

**32<sup>nd</sup> Annual Report**  
**of**  
**Manoj Vaibhav Gems 'N' Jewellers Private Limited**



**2020-21**

## 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](http://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](http://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. 47-15-7/2, Railway Station Road, Dwarakanagar, Visakhapatnam- 530 016, Andhra Pradesh, India, Ph: 0891 6667777.

### Gajuwaka

3. D.No.10-7-110/1, Cinema Hall Junction, Gajuwaka, Visakhapatnam, 530026, Andhra Pradesh, India, Ph: 0891 6637779.

### Kakinada

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

### Rajahmundry

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

### Anakapalle

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

### Parvathipuram

7. D.No: 25-1, Near RTC Complex, Main Road, Parvathipuram, Vizianagaram Dist. – 535501, Andhra Pradesh, India, Ph: 0896 3222 100.

### Bobbili

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

### Gopalapatnam

9. 4-218/6/1, Main Road, Gopalapatnam, Simhachalam, Visakhapatnam-530 027, Andhra Pradesh, India, Ph: 0891 6667777

### Srikakulam

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

### Vizianagaram

11. #6-8-36, P.V.S. Empire, Near Sri Kanyakaparameshwari Temple, MG Road, Vizianagaram – 535001, Andhra Pradesh, India, Ph:08374127711

### Dilsukhnagar, Hyderabad

12. 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

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

## 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.



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## NOTICE

Notice is hereby given that the 32<sup>nd</sup> Annual General Meeting (AGM) of the members of Manoj Vaibhav Gems 'N' Jewellers Private Limited, CIN: U55101AP1989PTC009734 will be held on Tuesday, 30<sup>th</sup> November, 2021 at 10:00a.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 31<sup>st</sup> March, 2021 including Balance Sheet as at 31<sup>st</sup> March, 2021 and the statement of profit and loss made upto that date, along with the Reports of the Board of Directors and Auditors thereon.
2. Appointment of Statutory Auditors to fill the casual vacancy

To consider, if thought fit, the following resolutions, with or without modification(s), as an Ordinary Resolution

“RESOLVED THAT pursuant to the provisions of Section 139, 142 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and other applicable provisions, if any, approval of the members of the Company be and is hereby given for the appointment M/s. Sagar & Associates, Chartered Accountants (Firm Registration Number: 0035105 and Peer Review No 011975), as Statutory Auditors of the Company, to fill the casual vacancy caused by the resignation of KKS Swamy., Chartered Accountant., Eluru to hold the office from 2<sup>nd</sup> November, 2021, until the conclusion of the 32<sup>nd</sup> Annual General Meeting of the Company, at such remuneration plus applicable taxes and out of pocket expenses if any, as may be determined mutually.”

“RESOLVED FURTHER THAT Mrs. G.B.M Ratna Kumari, Chairman & Managing Director of the Company or such other director be and are hereby authorized to do all the acts, deeds and things, which are necessary to give effect to the aforesaid appointment and to file the requisite Forms / documents with the ROC by uploading the same on the portal of MCA using her DSC.”

3. Appointment of Statutory Auditors

To consider, if thought fit, the following resolutions, with or without modification(s), as an Ordinary Resolution

## MANOJ VAIBHAV GEMS 'N' JEWELLERS PRIVATE LIMITED

Regd. Office: #7A-9-21, Main Bazaar, Eluru-534 001, West Godavari Dist., A.P., India ☎ +91 8812 668 664  
Corporate Office : # 47-10-19, 2nd Lane, Dwarakanagar, Visakhapatnam - 530 016, A.P., India. ☎ +91 891 663 4567  
E mail: info@vaibhavjewellers.in; 🌐 www.vaibhavjewellers.com CIN:U55101AP1989PTC009734

**“RESOLVED THAT** pursuant to the provisions of Section 139, 142 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and other applicable provisions, if any, M/s. Sagar & Associates, Chartered Accountants (Firm Registration Number: 003510S and Peer Review No 011975), be and are hereby appointed as Statutory Auditors of the Company, to hold the office for a period of five years from the conclusion of 32<sup>nd</sup> Annual General Meeting till the conclusion of 37<sup>th</sup> Annual General Meeting, beginning April 1, 2021 and ending on March 31, 2026 at such remuneration plus applicable taxes, and out of pockets expenses if any, at such remuneration plus applicable taxes and out of pocket expenses if any, as may be determined in consultation with the Auditors and duly approved by the Board of Directors of the Company.”

**“RESOLVED FURTHER THAT** Mrs. G.B.M Ratna Kumari, Chairman & Managing Director of the Company or such other director be and is hereby authorized be and are hereby authorized to do all the acts, deeds and things, which are necessary to give effect to the aforesaid appointment and to file the requisite Forms / documents with the ROC by uploading the same on the portal of MCA using his DSC.”

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

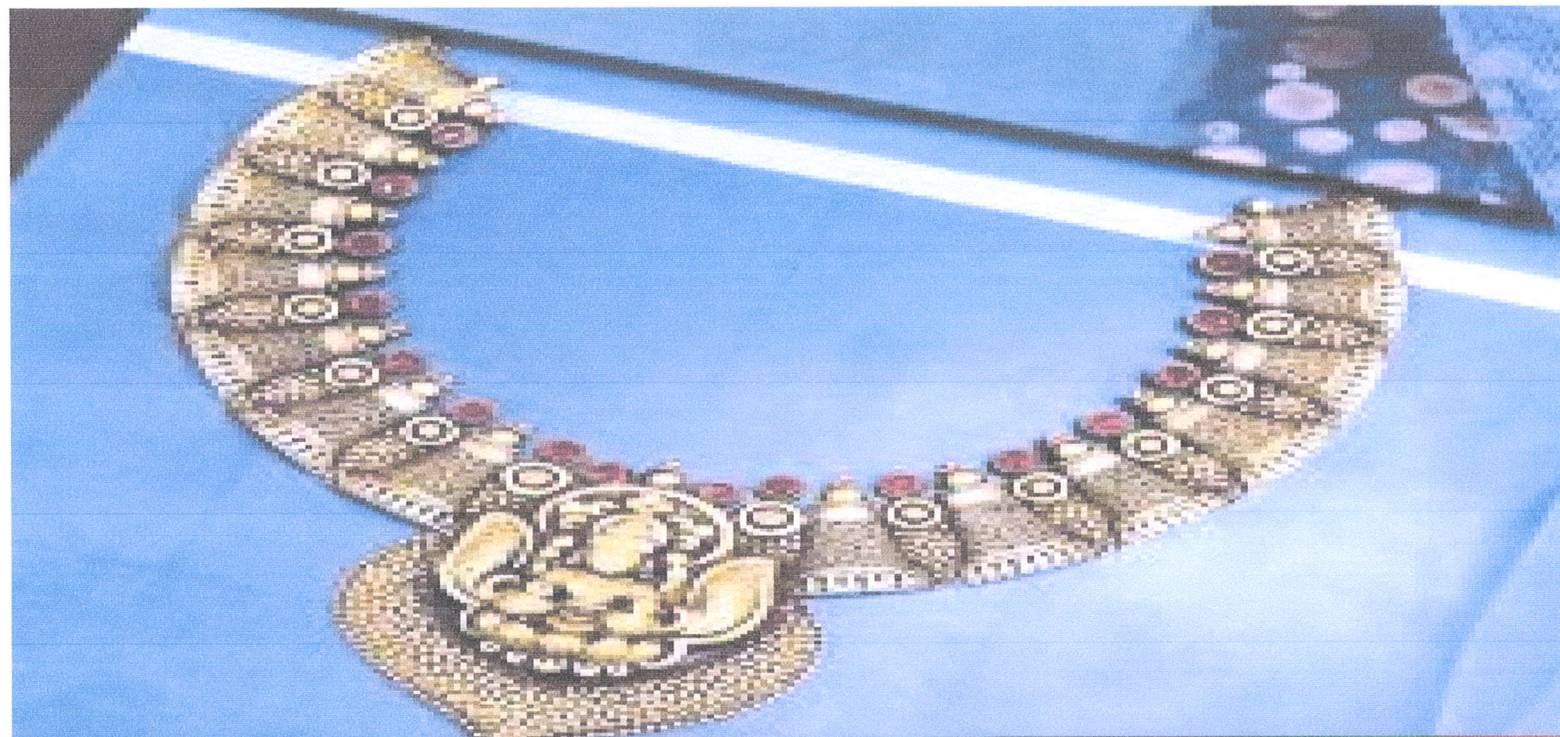
Place: Visakhapatnam

Date: 02<sup>nd</sup> November, 2021.

#### **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.



**Manoj Vaibhav Gems 'N' Jewellers Private Limited**  
CIN: U55101AP1989PTC009734  
**Regd. Office:** 7A-9-21, Main Bazar, Eluru, 534001, Andhra Pradesh, India.

**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 32<sup>nd</sup> Annual General Meeting to be held on Tuesday, 30<sup>th</sup> November, 2021 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 31<sup>st</sup> March, 2021, together with the Reports of the Board of Directors and Auditors thereon.
2. Appointment of Statutory Auditors to fill the casual vacancy
3. Appointment of Statutory Auditors

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.

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**ATTENDANCE SLIP**  
(To be presented at the entrance)

I hereby record my presence at the 32<sup>nd</sup> Annual General Meeting of the Company held at its registered office at 7A-9-21, Main Bazar, Eluru, 534 001, Andhra Pradesh, India, on Tuesday, 30<sup>th</sup> November, 2021 at 10:00 a.m.

Folio No. \_\_\_\_\_ DP. ID. No. \_\_\_\_\_ Client ID No. \_\_\_\_\_

Name of the Member \_\_\_\_\_

Signature \_\_\_\_\_

Name of the Proxy holder \_\_\_\_\_

Signature \_\_\_\_\_

### DIRECTORS' REPORT

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

Your Directors are pleased to present the 32<sup>nd</sup> Annual Report on the business and operations of your Company along with the Audited Financial Statements for the Financial Year 2020-21.

#### **FINANCIAL SUMMARY/HIGHLIGHTS, OPERATION:**

The financial performance of your Company for the year ended 31st March, 2021 is summarized below:

(Rs. in Lakhs)

Particulars	Current Financial year 2020-21	Previous Financial year 2019-20
Revenue from Operations	143356.94	127912.99
Other Income	636.54	451.95
<b>Total Revenue</b>	<b>143993.48</b>	<b>128364.93</b>
<b>Profit/loss before Depreciation, Finance Costs, Exceptional items and tax Expense (EBIDTA)</b>	<b>8391.31</b>	<b>8345.60</b>
Less: Depreciation / Amortization / Impairment	696.80	710.91
<b>Profit/loss before Finance Costs, Extraordinary items and tax Expense</b>	<b>7694.51</b>	<b>7634.68</b>
Less: Finance Costs	3845.97	3977.01
<b>Profit/loss before Exceptional items and tax Expense</b>	<b>3848.54</b>	<b>3657.67</b>
Add/ (Less): Extraordinary items	1071.39	0.00
<b>Profit/loss before tax Expense</b>	<b>2777.15</b>	<b>3657.67</b>
Less: Tax Expense (Current & Deferred)	707.69	971.22
<b>Profit/loss for the year</b>	<b>2069.46</b>	<b>2686.44</b>
Earning Per Equity share		
a. Basic	21.18	27.50
b. Diluted	21.18	27.50

#### **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.1433.57 Crore as Compared to Rs.1279.13 Crore in the previous year i.e. an increase of 12.07% in retail operations. During the year, Company optimized profitability by concentrating on Retail sale of Jewellery. Thus, the total Revenue of the Company stood at Rs.1439.93 Crore as compared to Rs.1283.65 Crores in the previous year. Overall growth in Revenue is 12.17% in financial year 2020-21.

Earnings before Interest, Taxes, Depreciation and Amortization (EBITDA) for the financial year 2020-21 is 83.91 Crores and Profit before Tax (PBT) for the year under review was Rs.38.49 Crores before extraordinary items as compared to EBITDA of Rs. 83.46 Crores and Profit before Tax (PBT) Rs.36.58 Crores reported last year. Net Profit of the Company for the year under review is Rs.20.69 Crores as compared to previous year Net Profit of Rs.26.86 Crores which was due to write off of the extra-ordinary items.

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 2020-21**

The COVID-19 pandemic has created a disruption in the supply chain across countries, significantly impacting the trade of gems and jewelry. With the declaration of COVID-19 as a pandemic in mid-March 2020, the performance of the retail stores were affected during the first half of the financial year 2020-21 due to store closures consequent upon declaration of national lockdown by the Government and subsequent state-wise lockdowns which resulted in very poor turnover of the Company in the first half of 2020-21.

The retail industry as a whole has been adversely impacted due to COVID-19 and consequent lockdown resulting out of it. The company being in the retail segment has also faced significant headwinds due to COVID-19 and retail showrooms were closed in lock down period. Though the performance for the year ended 31<sup>st</sup> March 2021 has been impacted due to unprecedented COVID-19 disruption which continued for nearly whole calendar year of 2020 besides nationwide/state wise area specific lockdowns, the Company has managed to perform well and achieved marginal increase in Turnover.

While resuming operations, we followed the directives issued by the authorities from time to time and also put in place various safety measures at all units like social distancing, sanitization of place and people, compulsory wearing masks etc. to ensure the safety of our employees and customers. In addition we have provided our employees work from home option, and various amenities and support to make this transition comfortable. The Company has considered such impact to the extent known and available currently. However, the impact assessment of COVID-19 is a continuing process given the uncertainties associated with its nature and duration. Further during the year ended 31 March 2021, the Company has renegotiated with certain landlords on rent reduction/waiver due to Covid-19 pandemic. The Company's retail jewellery business being the sale of jewellery/bullion, in particular, gold, silver and diamond sale has been impacted due to fixed costs associated with it such as lease rentals, employee salaries, general administrative expenses like transport, power and fuel, servicing of debt and idle inventory. The management decisions and strategies drive the Company to perform reasonably well by achieving marginal increase in Turnover compared to last year in spite of COVID-19 pandemic.

The Company's business expansion plans i.e. opening of new showrooms across south India has been stand still during FY 2020-21. As normalcy is restored in the market by lifting lockdowns, free movement of goods and services, free movement of transport during the FY 2021, the company, after evaluation and analysis of risks and opportunities, may resume the expansion of the business by opening of new retail stores.

### 3. GROUP CONCERN

- ★ Vaibhav Jewellers Private Limited
- ★ Vaibhav Hotels & Leisures (Visakhapatnam) Private Limited
- ★ Harshil Enterprises (India) Private Limited

*(The company filed form STK-2 for striking off some group companies voluntarily in the 4<sup>th</sup> quarter of 2019-20. During the financial year 2020-21 Emerge Enterprises India Private Limited has been struck off by the Registrar of Companies and Vaibhav Sky Scapes Limited, Vaibhav Goldfin Services Private Limited, Vaibhav Green Energy Private Limited, Vaibhav Hospitalities Private Limited, Vaibhav Golden Avenues Private Limited, Vaibhav Sign Tower Private Limited were struck off in September, 2021 by Registrar of Companies).*

### 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 31<sup>st</sup> March, 2021 is Rs. 221.66 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 2020-21.

## 5. DIVIDEND

No interim or final dividend is declared for the financial year 2020-21 due to conservation of profits by the company.

## 6. BOARD MEETINGS

During the year under review 5 (Five) 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

K.K.S. Swamy, Chartered Accountant, Eluru, existing auditor has resigned as Statutory Auditor of the Company due to his pre-occupation in other assignments with effect from 16th October, 2021. Accordingly, the Board has at its meeting held on 02nd November, 2021 appointed M/s. Sagar & Associates, Chartered Accountants, Hyderabad, holding Firm Registration No. 0035105 as Statutory Auditors of the Company upto the conclusion of 32<sup>nd</sup> Annual General Meeting and The Board has recommended for his appointment as Statutory Auditors for a period of 5 years from the 32<sup>nd</sup> Annual General Meeting to 37<sup>th</sup> 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. SECRETARIAL AUDIT REPORT**

M/s. P.S.Rao & Associates, Company Secretaries in Practice, Hyderabad conducted the Secretarial Audit for the financial year 2020-21. The Secretarial Audit Report for the financial year ended March 31, 2021, is annexed herewith as **Annexure- "II"** which forms a part of this Report.

**12. 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 – III**.

**13. RELATED PARTY TRANSACTIONS**

Related party transactions entered during the financial year under review are disclosed in Note No. 37 to the Financial Statements of the Company for the financial year ended 31<sup>st</sup> March, 2021.

The requisite details of the related party transactions are provided as **Annexure –IV** 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.

**14. 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. 14.71 Lakhs

ii) Foreign Exchange Outgo: NIL

**15. 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 2020-21.

**16. 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.

**17. 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 2020-21

**18. 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 31<sup>st</sup> March, 2021 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.

**19. 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.

**20. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES**

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

**21. 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.

## **22. 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.

## **23. 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.

## **24. 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.

## **25. 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.

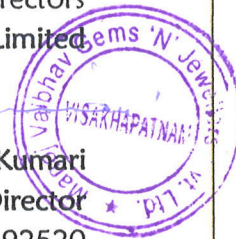
Your Directors also wish to place on record their deep sense of gratitude and appreciation for all the employees at all levels for their hard work, cooperation and dedication, commitment and their contribution towards achieving the goals of the Company.

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: 02<sup>nd</sup> November, 2021.

**Annexure-I**

Form No. MGT-9  
**EXTRACT OF ANNUAL RETURN**

As on the Financial Year ended on 31<sup>st</sup> March, 2021

*[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 Website: www.vaibhavjewellers.com
vi.	Address of the Corporate Office and contact details	D. No. 47-10-19, 2 <sup>nd</sup> Lane, Dwarakanagar, Visakhapatnam – 530 016, Andhra Pradesh, India. Ph: +91 891 6634567, 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





lakh									
c) Others(Specify)	-	-	-	-	-	-	-	-	-
Sub-total(B)(2)	-	-	-	-	-	-	-	-	-
Total Public Shareholding (B)=(B)(1)+(B)(2)	-	-	-	-	-	-	-	-	-
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	-	-
	<b>Total</b>	<b>97,70,000</b>	<b>100</b>	<b>20</b>	<b>97,70,000</b>	<b>100</b>	<b>20</b>	<b>-</b>

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

Sr.N o.		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	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.N o.	For Each of the Directors and KMP	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
	<b>Mrs. Bharata Mallika Ratna Kumari Grandhi</b>				
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

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
<b>Indebtedness at the beginning of the financial year</b>				
i)Principal Amount	374,31,94,442	45,00,00,000	-	419,31,94,442
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	1,05, 98,386	-	-	1,05,98,386
<b>Total(i+ii+iii)</b>	<b>375,37,92,828</b>	<b>45,00,00,000</b>	<b>-</b>	<b>420,37,92,828</b>
<b>Change in Indebtedness during the financial year</b>				
- Addition	43,56,03,541	-	-	43,56,03,541
- Reduction	-	-	-	-
<b>Net Change</b>	<b>43,56,03,541</b>	<b>-</b>	<b>-</b>	<b>43,56,03,541</b>
<b>Indebtedness at the end of the financial year</b>				
i)Principal Amount	418,43,39,648	45,00,00,000	-	463,43,39,648
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	50,56,721	-	-	50,56,721
<b>Total (i+ii+iii)</b>	<b>418.93,96.369</b>	<b>45,00,00,000</b>	<b>-</b>	<b>463,93,96,369</b>

## 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/WTG/Manager	Total Amount
		G.B.M. Ratna Kumari Managing Director	

1.	Gross salary	1,36,32,032	1,36,32,032
	(a) Salary as per provisions contained in section17(1) of the Income-tax Act,1961	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-
	(c) Profits in lieu of salary undersection17(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)	1,36,32,032	1,36,32,032
	Ceiling as per the Act	NA	NA

Sr • N o.	Particulars of Remuneration	Name of the Director		Total Amount
		Sai Keerthana Grandhi (Director)	Sai Sindhuri Grandhi (Director)	
	Gross salary	17,56,991	10,45,927	28,02,918
	(a) Salary as per provisions contained in section17(1) of the Income-tax Act,1961	-	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-

(c) Profits in lieu of salary under section 17 (3) Income-tax Act, 1961			
Stock Option	-		-
Sweat Equity	-		-
Commission - as% of profit - Others, specify...	-		-
Others, please specify	-		-
<b>Total(A)</b>	<b>17,56,991</b>	<b>10,45,927</b>	<b>28,02,918</b>
Ceiling as per the Act	NA		NA

**5. Remuneration to other directors**

Particulars of Remuneration	Name of the Director	Total Amount
<u>Independent Directors</u>		
Fee for attending board committee meetings	-	-
Commission	-	-
Others, please specify	-	-
<b>Total(1)</b>	-	-
<u>Other Non-Executive Directors</u>		
Fee for attending board committee meetings	-	-
Commission	-	-
Others, please specify	-	-
<b>Total(2)</b>	-	-
<b>Total(B)=(1+2)</b>	-	-
<b>Total Managerial Remuneration</b>	-	-
<b>Overall Ceiling as per the Act</b>	-	-

**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	79,65,510	7,87,330	87,52,840
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission - as % of profit - others, specify...	-	-	-
5.	Others, please specify	-	-	-
6.	Total	79,65,510	7,87,330	87,52,840

**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>B. Directors</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
<b>C. Other Officers In Default</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

There were no penalties/punishment/compounding of offences for the year ended 31<sup>st</sup> March, 2021.

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: 02<sup>nd</sup> November, 2021.



Annexure II

Form No.MR-3  
**SECRETARIAL AUDIT REPORT**  
for the financial year ended 31<sup>st</sup> March, 2021  
[Pursuant to Section 204(1) of the Companies Act, 2013 and rule No.9 of the  
Companies (Appointment and Remuneration Personnel) Rules, 2014]

To  
The Members,  
**Manoj Vaibhav Gems 'N' Jewellers Private Limited**  
D.No.47-10-19, 2<sup>nd</sup> Lane, Dwarakanagar,  
Visakhapatnam, 530016, Andhra Pradesh.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices **Manoj Vaibhav Gems 'N' Jewellers Private Limited** (hereinafter referred to as "the Company"). The secretarial audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of the secretarial audit, we hereby report that, in our opinion, the Company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2021, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2021 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder; *(Not applicable to the Company).*
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under; *(Not applicable to the Company).*
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment; *(Not applicable to the Company).*
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act').



### Annexure III

## ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

### 1. A Brief outline of the Company's CSR policy

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.

### 2. Composition of the CSR 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

- Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.  
<https://www.vaibhavjewellers.com>
- Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report). **Not Applicable**
- Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any.

S.No.	Financial Year	Amount available for set-off from preceding financial years (in Rs)	Amount required to be setoff for the financial year, if any (in Rs)
NIL			

- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 *(Not applicable to the Company);*
- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 *(Not applicable to the Company);*
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 *(Not applicable to the Company);*
- (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 *(Not applicable to the Company);*
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2018 *(Not applicable to the Company);*
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; *(Not applicable to the Company);*
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 *(Not applicable to the Company);* and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998/2018 *(Not applicable to the Company);*
- (i) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; *(Not applicable to the Company);*

vi. Other specifically applicable laws to the Company:

- The Legal Metrology Act, 2009
- The Employees' State Insurance Act, 1948
- The Employees' Provident Fund and Miscellaneous Provisions Act, 1952 & EPF, FPF Schemes.
- The Minimum Wages Act, 1948
- The Payment of Wages Act,
- The Payment of Bonus Act, 1965
- The Payment of Gratuity Act
- The Maternity Benefit Act, 1961
- Andhra Pradesh Shops & Establishments Act, 1988
- The Workmen's Compensation Act, 1923
- Bureau of Indian Standard (BIS) (Hallmarking)
- The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013
- The Electricity Act, 2003
- The Contract Labour (Regulation and Abolition) Act, 1970

We have also examined compliance with the applicable clauses of the Secretarial Standards issued by the Institute of Company Secretaries of India.



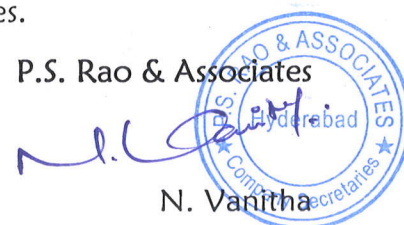
During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that:

- i. The Board of Directors of the Company is duly constituted as per the provisions of the Companies Act, and Rules made there under.
- ii. Adequate notice was given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- iii. All the decisions at the Board Meetings and Committee Meetings have been carried out unanimously as recorded in the Minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.
- iv. *During the Financial Year 2020-21, the company has prescribed CSR expenditure of Rs.75.30 lakhs out of which 12.20 lakhs has been spent during the year and remaining Rs.63.10 lakhs has been transferred to unspent CSR Account specifically opened for this purpose which will be spent towards ongoing projects of the Company.*

We further report that there are adequate systems and processes in the Company, commensurate with the size and operations of the Company, to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

P.S. Rao & Associates



N. Vanitha

Practicing Company Secretary

C.P. No.: 10573

UDIN: A026859C000927209

Place: Hyderabad

Date: 09<sup>th</sup> September, 2021


*Note: This Report is to be read with our letter of even date which is annexed as 'Annexure- A' and forms an integral part of this Report.*

To  
The Members,  
Manoj Vaibhav Gems 'N' Jewellers Private Limited  
D.No.47-10-19, 2<sup>nd</sup> Lane, Dwarakanagar,  
Visakhapatnam, 530016, Andhra Pradesh

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

1. Maintenance of secretarial and other statutory records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices I followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Wherever required, we have obtained management representation about the compliance of laws, rules and regulations and happening of events, etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

P.S. Rao & Associates

  
N. Vanitha  
Company Secretary

Practicing Company Secretary  
C.P. No.: 10573  
UDIN: A026859C000927209

Place: Hyderabad  
Date: 09<sup>th</sup> September, 2021

6. Average net profit of the company as per section 135(5): 37.65Crores

7.

(a) Two percent of average net profit of the company as per section 135(5)	75.30 lakhs
(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years.	NIL
(c) Amount required to be set off for the financial year, if any	NIL
(d) Total CSR obligation for the financial year (7a+7b-7c).	75.30 lakhs

8.

(a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount.	Date of transfer	Name of the Fund	Amount.	Date of transfer
12.20 lakhs	63.10 lakhs	30-04-2021	NA	NA	NA

(b) Details of CSR amount spent against ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No.	Name of the Project.	Item from the list of activities in Schedule VII to the Act.	Local are a (Yes/No).	Location of the project.		Project duration	Amount allocated for the project (in Rs.).	Amount spent in the current financial Year	Amount transferred to Unspent CSR Account for	Mode of Implementation - Direct (Yes/No).	Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Registration

								(in Rs.).	the project as per Section 135(6) (in Rs.).			on number.
1	Student Welfare	Education	Yes	Andhra Pradesh & Telangana	Local Area	3 years (excluding current financial year)	40.00 lakhs	0.00	40 lakhs	Direct	NA	NA
2	Health Care & other medical infrastructure	HealthCare	Yes	Andhra Pradesh & Telangana	Local Area	3 years (excluding current financial year)	26.30 lakhs	10.70 lakhs	15.60 lakhs	Direct	NA	NA
3	Rural Development	Rural Development Projects	Yes	Andhra Pradesh & Telangana	Local Area	3 years (excluding current financial year)	9 lakhs	1.5 lakhs	7.50 lakhs	Direct	NA	NA
							75.30 lakhs	12.20 lakhs	63.10 lakhs			

(c) Details of CSR amount spent against **other than ongoing projects** for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/No).	Location of the project.		Amount spent for the project (in Rs.).	Mode of implementation on -Direct (Yes/No).	Mode of implementation - Through implementing agency.	
				State	District.			Name	CSR registration number.
	-	-	-	-	--	-	-	-	-

(d) Amount spent in Administrative Overheads :NIL

(e) Amount spent on Impact Assessment, if applicable: NA

(f) Total amount spent for the Financial Year : 12.20 lakhs  
(8b+8c+8d+8e)

(g) Excess amount for set off, if any : NIL

9.

a) Details of Unspent CSR amount for the preceding three financial years: Not Applicable

Sl.No	Preceding Financial Year	Amount Transferred to Unspent CSR account under Section 135 (6) (in Rs.)	Amount spent in the reporting Financial Year (in Rs.)	Amount transferred to any fund specified under schedule VII as per Section 135 (6), if any			Amount Remaining to be spent in succeeding financial years (in Rs.)
				Name of the fund	Amount (in Rs.)	Date of transfer	
-	-	-	-	-	-	-	-

- b) Details of CSR amount spent in the financial year for ongoing projects for the preceding financial year(s): NA

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID.	Name of the Project.	Financial Year in which the project was commenced.	Project duration.	Total amount allocated for the project (in Rs.).	Amount spent on the project in the reporting Financial Year (in Rs.).	Cumulative amount spent at the end of reporting Financial Year. (in Rs.)	Status of the project - Completed /Ongoing.
-	-	-	-	-	-	-	-	-

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details).

- Date of creation or acquisition of the capital asset(s).
- Amount of CSR spent for creation or acquisition of capital asset.
- Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.
- Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).
- Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5).

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): During the year under review, the Company was under an obligation to Spend Rs.75.3 lakhs towards CSR. Accordingly, an amount of Rs.12.21 Lakhs

was spent for various CSR activities as afore mentioned. The balance amount of Rs. 63.10 lakhs was earmarked for student welfare and health care projects which will be spent in as per project duration as mentioned above.

    
**G.B.M. Ratna Kumari** **R. Satish**  
Chairperson, CSR Committee CEO

**Place:** Visakhapatnam

**Date:** 02<sup>nd</sup> November, 2021.

## Annexure IV

### 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 31<sup>st</sup> March, 2021, 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.305,96,28,592/-	09.05.2020	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 Jewellery/Bullion on	ongoing	Purchase of Jewellery/Bullion Rs.20,12,35,724/-	09.05.2020	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
		Rental Income	5 years; from 01/04/2020	Rental Income of Rs.4, 62,876/-	09.05.2020	NIL	Part of the Company's premises leased to Bharata Mallika Ratna Kumari Grandhi (HUF) for its business purpose.
		Rental Expenses	From 01/04/2020 to 31/03/2021	Rental Expenses Rs.3,96,756/-	09.05.2020	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/-	09.05.2020	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 on	ongoing	Sale of Jewellery/Bullion Rs. 7,00,218/-	09.05.2020	NIL	Transactions entered in the ordinary course of business
3	Mrs. Grandhi Krishna Kumari	Rental expenses	5years; from 01/04/2018	Rental expenses Rs. 2,69,796/-	09.05.2020	NIL	A part of undivided Property of Mrs. Grandhi

	(Mother in Law of CMD)							Krishna Kumari being taken on lease to run company's business
		Rental expenses	5years; from 01/04/2018	Rental expenses Rs. 2,69,796/-	09.05.2020	NIL	A part of undivided Property of Mrs. Grandhi Krishna Kumari being taken on lease to run company's business	
		Rental expenses	5years; from 01/04/2020	Rental expenses Rs. 2,53,920/-	09.05.2020	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 Jewellery/Bullion on Material	ongoing	Sale Jewellery/Bullion Material Rs.36,07,442/-	09.05.2020	NIL	Transactions entered in the ordinary course of business	
		Purchase Jewellery/Bullion on Material	ongoing	Sale Jewellery/Bullion Material Rs.1,91,139/-	09.05.2020	NIL	Transactions entered in the ordinary course of business	

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

*G.B.M. Ratna Kumari*  
G.B.M Ratna Kumari  
Chairperson & Managing Director  
DIN: 004925520

Place: Visakhapatnam  
Date: 2<sup>nd</sup> November, 2021.

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

### 1. Gems and Jewellery - Industry Overview

Gold is a precious metal which is shiny, metallic, and melts easily into bars, coins, or jewelry. Gold like no other commodity has held the fascination of human society since the beginning of the recorded time of the world. As societies developed, gold was universally accepted as a satisfactory form of payment in the medium of exchange. 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.

#### Global Gems & Jewellery Industry

Jewellery demand in 2020 dropped to its lowest annual level on record, decimated by the combination of the global pandemic – with its resultant market lockdowns – and record high gold prices at a time of economic slowdown. Total annual jewellery demand dropped to 1,411.6t, the lowest in annual data series and 34% lower y-o-y. The two largest markets, India and China, were the two major contributors to the annual decline.

Although jewellery demand showed continued signs of quarterly recovery from the lows reached in Q2 of 2020 when market lockdowns were at their peak, it remained very weak in Q4 of 2020. Global demand clambered back above 500t in Q4 of 2020, but not convincingly: 515.9t is the lowest Q4 in our 21-year data series. On an annual basis, demand collapsed to 1,411.6t – a 34% drop from 2019.

In light of gold's strong price performance during the year, the value measure of jewellery demand was far more resilient. In US-dollar terms, demand in Q4 of 2020 grew 11% to US\$31.1bn – the highest quarterly value since Q2 2013. After a very weak H1, in which – despite higher average gold prices – the value of jewellery demand fell to an 11-year low of US\$29.6bn, H2 witnessed a sharp recovery to US\$51.6bn – a rise of 3% y-o-y. The

steep increase in the amount that consumers were prepared to spend on gold jewellery could be indicative of diverting expenditure away from experiences (such as travel, restaurant meals, theatre tickets, etc.) towards consumer goods. Such trends were noted in some markets.

While jewellery demand volumes are likely to remain relatively subdued as COVID-19 continues to impede the normal functioning of many markets across the globe, mass vaccination programmes and signs of improving economic indicators imply that we expect to see continued, if tentative, improvement in the sector in 2021.

While India and China together generated much of the annual decline in gold jewellery volumes, they were similarly influential in driving the quarterly improvement in Q4 of 2020. Meaningful recovery in either market will bode well for global demand as we head into 2021.

*(Source: World Gold Council-Gold Demand Trends)*

### Indian Gems and Jewellery Industry

The gems and jewellery industry occupies an important position in the Indian economy. It is a leading foreign exchange earner, as well as one of the fastest growing industries in the country.

The two major segments of the sector in India are gold jewellery and diamonds. Gold jewellery forms around 80 per cent of the Indian jewellery market, with the balance comprising fabricated studded jewellery that includes diamond and gemstone studded jewellery. Besides, India is world's largest cutting and polishing Industry for diamonds, well supported by government policies and the banking sector. A predominant portion of the gold jewellery manufactured in India is consumed in the domestic market. However, a major portion of the rough, uncut diamonds processed in India is exported, either in the form of polished diamonds or finished diamond jewellery. The largest consumer of gold worldwide, India is also the leading diamond cutting nation.

2020 marked a new low for Indian gold demand in our data series: down 42% to 315.9t. Losses narrowed significantly in the fourth quarter; with demand just 8% lower y-o-y at 137.3t, a significant q-o-q improvement. In local currency terms, the value of Indian gold jewellery demand reached a quarterly record of Rs.610.6bn, a sharp recovery from the 12-year low of Rs.183.5bn.

With the easing of lockdown restrictions from September and a reported steady reduction in COVID-19 daily cases, some positive signals of domestic economic recovery came through in Q4. Together with the sharp pullback in the domestic gold price, these factors supported the quarterly recovery in gold jewellery demand. The reopening of the

economy and the announcement of successful vaccines also boosted consumer sentiment – the Reserve Bank of India's Consumer Confidence Index increased to 52.3 in November 2020 from 49.9 in September. Underscoring the pick-up in economic activity, Goods and Sales Tax (GST) revenues reached a record high of Rs.1.15tn in December – the highest since the tax was introduced in 2017.

Festivals and weddings in Q4 offered the traditional seasonal boost to jewellery demand, although it remained soft on a historical basis. With the end of Adhik Maas on 16 October, sales picked up during Navratri. And during Dhanteras – considered to be an important gold purchase festival – footfall and gold jewellery volumes improved still further, exceeding local industry expectations. Some retailers adopted a strategy of spreading Dhanteras promotions over a couple of days to avoid a rush and help maintain social distancing during the festival. The correction in the gold price during the week of Dhanteras helped demand, but a 32% higher gold price y-o-y was a deterrent for some and, overall, Dhanteras volume sales were lower y-o-y.

*(Source: World Gold Council-Gold Demand Trends)*

As of February, 2021, India's gold and diamond trade contributed 7.5% to India's Gross Domestic Product (GDP) and 14% to India's total merchandise exports. The gem and jewellery sector is likely to employ 8.23 million persons by 2022, from 5 million in 2020.

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.

The Government has permitted 100% FDI in the sector under the automatic route, wherein the foreign investor or the Indian company do not require any prior approval from the Reserve Bank or Government of India.

#### **Market size**

In FY21, exports of gems & jewellery stood at US\$ 25.30 billion. In March 2021, exports of gems & jewellery stood at US\$ 3.42 billion. In September 2020, the US was the largest country (at 44%) to import gems and jewellery (US\$ 938.54 million) from India, followed by Hong Kong (~33%) and the UAE (~13%). In FY21, imports of gems & jewellery stood at US\$ 16.49 billion. Imports of gold jewellery recorded US\$ 262.25 million from April 2020 to February 2021.

The Government of India is aiming at US\$ 70 billion in jewellery export in the next five years (until 2025), up from US\$ 35 billion in 2020. In FY21, gems & jewellery exports in India stood at US\$ 25.30 billion. In FY22 (until August), India exported gems & jewellery worth US\$ 15.85 billion compared with US\$ 5.57 billion in FY21 (until August). In August 2021, India exported gems & jewellery worth US\$ 3.28 billion compared with US\$ 1.69 billion in August 2020. In August 2021, the GJEPC announced an ambitious target of raising exports of the sector to US\$ 44 billion in FY22.

Growth in exports is mainly due to revived import demand in the export market of the US and fulfilment of orders received by numerous Indian exhibitors during the Virtual Buyer-Seller Meets (VBSMs) conducted by GJEPC. In August 2021, the GJEPC announced an ambitious target of raising exports of the sector to US\$ 44 billion in FY22.

#### **Investments/Developments**

Cumulative FDI inflows in diamond and gold ornaments in India stood at US\$ 1,194.00 million between April 2000 and June 2021 according to Department for Promotion of Industry and Internal Trade (DPIIT).

Some of the key developments in this industry are listed below:

- In May 2021, GJEPC and Embassy of India, Morocco, co-hosted the 'India Global Connect' to better understand the present business climate in the gems and jewellery sector and seek trade prospects for manufacturers, exporters and importers from both countries.
- Since May 2020, GIA India Laboratory Private Limited (an independent subsidiary of the Gemological Institute of America, Inc., is the world's foremost authority in gemmology) has hosted >60 knowledge webinars to equip the gem and jewellery trade with the most up-to-date industry knowledge and advance its consumer protection mission. ~6,500 industry professionals from around the world attended these webinars.
- Participants (manufacturers, wholesalers, traders, retailers and professionals) gained important information on gemmology topics such as 'Navratna', 'Introduction to Laboratory-Grown Diamonds', 'April Birthstone: Diamond', 'September Birthstone: Sapphire', 'November Birthstones: Topaz & Citrine' and 'The Big 3 – Ruby, Sapphire and Emerald'. These diversified gemmological topics helped attendees gain valuable information to buy and sell gemstones with confidence.
- In June 2021, the World Gold Council and Gem and Jewellery Export Promotion Council signed an agreement to promote gold jewellery in India. Under the agreement terms, both partners will jointly fund a multi-media marketing campaign that would aim to increase awareness, relevance and adoption of gold jewellery amongst Indian consumers, especially in millennials and Gen Z.
- In November 2020, Platinum Guild International (PGI) launched their new 'Men of Platinum' collection for men in leading retail stores across India.
- Jewellery players in India are re-evaluating the brick-and-mortar business model and planning to implement omni-channel approach with focus on digital strategy to boost sales.
- According to the 'Online Gold Market in India' report by The World Gold Council, the online gold market in India, with relatively nascent at 1-2% (as of 2020), is witnessing a strong push from both digital players who view this market

as an opportunity and large jewellers who view this market as a required addition to their brick-and-mortar model.

- Maximum development was driven by MSEs in gems & jewellery and textiles. In November 2020, adoption of digital distribution platforms among manufacturers of gems and jewellery, manufacturing mostly non-precious, stone-studded jewellery, imitation jewellery and luxury fashion jewellery, more than quadrupled to 55% from 13% before the pandemic. The segment's micro enterprises recorded the highest boost of 41%, from the previous 13%.

### Government Initiatives

- In September 2021, Union Minister, Ms. Anupriya Patel, said that reforms such as the revamped gold monetisation scheme, reduction in import duty of gold, hallmarking and others would help the industry grow. The market export target is US\$ 43.75 billion for 2021.
- The government has reduced import duty for Gold & Silver (from 12.5% to 7.5%) and Platinum & Palladium (from 12.5% to 10%) to bring down the prices of precious metals in the local market.
- Indian Government made hallmarking mandatory for Gold Jewellery and Artefacts. A period of one year is provided for implementation i.e. till January 2021.
- In December 2020, All India Gem and Jewellery Domestic Council (GJC) welcomed the decision to make hallmarking compulsory from June 2021 in a phased manner; urged the government to examine the key concerns of the industry for smooth implementation of the initiative.
- Hallmarking of gold jewellery is set to begin from June 15, 2021. In view of the COVID-19 pandemic, the government accepted request of stakeholders to provide jewellers some more time to prepare for implementation and resolve issues. Earlier, the date of implementation was June 01, 2021.
- In December 2020, the Finance Ministry notified that the amendment under Prevention of Money Laundering Act (PMLA), notifying dealers in precious metals and stones, will maintain records of cash transactions worth Rs. 10 lakh (US\$ 13.61 thousand) or more cumulatively with a single customer.


### 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% 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](http://www.iebf.org))*

## 2. Company Overview

**MANOJ VAIBHAV GEMS 'N' JEWELLERS PRIVATE LIMITED ("MVGJPL")** is a leading jewellery Company having business in the states of Andhra Pradesh and Telangana and is based at Vishakhapatnam, Andhra Pradesh. "MVGJPL" is one of the reputed Companies, in the retails jewellery business. The Company runs the business in its brand name i.e **Vaibhav Jewellers**  through physical jewellery stores and also online through the websites of the Company, i.e. <https://www.vaibhavjewellers.com>, Amazon and Flipkart. MVGJPL offers a very wide range of products in Gold Jewellery, Diamond Jewellery Platinum jewellery and articles and silver jewellery and articles along with customized jewellery etc. Vaibhav Jewellers is a household name in the states of Andhra Pradesh and Telangana having wide customer base. The Company has kept its values in terms of Best Service to Clients, implementing Business Ethics, Caring for Society, and Employee Empowerment. Presently Company is carrying on its retail gems and Jewellery business with 11 showrooms and 2 Franchise Store across the states of Andhra Pradesh and Telangana as well as through online.

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 Jewellery, Casting Jewellery, and Fine Jewellery, platinum jewellery, silver jewellery and diamond Jewellery. Our jewellery consists of wide range of products such as Bangles, necklace, Earrings, chains, rings, harams, Vaddanam, locket, vanky, pendants, bracelets, chokers maang tikka and other gold articles and accessories. Fine Jewellery includes Antique, Kundan, Jadau, Junagadh, Polki, Ruby Emerald, Pearl Jewellery, Fusion Jewellery and designer Diamond jewellery and Platinum jewellery.

Our products are produced with highest craftsmanship & expertise and consist of 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 and two franchise stores at Srikakulam & Vijayanagaram 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..... “Relationships, 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. 221.65 Crores as on 31<sup>st</sup> March 2021 out of which surplus of profits is Rs.201 Crores which are retained and reinvested in the Company.

#### 5. Future Prospects:

- ☆ The performance for the year ended 31 March 2021 has been reasonable improved in spite of unprecedented disruption caused by COVID-19 pandemic which continued for nearly whole calendar year of 2020 and 1<sup>st</sup> quarter of 2021 besides nationwide/state wise area specific lockdowns.
- ☆ Though the loss of revenue for the 90 days of the year 2020-21 due to lockdowns, had an adverse impact on the performance of the Company, the Company is managed to perform well in terms of turnover.
- ☆ The management of the Company has decided to halt the expansion of business until the market conditions become congenial.
- ☆ The Management plans and strategies, recovery in economy, positive GDP Growth and increasing customer demand may further improve the future performance of the Company.
- ☆ As the normalcy has been 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 by streamlining supply chain management, inventory processes and increasing supply frequency across all showrooms.
- ☆ Achieving higher sales growth through e-commerce platforms in addition to physical retail stores spreading across India and abroad.
- ☆ Add new suppliers and gold smith to the basket by retaining existing supply base.
- ☆ Setting up of new jewellery stores across south India.

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

- ☆ High growth in retail segment in terms or revenue and profitability.

- ☆ 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 31<sup>st</sup> March, 2021 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 31<sup>st</sup> March, 2021 the Company had 826 full time employees.


**Intellectual Properties- Applied and/or Registered:**

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

	<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, Diamond Jewellery, Watches, Jewellery, and their components and accessories etc.</p>	

V KIDS	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>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>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,</p>	T.M

	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>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</p>	®

	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, 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>	®
	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.	®
	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,	

VAIBHAV VISMAYA	<p>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>	®
VISESHA	<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-</p>	

	<p>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>
<p><b>“Relationships, By Design”</b></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>®</p>

## 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:

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

\*There was no change in the composition of the board during the financial year under review. However, Mr. G.S.V Amarendra has been resigned in the FY 2021-22.

### 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 5 Board Meetings were held on 09<sup>th</sup> May, 2020, 03<sup>rd</sup> September, 2020, 05<sup>th</sup> December, 2020, 20<sup>th</sup> January, 2021 and 09<sup>th</sup> March, 2021.

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	5	5
Mr. G.S.V Amarendra	Director	5	4
Mrs. G. Sai Sindhuri	Director	5	5
Mrs. G. Sai Keerthana	Director	5	1

### 4. General Body Meetings

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

Year	Date	Time	Venue
2017-18	30 <sup>th</sup> September, 2018	09.00 a.m.	Registered office: D. No. 7A-9-21, Main Bazaar, Eluru, 534 001, Andhra Pradesh, India.
2018-19	30 <sup>th</sup> September, 2019	04.00 p.m.	Registered office: D. No. 7A-9-21, Main Bazaar, Eluru, 534 001, Andhra Pradesh, India.
2019-20	30 <sup>th</sup> September, 2020	10.00 a.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. 37) 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: Tuesday, 30<sup>th</sup> November, 2021 at 10:00 a.m.

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

### Financial Year

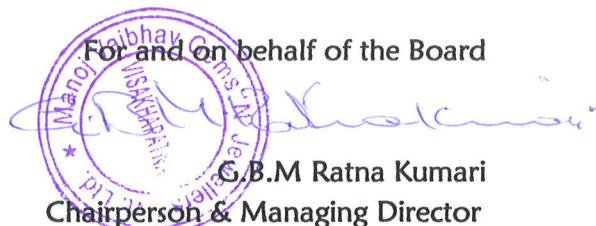
The Financial Year of the Company is from 1<sup>st</sup> April, 2020 to 31<sup>st</sup> March, 2021.

### Corporate office & Address for communication

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

Date: 2<sup>nd</sup> November, 2021.

Place: Visakhapatnam

For and on behalf of the Board  
  
G.B.M Ratna Kumari  
Chairperson & Managing Director  
DIN: 00492520