	28,02,50,000	28,02,50,000
Surplus in Statement of Profit and Loss		
Balance as at the beginning of the year	1,46,07,48,012	1,15,36,76,886
Add: Profit/(Loss) for the year as per Statement of Profit and Loss	26,86,44,264	30,70,71,126
	1,72,93,92,276	1,46,07,48,012
	2,00,96,42,276	1,74,09,98,012

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Manoj Vaibhav Gems 'N' Jewellers Private Limited
Notes forming part of the financial statements

(Amount in ₹)

5. Long-term Borrowings

Particulars	As at	
	31st March 2020	31st March 2019
Secured		
Term Loans from Banks	-	-
Vehicles from Banks	16,81,953	32,69,374
(Refer Note no. 11 for current maturities)	16,81,953	32,69,374
Unsecured		
Loans and advances from related parties	45,00,00,000	45,00,00,000
Loans and advances from others	-	-
	45,00,00,000	45,00,00,000
	45,16,81,953	45,32,69,374

Nature of Security and terms of repayment for vehicle loans from banks:

Bank	Primary Security	Terms of Payment	Int. Rate
Axis Bank	Toyota Etios	Repayable in 60 monthly EMI of ₹.16,042/- each commencing from November,2015. Balance No. of Installments - 7	10.00%
Axis Bank	Toyota Innova	Repayable in 60 monthly EMI of ₹.28,684/- each commencing from November,2015. Balance No. of Installments - 7	10.00%
HDFC Bank	Toyota Etios	Repayable in 60 monthly EMI of ₹.16,505/- each commencing from April ,2016. Balance No. of Installments -12	9.90%
HDFC Bank	Toyota Innova	Repayable in 84 monthly EMI of ₹.24,072/- each commencing from November,2015. Balance No. of Installments -31	10.00%
State Bank of India	Maruti Swift Dzire	Repayable in 84 monthly EMI of ₹.11,095/- each commencing from August 2014. Balance No. of Installments -8	11.05%
State Bank of India	Toyota Innova GX	Repayable in 84 monthly EMI of ₹21,310/- each commencing from May 2014. Balance No. of Installments -4	11.05%
State Bank of India	Mahindra XUV	Repayable in 84 monthly EMI of ₹.19,129/- each commencing from August 2014. Balance No. of Installments -10	11.05%
HDFC Bank	Maruthi Swift Dzire	Repayable in 60 monthly EMI of ₹.14,753/- each commencing from October 2016. Balance No. of Installments -18	9.65%
HDFC Bank	Maruthi Swift Dzire	Repayable in 36 monthly EMI of ₹.24,666/- each commencing from November,2016. Balance No. of Installments -0	9.50%
HDFC Bank	Toyota Innova	Repayable in 36 monthly EMI of ₹.55,722/- each commencing from February,2017. Balance No. of Installments -0	9.50%
HDFC Bank	Maruthi Swift Dzire	Repayable in 36 monthly EMI of ₹.24,169/- each commencing from January 2017. Balance No. of Installments -0	9.50%
Canara Bank	Tata Magic	Repayable in 84 monthly EMI of ₹.8,743/- each commencing from October 2018. Balance No. of Installments -66	9.20%
Canara Bank	Tata Magic	Repayable in 84 monthly EMI of ₹.8,743/- each commencing from October 2018. Balance No. of Installments -66	9.20%
Canara Bank	Tata Magic	Repayable in 84 monthly EMI of ₹.8,743/- each commencing from October 2018. Balance No. of Installments -66	9.20%
HDFC Bank	Maruthi Swift Dzire	Repayable in 36 monthly EMI of ₹.23,001/- each commencing from November,2017. Balance No. of Installments -7	8.50%
HDFC Bank	Toyota Etios	Repayable in 36 monthly EMI of ₹.28,976/- each commencing from May,2017. Balance No. of Installments -1	8.50%
HDFC Bank	Toyota Etios	Repayable in 36 monthly EMI of ₹68,266/- each commencing from May,2017. Balance No. of Installments -1	8.50%



Manoj Vaibhav Gems 'N' Jewellers Private Limited
Notes forming part of the financial statements

6. Deferred Tax Liabilities (Net)

(Amount in ₹)

Particulars	As at	
	31st March 2020	31st March 2019
Deferred Tax Liabilities:		
Difference between WDV of Propert, Plant and Equipment as per books and as per Income Tax Act	1,03,89,331	1,61,05,912
Deferred Tax Assets		
Disallowances under Income Tax Act, 1961	-95,33,246	-1,02,42,124
	8,56,085	58,63,788

7. Other Long-term Liabilities

(Amount in ₹)

Particulars	As at	
	31st March 2020	31st March 2019
Rental Deposits	75,00,000	75,00,000
	75,00,000	75,00,000

8. Long-term Provisions

(Amount in ₹)

Particulars	As at	
	31st March 2020	31st March 2019
Provision for employee benefits	3,21,34,181	2,48,18,915
	3,21,34,181	2,48,18,915

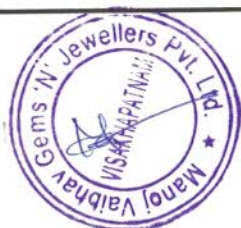
9. Short-term Borrowings

(Amount in ₹)

Particulars	As at	
	31st March 2020	31st March 2019
Secured		
Working Capital Loans from banks	3,58,86,58,892	3,09,46,78,591
Gold Metal Loans from banks	15,12,06,526	56,45,55,047
	3,73,98,65,418	3,65,92,33,638

9.1 Nature of security

Particulars	SBI/ AB/ Axis/ HDFC/ Canara/Federal
Primary Security	Pari-passu first charge on current assets of the company, both present and future, along with other working capital lenders.
Collateral Security	<p>A. Pari passu 1st charge by way of equitable mortgage along with other WC lenders on:</p> <ol style="list-style-type: none"> 1. Shop Nos. A-1, A3 and A-17 at D.No. 47-15-7 Visakhapatnam standing in the name of the Company/ Mrs. GBM Ratna Kumari, CMD & 3 Others (total undivided land to the extent of 35 Sq. Yards) 2. House site at D No.7-6-12, Plot No. 15 and building thereon, at Visakhapatnam standing in the name of Mrs. GBM Ratna Kumari, CMD (admeasuring 444 Sq. Yards) 3. Plot No. C-536 at Kapuluppada, Visakhapatnam standing in the names of GBM Ratna Kumari, CMD & 3 Others (admeasuring 605.68 Sq. Yards) 4. Open land at Amalapuram standing in the names of Mrs. GBM Ratna Kumari, CMD and Mrs. G. Sai Keerthana, Director (admeasuring 13,421.61 Sq. yards and 13,474.64 Sq. Yards) 5. Land admeasuring 2,501.66 Sq. Yards, covered by S.No 355/6C situated at Madhurawada, Visakhapatnam standing in the name of the Company. 6. V-Square land admeasuring 2,865.65 Sq. Yards. and building there on located at D.No.47-15-8,9,9/1, Visakhapatnam 7. Corporate Office land admeasuring 893.80 Sq. Yards. and building thereon located at D.No.47-10-19, Visakhapatnam and 8. All fixed assets of the Company <p>B. Pledge</p> <ol style="list-style-type: none"> 1. TDRs with SBI totallig to ₹. 3.41 Crore on pari passu basis 2. Pledge of shares of the Company to the extent of 20% of the paid up share capital
Personnel guarantee	<p>Mrs. GBM Ratna Kumari Mrs. G. Sai Sindhuri Mrs. G. Sai Keerthana Ms. GDK S Sarayu</p> <p>Chairperson & Managing Director Owners of Collateral Securities Owners of Collateral Securities Owners of Collateral Securities</p>
Terms of Payment	Repayable on demand
Interest rate	10.1% to 10.95% p.a.



Manoj Vaibhav Gems 'N' Jewellers Private Limited
Notes forming part of the financial statements

10. Trade Payables

(Amount in ₹)

Particulars	As at	
	31st March 2020	31st March 2019
Trade Payables:		
Dues to Micro and Small enterprises	-	-
Dues to Others	1,00,59,50,524	57,31,86,137
	1,00,59,50,524	57,31,86,137

Note: Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Company. This has been relied upon by the Auditor.

11. Other current liabilities

(Amount in ₹)

Particulars	As at	
	31st March 2020	31st March 2019
Current maturities of Long-term borrowings		
Term Loans	-	45,32,246
Vehicle Loans	16,47,071	40,09,526
Interest accrued but not due on borrowings	1,05,98,386	20,32,732
Other payables		
Statutory liabilities	1,56,02,102	1,02,35,906
Creditors for capital goods	35,51,093	38,79,411
Creditors for expenses	12,61,63,601	8,34,87,641
Advances from customers	20,56,15,148	7,21,78,644
Dues to related parties	12,21,251	12,65,597
Others	5,77,384	7,51,838
	36,49,76,035	18,23,73,540

12. Short term provisions

(Amount in ₹)

Particulars	As at	
	31st March 2020	31st March 2019
Provision for income-tax (net of advance tax)	3,00,22,951	9,44,42,225
Provision for employee benefits	57,44,261	44,91,194
	3,57,67,212	9,89,33,419

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Note No. 13 & 14 : Property, Plant and Equipment

(Amount in ₹)

Note No. 13 & 14 : Property, Plant and Equipment										
Particulars	Gross Block			Accumulated Depreciation				Net Block		
	As at 01.04.2019	Additions During the Year	Reclassification/ Adj. during the year	As at 31.03.2020	As at 01.04.2019	Current year Depreciation	Reclassification/ Prior period Depreciation	Deletions/ Internal Transfers	As at 31.03.2020	As at 31.03.2019
Tangible Assets (Own)										
Land	1,59,47,879	-	-	1,59,47,879	-	-	-	-	1,59,47,879	1,59,47,879
Buildings	8,95,64,111	-	-	8,95,64,111	1,34,27,473	14,90,095	-	-	1,49,17,568	7,61,36,638
Corporate office	57,82,667	-	-	57,82,667	9,32,292	1,06,887	-	-	10,39,179	48,50,375
Parent showroom	4,68,121	-	-	4,68,121	87,297	7,785	-	-	95,082	3,80,824
Vizag Showroom	8,33,13,322	-	-	8,33,13,322	1,24,07,884	13,75,424	-	-	1,37,83,308	7,09,05,438
Plant & Machinery	10,49,84,748	2,34,733	-1,77,733	10,50,41,748	6,66,81,144	77,80,802	-	93	7,44,61,853	3,83,03,605
Furniture & Fittings	34,39,97,987	58,02,935	-35,26,476	34,62,74,446	16,41,64,632	2,14,85,626	-	2,751	18,56,47,507	17,98,33,355
Electrical Installations	19,23,06,325	97,78,930	-1,34,12,751	18,86,72,505	4,84,81,127	1,73,76,234	-	25,77,099	6,32,80,262	14,38,25,198
Office Equipment	4,73,48,266	27,40,872	-13,14,739	4,87,74,399	2,84,69,580	53,70,815	-	72,606	3,37,67,788	1,88,78,686
Computers	2,96,95,772	16,77,095	-1,27,301	3,12,45,567	2,28,95,307	37,69,543	-	411	2,66,64,440	68,00,465
Vehicles	4,43,19,894	12,79,018	-36,74,656	4,19,24,256	2,29,73,588	36,33,144	-	33,73,602	2,32,33,130	2,13,46,306
Tangible Assets (Leasehold)										
Buildings	12,12,89,585	62,316	-	12,13,51,901	2,26,19,250	76,67,805	-	-	3,02,87,055	9,86,70,335
	98,94,54,568	2,15,75,899	-2,22,33,656	98,87,96,812	38,97,12,102	6,85,74,064	-	60,26,563	45,22,59,603	59,97,42,467
Previous year	-80,09,27,026	-19,14,30,168	29,02,625	-98,94,54,568	-32,17,11,639	-6,89,53,951	-	-9,53,489	-38,97,12,102	-47,92,15,387
Intangible Assets										
Intangible Assets	1,10,19,585	-	-	1,10,19,585	72,60,453	8,00,331	-	-	80,60,784	37,59,132
	1,10,19,585	-	-	1,10,19,585	72,60,453	8,00,331	-	-	80,60,784	37,59,132
Previous year	-1,10,04,585	-15,000	-	-1,10,19,585	-64,57,080	-8,03,373	-	-	-72,60,453	-45,47,505
Total	1,00,04,74,153	2,15,75,899	-2,22,33,656	99,98,16,397	39,69,72,555	6,93,74,395	-	60,26,563	46,03,20,387	60,35,01,599
Previous year	-81,19,31,611	-19,14,45,168	29,02,625	-1,00,04,74,153	-32,81,68,719	-6,97,57,325	-	-9,53,489	-39,69,72,555	-48,37,62,892

Note No. 13.1 Investment in properties

(Amount in ₹)

Note No. 13.1 Investment in properties										
Particulars	Gross Block			Accumulated Depreciation				Net Block		
	As at 01.04.2019	Additions During the Year	Reclassification/ Adj. during the year	As at 31.03.2020	As at 01.04.2019	Current year Depreciation	Reclassification/ Prior period Depreciation	Deletions/ Internal Transfers	As at 31.03.2020	As at 31.03.2019
Land	1,60,72,517	10,83,53,315	-	12,44,25,832	-	-	-	-	12,44,25,832	1,60,72,517
Buildings	9,06,52,646	-	-	9,06,52,646	1,44,89,539	17,17,015	-	-	1,62,06,554	7,61,63,107
Total	10,67,25,163	10,83,53,315	-	21,50,78,478	1,44,89,539	17,17,015	-	-	1,62,06,554	9,22,35,624
Previous year	-10,53,82,028	-	-13,43,135	-10,67,25,163	-1,27,77,213	-17,12,326	-	-	(1,44,89,539)	(9,26,04,815)



Manoj Vaibhav Gems 'N' Jewellers Private Limited
Notes forming part of the financial statements (Contd.)

(Amount in ₹)

15. Non Current Investments

Particulars	As at	
	31st March 2020	31st March 2019
Investment properties (Refer Note No. 13.1)	19,88,71,925	9,22,35,624
	19,88,71,925	9,22,35,624

16. Long-term loans and advances

(Amount in ₹)

Particulars	As at	
	31st March 2020	31st March 2019
(Unsecured, considered good)		
Capital Advances	10,35,045	31,22,486
Security Deposits		
Rent Deposit	4,66,19,244	5,03,72,892
Electricity Deposits	53,82,094	60,15,084
Telephone Deposit	86,597	86,597
Other Deposits	3,12,280	3,28,025
	5,34,35,260	5,99,25,084

17. Other non-current assets

(Amount in ₹)

Particulars	As at	
	31st March 2020	31st March 2019
Bank deposits	50,00,000	8,53,22,369
(maturity of more than 12 months)		
	50,00,000	8,53,22,369

17.1 Lien on FDRs: The above bank deposit(s) is/are subject to lien, which consists ₹.50,00,000/- made in compliance with the Pradhan Mantri Garib Kalyan Deposit (PMGKD) Scheme, 2016.

18. Inventories

(Amount in ₹)

Particulars	As at	
	31st March 2020	31st March 2019
Raw material	4,31,94,937	8,08,38,467
Work-in-progress	87,67,84,604	78,48,34,548
Stock in trade	3,02,38,38,176	2,81,38,54,266
Finished goods	2,37,96,21,291	1,46,74,09,902
Gift Items/ Packing material	77,39,197	71,70,481
	6,33,11,78,205	5,15,41,07,664

Note: Identification of a specific item and determination of estimated net realisable value involve technical judgments of the management, which has been relied upon by the auditor.

19. Trade receivables

(Amount in ₹)

Particulars	As at	
	31st March 2020	31st March 2019
(Unsecured, considered good)		
Outstanding for a period exceeding 6 months from the date they are due for payment	12,25,750	15,55,805
Others	7,63,85,115	21,36,87,599
	7,76,10,865	21,52,43,404



Manoj Vaibhav Gems 'N' Jewellers Private Limited
Notes forming part of the financial statements (Contd.)

20. Cash and Bank balances

(Amount in ₹)

Particulars	As at	
	31st March 2020	31st March 2019
Cash and cash equivalents		
Cash on hand	78,30,426	6,85,71,281
Cheques on hand/ Credit card receivable	4,83,420	1,02,40,796
Balances with banks		
In Deposit Accounts	-	14,36,00,000
(with maturity of less than 3 months)		
In Current Accounts	17,22,17,462	5,19,27,706
In Travel cards	32,592	58,120
	18,05,63,900	27,43,97,903
Other bank balances		
Other Bank Deposits	4,83,76,899	12,41,66,462
(with maturity of more than 3 months but less than 12 months)		
Margin money	1,50,73,118	1,56,36,189
	6,34,50,017	13,98,02,651
	24,40,13,917	41,42,00,554

20.1 Lien on FDRs: All Other bank deposits with maturity of less than 3 months and with maturity of more than 3 months but less than 12 months are subjected to lien.

21. Short-term loans and advances

(Amount in ₹)

Particulars	As at	
	31st March 2020	31st March 2019
(Unsecured, considered good)		
Loans and advances to		
Employees	18,41,593	16,05,184
Suppliers and service providers	3,64,22,163	1,54,66,465
Security Deposits	18,87,235	18,93,500
Prepaid expenses	57,16,980	40,72,631
Balances with Government Authorities		
Income tax	1,33,22,899	2,03,38,705
Other taxes	5,69,84,135	4,17,94,843
	11,61,75,005	8,51,71,329

22. Other current assets

(Amount in ₹)

Particulars	As at	
	31st March 2020	31st March 2019
Interest accrued but not due	17,23,857	25,89,516
Others	90,17,611	44,23,029
	1,07,41,468	70,12,545

Note: Others includes dues from related party of ₹ 71,42,709/- (₹ 40,73,029/-). Refer to Note No. 36.

23. Revenue from operations

(Amount in ₹)

Particulars	For the year ended	
	31st March 2020	31st March 2019
Retail Sales		
Gold Ornaments	11,33,60,84,172	10,81,39,56,415
Silver Articles	45,33,78,712	47,15,02,656
Platinum Ornaments	99,37,548	1,08,99,879
Diamond	60,69,32,850	67,61,95,603
Stones	35,73,51,317	40,16,89,183
Others	2,76,13,911	10,00,69,404
	12,79,12,98,510	12,47,43,13,140
Bullion Sales		
Gold (Bullion)	-	-0
	-	-0
	12,79,12,98,510	12,47,43,13,140



Manoj Vaibhav Gems 'N' Jewellers Private Limited
Notes forming part of the financial statements (Contd.)

(Amount in ₹)

24. Other Income

Particulars	For the year ended	
	31st March 2020	31st March 2019
Interest Income		
On bank deposits	1,71,85,674	2,35,41,025
Others	3,86,314	9,18,705
Dividend from		
Mutual fund	-	452
Other non-operating Income		
Rental Income	2,75,01,596	2,32,18,980
Net gain on disposal of assets		1,20,618
Others (#)	1,21,205	1,10,64,412
	4,51,94,789	5,88,64,194

(#) It includes prior period income (net) ₹. Nil (₹. 1,03,30,427)

25. a) Cost of material consumed

(Amount in ₹)

Particulars	For the year ended	
	31st March 2020	31st March 2019
Opening stock of raw material	8,08,38,467	4,03,92,889
Add: Purchases of raw material	5,91,90,22,095	5,26,51,75,137
	5,99,98,60,562	5,30,55,68,026
Less: Closing stock of raw material	4,31,94,937	8,08,38,467
	5,95,66,65,625	5,22,47,29,559

25. b) Purchase of Stock-in-trade

(Amount in ₹)

Particulars	For the year ended	
	31st March 2020	31st March 2019
Retail Purchases		
Gold Ornaments	5,22,00,60,652	4,78,17,74,536
Silver Articles	37,22,62,355	33,82,32,298
Platinum Ornaments	66,15,222	76,92,330
Diamond	42,57,98,942	34,93,64,010
Stones	10,45,46,957	9,53,20,360
Others	37,27,248	1,64,38,318
	6,13,30,11,376	5,58,88,21,851
Bullion Purchases		
Gold (Bullion)	-	-
	-	-
	6,13,30,11,376	5,58,88,21,851

26. Changes in inventories

(Amount in ₹)

Particulars	As at	
	31st March 2020	31st March 2019
Stock at the end of the year		
Work in progress	87,67,84,604	78,48,34,548
Stock in trade	3,02,38,38,176	2,81,38,54,266
Finished goods	2,37,96,21,291	1,46,74,09,902
	6,28,02,44,071	5,06,60,98,716
Stock at the beginning of the year		
Work in progress	78,48,34,548	59,75,76,928
Stock in trade	2,81,38,54,266	1,91,46,57,602
Finished goods	1,46,74,09,902	2,29,58,45,180
	5,06,60,98,716	4,80,80,79,710
	-1,21,41,45,355	-25,80,19,006



Manoj Vaibhav Gems 'N' Jewellers Private Limited
Notes forming part of the financial statements (Contd.)

27. Employee benefit expenses

(Amount in ₹)

Particulars	For the year ended	
	31st March 2020	31st March 2019
Salaries and wages	34,82,78,539	32,92,32,926
Directors Remuneration	1,97,77,858	58,13,947
Contribution to provident and other funds	1,56,01,417	1,65,64,827
Staff welfare expenses	2,00,35,346	1,72,81,286
	40,36,93,160	36,88,92,985

28. Finance Costs

(Amount in ₹)

Particulars	For the year ended	
	31st March 2020	31st March 2019
Interest Expense		
Interest on Term Loans	1,46,944	25,76,788
Interest on Vehicle Loans	4,91,330	8,59,619
Interest on Working Capital Loans	36,52,56,793	30,58,65,628
Interest on Others	1,84,16,688	68,54,715
Other Borrowing Costs		
Loan Processing & Renewal Charges	1,33,89,713	86,04,778
	39,77,01,468	32,47,61,528

29. Depreciation and Amortization (Refer Note 13 & 14)

(Amount in ₹)

Particulars	For the year ended	
	31st March 2020	31st March 2019
Depreciation on Tangible Assets	7,02,91,079	7,06,66,277
Amortization on Intangible Assets	8,00,331	8,03,373
	7,10,91,410	7,14,69,651

30. Other expenses

(Amount in ₹)

Particulars	For the year ended	
	31st March 2020	31st March 2019
Job work charges	26,10,72,632	26,47,98,039
Freight and forwarding charges	1,02,06,028	95,07,692
Electricity expenses	2,42,09,286	2,24,53,686
Rent	5,19,78,784	3,75,41,478
Repairs and maintenance		
Building	29,60,620	29,64,451
Plant and machinery	85,70,558	81,44,518
Computers	38,31,244	26,53,707
Insurance	68,59,667	87,98,822
Rates and Taxes	78,53,768	1,71,44,339
Telephone expenses	17,35,321	21,13,064
Travelling expenses	2,15,81,494	2,33,96,820
Conveyance	97,84,330	83,09,621
Legal and Professional charges	1,77,30,335	2,57,09,011
Remuneration to auditor		
for audit services	1,50,000	1,72,750
for taxation matters	-	-
for other matters	-	-
Printing & Stationery	63,72,719	83,27,352
Postage & Courier Charges	58,471	54,244
Books & Periodicals	4,14,626	2,39,959
Charities & Donations	1,01,200	5,14,115
Loss on sales of assets	13,21,246	-
CSR Expenses	26,53,549	19,48,720
Loss on foreign currency transactions and translations (net)	5,07,61,559	1,59,19,182
Prior period items (Net)	-	-
Advertisement Expenses	8,07,24,113	13,46,23,540
Discount allowed	3,17,26,457	1,59,38,118
Other Selling and Distribution Expenses	5,06,38,345	4,64,29,557
Bank Charges	1,07,99,310	2,03,14,234
Credit Card Service Charges	2,14,93,765	2,19,20,452
Miscellaneous expenses	3,71,19,501	3,35,64,361
	72,27,08,925	73,35,01,832



Manoj Vaibhav Gems 'N' Jewellers Private Limited
Notes forming part of the financial statements (Contd.)

31. Earnings per Share (Amount in ₹)		
Particulars	For the year ended	
	31st March 2020	31st March 2019
a) Net Profit/ (Loss) for Basic/ Diluted EPS		
Profit/ (Loss) after tax	26,86,44,264	30,70,71,126
Add/(Less): Prior period items	-	-1,03,30,427
	26,86,44,264	29,67,40,699
b) Number of Shares for Basic/ Diluted EPS		
No. of Equity Shares	97,70,000	97,70,000
c) Basic/Diluted Earning per Share (Not annulized)	27.50	30.37

32. Transactions in foreign currencies (Amount in ₹)		
Particulars	For the year ended	
	31st March 2020	31st March 2019
a) Inflow:		
Sales proceeds from foreign exhibitions/ customers	2,91,511	3,27,868
	2,91,511	3,27,868
b) Outflow:		
Travel & Hotel expenses	1,46,072	20,85,593
Royalty charges	3,58,200	-
	5,04,272	20,85,593

33. Capital and Other commitments (Amount in ₹)		
Particulars	For the year ended	
	31st March 2020	31st March 2019
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advance)	48,71,358	1,33,73,977

34. Contingent Liabilities and Guarantees (Amount in ₹)		
Particulars	For the year ended	
	31st March 2020	31st March 2019
Service tax		
From 01.06.07 to 31.03.10	26,11,310	26,11,310
Note: The above matter relating to imposition of penalty U/s.78 of Finance Act, 1994 is pending before Hon'ble CESTAT, Bangalore. However, the Hon'ble tribunal as per their Misc. Order No. 21214/2014 dt.19th May, 2014 has granted stay against payment of penalty during the pendency of the appeal.		

35. Segment Report

The company is engaged in the business of Gold Jewellery, Diamond and Silver Articles, which constitutes a single business segment. In view of the above, there are no segment wise reports to be disclosed in terms of Accounting Standard (AS) 17- "Segment Reporting" issued by the Institute of Chartered Accountants of India.

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Manoj Vaibhav Gems 'N' Jewellers Private Limited

Notes forming part of the financial statements (Contd.)

36 Reporting on related parties

a) List of related parties

Index No	Nature of relationship	Name of the related party
1	Key Managerial Personnel (KMP)	<p>Chairperson & Managing Director</p> <p>Director</p> <p>Executive Director</p> <p>Chief Executive Officer</p> <p>Director & Daughter of CMD</p> <p>Mother in law of CMD</p>
2	Relative of KMP	<p>GBM Ratna Kumari (HUF)</p> <p>(formerly known as G. Manoj Kumar (HUF))</p> <p>Manoj Vaibhav Jewellers Private Limited.</p> <p>Emerge Enterprises India Private Limited</p> <p>Harshil Enterprises (India) Private Limited</p> <p>Vaibhav Sign Tower Private Limited</p> <p>Vaibhav Golden Avenues Private Limited</p> <p>Vaibhav Hotels & Resorts (Visakhapatnam) Private Limited</p> <p>Vaibhav Jewellers Private Limited</p> <p>Vaibhav Hospitalities Private Limited</p> <p>Vaibhav Goldfin Services Private Limited</p> <p>Vaibhav Green Energy Private Limited</p> <p>Vaibhav Sky Scapes Limited</p>
3	Enterprises over which director is having significant influence	



b) Related Party Transactions/ Balances

Related Parties	FY	Loan and advance given/ (Loan and advance taken)	(Recovery)/ Repayment	Net Purchases/ (Net Sales)	Remuneration	Trf of assets	Rental & other expenses/ (Rental income)	(Royalty)	Discount	(Amount in ₹) Receivable/ (Payable) by year end
1. Key Managerial Personnel										
Grandhi B.M. Ratna Kumari	2019-20	-	-	-	1,76,32,784	-	-	-	-	(11,47,589)
	2018-19	-	-	-	1,76,32,784	-	-	-	-	(1,390)
G. Sai Keerthana	2019-20	-	-	-	24,30,380	-	-	-	-	(21,898)
	2018-19	-	-	-	14,49,596	-	-	-	-	(24,094)
R. Satish	2019-20	-	-	-	1,10,16,309	-	-	-	-	(2,94,369)
	2018-19	-	-	-	1,10,66,214	-	-	-	-	(1,85,609)
2. Relative of directors										
G Sinduri	2019-20	-	-	-	14,49,596	-	-	-	-	(51,764)
	2018-19	-	-	-	11,55,356	-	-	-	-	(36,387)
Grandhi Krishna Kumari	2019-20	-	-	-	-	-	7,93,512	-	-	(59,513)
	2018-19	-	-	-	-	-	7,93,512	-	-	-
3. Enterprises over which director is having significant influence										
GBM Ratna Kumari (HUF)	2019-20	-	-	-2,68,50,74,993*	-	-	-3,96,744@	(1,20,000)	-	(45,00,00,000)
	2018-19	(5,00,00,000)	-	-2,48,37,97,290*	-	-	-3,96,744@	(1,20,000)	-	(45,00,00,000)
Manoj Vaibhav Jewellers Private Limited.	2019-20	-	-	-20,21,875^	-	-	-	-	6,059	-
	2018-19	-	-	-1,54,40,354^	-	-	-	-	-	-
Vaibhav Jewellers Private Limited	2019-20	-	-	-16,12,528	-	-	-	-	-	(0)
	2018-19	-	-	2,06,65,569	-	-	-	-	-	(12,03,727)
Vaibhav Hotels & lieures (Visakhapatnam) Private Limited	2019-20	-	-	-	-	-	-70,25,035**	-	-	71,42,709
	2018-19	-	-	-	-	-	-51,63,657**	-	-	40,73,029

@ It consists of rental income of ₹ 7,93,500 (₹ 7,93,500) and rental expenses of ₹ 3,96,756 (₹ 3,96,756)

^ It consists of sale of ₹ 20,21,875 (₹ 1,54,40,354) and purchase of ₹ Nil (₹ Nil)

** It consists of Rental income of ₹ 70,45,161 (₹ 60,00,000) and expenses of ₹ 20,126 (₹ 8,36,343)

* It consists of sale of ₹ 271,54,35,993 (₹ 248,37,97,290) and purchase of ₹ 3,03,61,000 (₹ Nil)

Note: The above figures not include goods and service tax



Manoj Vaibhav Gems 'N' Jewellers Private Limited

Notes forming part of the financial statements (Contd.)

37. Obligations towards operating leases**A) Assets taken on lease**

a) The Company has entered into cancellable and non-cancellable operating leases for its showrooms/ offices. The future minimum lease payments under Non-cancellable leases payable as at the year ending are as follows:

(Amount in ₹)

Particulars	For the year ended	
	31st March 2020	31st March 2019
1) Future minimum lease payments		
not later than one year	1,21,09,032	1,10,37,021
later than one year and not later than five years	5,32,74,626	5,11,40,552
later than five years	19,58,18,041	21,00,61,147
2) Lease payments recognized in the Statement of Profit and Loss	5,01,71,349	3,46,09,119

b) The Company entered into cancellable operating leases for its showrooms/ offices and others which are cancellable by giving appropriate notices as per respective agreements. During the year ₹ 3,48,93,669 (Previous year ₹ 2,39,75,605) has been charged to Statement of Profit and Loss on account of lease rentals.

B) Assets given on lease

a) The Company enters into cancellable/non-cancellable operating lease arrangements for its commercial building premises. The details are as follows:

(Amount in ₹)

Particulars	For the year ended	
	31st March 2020	31st March 2019
Land & Buildings		
Gross carrying amount	21,50,78,478	10,67,25,163
Accumulated depreciation	1,62,06,554	1,44,89,539
Depreciation recognised in Statement of profit and loss	17,17,015	17,12,326

b) The future minimum lease payments under non cancellable leases receivable as at the year ending are as follows:

(Amount in ₹)

Particulars	For the year ended	
	31st March 2020	31st March 2019
1) Future minimum lease payments		
not later than one year	-	7,93,500
later than one year and not later than five years	-	-
later than five years	-	-
2) Lease payments recognized in the Statement of Profit and Loss	2,75,01,596	2,32,18,980

38. Estimation uncertainty relating to the global health pandemic on COVID-19:

In assessing the recoverability of receivables, realization of inventories, other current assets and intangible assets, and certain fixed assets, the Company has considered internal and external information up to the date of approval of these financial statements. The Company has evaluated recoverability and realization of assets based on current indicators of future economic conditions and expects to recover and realize the carrying amount of these assets. The impact of the global health pandemic may be different estimated as at the date of approval of these financial statements and the Company will continue to closely monitor any material changes to future economic conditions.

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Manoj Vaibhav Gems 'N' Jewellers Private Limited

Notes forming part of the financial statements (Contd.)

39. Retirement benefits

The Gratuity Liability is recognized on the basis of actuarial valuation method.

The following table sets forth the status of the Gratuity plan of the Company and amounts recognized in the Balance Sheet (Computed according to revised AS 15):

Particulars	For the year ended	
	31st March 2020	31st March 2019
Obligations at year beginning	2,93,10,109	1,44,78,454
Past Service Cost	-	-
Current Service Cost	48,30,588	28,53,600
Interest expenses	20,56,903	10,55,550
Actuarial (Gain)/Losses due to change in assumptions	25,65,199	1,18,83,599
Benefits paid	-8,84,357	-9,61,094
Obligations at year end	3,78,78,442	2,93,10,109
Change in plan assets:	-	-
Plan assets at year beginning, at fair value	-	-
Expected return on plan assets	-	-
Actuarial gain	-	-
Contributions	-	-
Benefits paid	-	-
Plan assets at year end, at fair value	-	-
Assumptions		
Discount rate	6.45%	7.60%
Salary growth	6.50%	6.50%
Attrition rate	12.00%	12.00%

40. All the figures have been rounded off to the nearest rupee.

41. Previous year's figures have been regrouped and reclassified wherever necessary to conform to the current year's classification.

For and on behalf of the Board of Directors

K.K.S. Swamy
Chartered Accountant
Membership No. : 022067
UDIN: 20022067AAAAAE1289



GBM Ratna Kumari
Managing Director
DIN: 00492520

R. Satish
Chief Executive Officer



GSV Amarendra
Director
DIN: 01521848

S. Shiva Krishna
Company Secretary

Place : Visakhapatnam
Date : 03-Sep-2020