



D.V. RAMANA RAO & Co.

CHARTERED ACCOUNTANTS

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Independent Auditors' Report

To the Members of VaibhavJewellers Private Limited

Report on the Audit of the Financial Statements

Opinion

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

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

Basis for Opinion

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

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

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



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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. we have nothing to report in this regard.

Responsibility of Management for the Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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



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

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

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

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



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

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A, a statement on the matters specified in paragraph 3 and 4 of the order.

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

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



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

for D.V.Ramana Rao & Co.
Chartered Accountants

Chaitanya

D. Ramana Chaitanya
Partner

M.No: 232256

Firm Regn No. 02918S

UDIN: 20232256AAAACO8253



Place: Eluru

Date: 15.09.2020

Annexure A to Independent Auditors' Report

The annexure referred in our Independent Auditors' Report to the members of the Company on the financial statements for the year ended 31 March 2020. We report that:

- i) The Company has no Property, Plant and Equipment. Accordingly, paragraph 3(i)(a) (b) and (c) of the Order is not applicable to the Company.
- ii) As explained to us, inventories were physically verified by management at reasonable intervals and no material discrepancies were noticed on physical verification.
- iii) As informed to us, the Company has not granted during the year any loans to parties covered in the register maintained under section 189 of the Act. Accordingly, paragraph 3(iii) (a), (b) and (c) of the Order is not applicable to the Company.
- iv) According to the information and explanations given to us and based on our examination of the records of the company, Section 185 of the Act is not applicable to the Company. The Company has complied with the provisions Section 186 of Companies Act, 2013 in respect of loans given, investments made. The Company has not given any guarantees and securities.
- v) According to the information and explanations given to us and based on our examination of the records of the company, the Company has not accepted deposits from the public during the year. Therefore, paragraph 3(v) of the Order is not applicable to the Company.
- vi) The maintenance of cost records has not been prescribed by the Central Government under section 148(1) of the Companies Act, 2013 in respect of the Company's operations for the current year. Therefore, paragraph 3(vi) of the Order is not applicable to the Company.
- vii)
 - a) According to the information and explanations given to us and on the basis of our examination of records of the Company, the Company did not have any undisputed dues including provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and any other material statutory dues with the appropriate authorities. Accordingly, paragraph 3(vii)(a) of the Order is not applicable to the Company.
 - b) According to the information and explanations given to us, there were no disputed dues of income tax, sales tax, service tax, duty of customs, duty of excise or value added tax for the year then ended. Accordingly, paragraph 3(vii)(b) of the Order is not applicable to the Company.



- viii) According to the records of the Company examined by us and the information and explanations given to us, the Company has not availed during the year any loan from any financial institution or bank nor issued any debentures or existing at the beginning of the year. Accordingly, paragraph 3(viii) of the Order is not applicable to the Company.
- ix) According to the information and explanations given to us and based on our examination of the records of the company, the Company has not raised any money raised by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3(ix) of the Order is not applicable to the Company.
- x) According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- xi) As the Company is a private limited company under Section 2(68) of the Companies Act, 2013, compliances with respect to payment of managerial remuneration under the Act is not applicable to the Company. Therefore, paragraph 3(xi) of the Order is not applicable to the Company.
- xii) In our opinion and according to the information and explanations given to us, the Company is a not a Nidhi Company under Section 406 (1) of the Companies Act, 2013. Therefore, paragraph 3(xii) of the Order is not applicable to the Company.
- xiii) According to the information and explanations given to us and based on our examination of the records of the Company, section 177 of Companies Act, 2013 is not applicable to the Company and transactions with related parties are in compliance with section 188 of the Companies Act, 2013 where applicable and details of such transaction have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv) According to the information and explanations given to us and based on our examination of the records of the company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Therefore, paragraph 3(xiv) of the Order is not applicable to the Company.
- xv) According to the information and explanations given to us and based on our examination of the records of the company, the Company has not entered into any non-cash transactions with it's directors or persons connected with him. Therefore, paragraph 3(xv) of the Order is not applicable to the Company.



xvi) According to the information and explanations given to us and based on our examination of the records of the company, the Company is **not** required to get registered under Section 45-IA of the Reserve Bank of India Act, 1934. Therefore, paragraph 3(xvi) of the Order is not applicable to the Company.

for **D.V.Ramana Rao & Co.**

Chartered Accountants

Chaitanya

D. Ramana Chaitanya

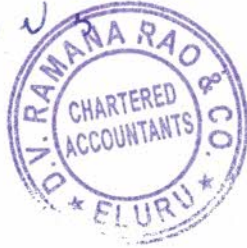
Partner

M.No: 232256

Firm Regn No. 02918S

Place: Eluru

Date: 15.09.2020



Annexure - B to the Independent Auditor's Report

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

We have audited the internal financial controls over financial reporting of **Vaibhav Jewellers Private Limited** ("the Company") as of 31 March 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI').

These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by ICAI and the Standards on Auditing prescribed under section 143 (10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls.

Those Standards and the Guidance Note require that We comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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



Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.

A company's internal financial control over financial reporting includes those policies and procedures that

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

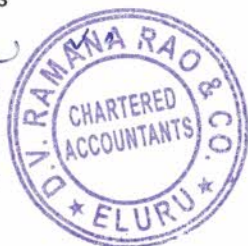
Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal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

Opinion

In our opinion, to the best of our information and according to explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2020, based on the criteria for internal control over financial reporting established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

for D.V.Ramana Rao & Co.
Chartered Accountants

Chaitanya
D. Ramana Chaitanya
Partner
M.No: 232256
Firm Regn No. 029185



Place: Eluru
Date: 15.09.2020

Vaibhav Jewellers Private Limited

Balance Sheet as at 31st March 2020

(Amount in `)

Particulars	Note No.	As at	
		31st March 2020	31st March 2019
I) Equity and Liabilities			
1) Shareholder's funds			
(a) Share Capital	3	10,00,000	10,00,000
(b) Reserves and Surplus	4	12,78,288	4,28,918
2) Non-current liabilities			
(a) Long-term borrowings		-	-
(b) Deferred tax liability		-	-
(c) Other long term liabilities		-	-
(d) Long-term Provisions		-	-
3) Current Liabilities			
(a) Short term borrowings	5	400	16,55,676
(b) Trade payables			
- Dues to micro and small enterprises		-	-
- Dues to creditors other than micro and small enterprises	6	1,08,710	3,62,00,126
(c) Other current liabilities	7	98,899	10,89,36,730
(d) Short term provisions	8	2,62,173	2,74,500
TOTAL		27,48,470	14,84,95,950
II) Assets			
1) Non-current assets			
(a) Property, Plant and equipment			
(i) Tangible assets		-	-
(ii) Intangible assets		-	-
(iii) Capital work in progress		-	-
(b) Deferred Tax Asset (Net)		-	-
(c) Non-current investments		-	-
(d) Long-term loans and advances		-	-
(e) Other non-current assets		-	-
2) Current assets			
(a) Inventories	9	3,26,327	10,26,24,292
(b) Trade receivables	10	3,75,001	12,03,727
(c) Cash and Bank Balances	11	15,46,186	4,10,84,545
(d) Short-term loans and advances	12	5,00,956	35,83,386
(e) Other current assets		-	-
TOTAL		27,48,470	14,84,95,950
Significant accounting policies	2		
Notes forming part of the financial statements	20-21		

As per our report of even date

for D.V.Ramana Rao & Co.,
Chartered Accountants
Registration No. : 029185

for and on behalf of the Board of Directors

D. Ramana Chaitanya
Partner
Membership No. : 232256

GBM Ramakumari
Director
DIN: 00492526

GS Keerthana
Director
DIN: 05211918

Place : Eluru
Date : 15-Sep-2020



Vaibhav Jewellers Private Limited

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

(Amount in ₹)

Particulars	Note No.	For the year ended	
		31st March 2020	31st March 2019
I) Revenue from operations	13	35,94,07,521	49,35,73,851
II) Other Income		-	-
III) Total Revenue (I + II)		35,94,07,521	49,35,73,851
IV) Expenses			
(a) Cost of raw material consumed	14	-	-
(b) Purchase of Stock-in-Trade		25,49,66,183	59,50,74,359
(c) Changes in inventories of finished goods, work-in-progress and stock	15	10,22,97,965	(10,26,24,292)
(d) Employee benefits expense	16	1,20,000	1,20,000
(e) Finance costs	17	29,632	3
(f) Depreciation and amortization expense		-	-
(d) Other Expenses	18	8,93,425	37,099
Total Expense		35,83,07,205	49,26,07,168
Profit before tax & extraordinary Items		11,00,316	9,66,682
Prior Period Items		-	-
V) Profit before tax (III - IV)		11,00,316	9,66,682
VI) Tax expense:			
(a) Current tax		2,58,533	2,74,950
(b) Deferred Tax		-	-
(c) Short/ (Excess) provision of earlier years		(7,587)	-
VII) Profit after tax for the year (V - VI)		8,49,370	6,91,732
Earnings per equity share	19		
(a) Basic		84.94	69.17
(b) Diluted		84.94	69.17
Significant accounting policies	2		
Notes forming part of the financial statements	20-21		

As per our report of even date

for D.V.Ramana Rao & Co.,
Chartered Accountants
Registration No. : 029185

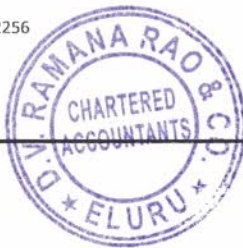
for and on behalf of the Board of Directors

D. Ramana Chaitanya
Partner
Membership No. : 232256

GBM Kumari
Director
DIN: 00492720

CS. Keerthana
Director
DIN: 05211918

Place : Eluru
Date : 15-Sep-2020



Vaibhav Jewellers Private Limited

Cash Flow Statement for the year ended 31st March 2020

(Amount in `)

Particulars	For the year ended	
	31st March 2020	31st March 2019
A) Net Cash Flows from Operating Activities		
Net profit before tax and extraordinary items	11,00,316	9,66,682
Adjustments for :		
Depreciation	-	-
Interest Expense	29,632	3
Interest income	-	-
Operating profit before working capital changes	11,29,948	9,66,685
Adjustments for working capital changes		
Long-term loans and advances	-	-
Other non-current assets	-	-
Trade Receivables	8,28,725	(12,03,216.52)
Inventories	10,22,97,965	(10,26,72,292)
Short-term Loans and Advances	30,82,430	(30,82,484)
Other Current assets	-	-
Long-term Provisions	-	-
Trade payables	(3,60,91,416)	3,62,00,126
Other current liabilities	(10,88,37,831)	10,87,72,201
Short term provisions	-	2,74,017
Cash generated from operations	(3,75,90,179)	3,93,03,036
Income tax paid	(2,92,905)	(2,74,950)
Net Cash flows from/(used in) operating activities	(3,78,83,084)	3,90,28,086
B) Net Cash flows from Investing Activities		
Purchase of Property, plant and equipment	-	-
Interest Received	-	-
Net Cash flow from/(used in) Investing Activities	-	-
C) Net Cash flows from Financing Activities		
Proceeds from Shares	-	-
Proceeds from Share application money	-	-
Proceeds/ (repayment) from or of Long-term borrowings	-	-
Increase/ (Decrease) in Short-term borrowings	(16,55,276)	9,08,081
Interest Paid	-	(3)
Net Cash Flow from/(used in) Financing Activities	(16,55,276)	9,08,078
Net change in cash and cash equivalents (A + B + C)	(3,95,38,360)	3,99,36,164
Cash and Cash equivalents at the beginning of the year	4,10,84,545	11,48,381
Cash and Cash equivalents at the ending of the year	15,46,186	4,10,84,545
Increase/(Decrease) in Cash and Cash equivalents	(3,95,38,360)	3,99,36,164

As per our report of even date

for D.V.Ramana Rao & Co.,
Chartered Accountants
Registration No. : 029185

for and on behalf of the Board of Directors

D. Ramana Chaitanya
Partner
Membership No. : 232256

GBM Ratna Kumari
Director
DIN: 00492520

G. Keerthana
Director
DIN: 05211918

Place : Eluru
Date : 15-Sep-2020



Vaibhav Jewellers Private Limited

1. Company overview:

M/s. Vaibhav Jewellers Private Limited (CIN: U36911AP2004PTC042941) is incorporated in year 2004 under the provisions of the Companies Act 1956. The company is incorporated to carry on the business of gold smiths, silver smiths and jewellers.

2) Significant Accounting Policies

2.1) Basis of Preparation

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

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

2.2) Method of Accounting:

The Company generally follows Mercantile system of Accounting and recognizes income and expenditure on accrual basis.

2.3) Tangible Assets:

Since there are no property, plant and equipment during the year, no depreciation has been provided.

2.4) Since the Company has not yet commenced business, there are no other significant policies to be disclosed.

2.5 Revenue Recognition

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

2.6 Cash flow Statement

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

2.7 Earning Per Share

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

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Vaibhav Jewellers Private Limited

Notes forming part of the financial statements

3. Share Capital

(Amount in `)

Particulars	As at	
	31st March 2020	31st March 2019
Authorised Share Capital		
10,000 Equity Shares of ` .100 each (Previous year: 10,000 Equity Shares of ` .100 each)	10,00,000	10,00,000
	10,00,000	10,00,000
Issued Subscribed and Paid up Share Capital		
10,000 Equity Shares of ` .100 each (Previous year: 10,000 Equity Shares of ` .100 each)	10,00,000	10,00,000
	10,00,000	10,00,000

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

Particulars	31st March 2020	31st March 2019
Equity shares at the beginning of the year	10,000	10,000
Add: Allotment during the year	-	-
Less: Shares bought back during the year	-	-
Equity Shares at the end of the year	10,000	10,000

3.2. Rights, preferences and restrictions attached to Shares

The Company has one class of equity shares having a par value of ` .100/- each. Each shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to their shareholding.

3.3. Details of shares held by Shareholders holding more than 5 % of the shares in the company:

Name of the Share Holder	31st March 2020		31st March 2019	
			No. of shares	%
G.B.M.Ratna Kumari	9,900	99.00%	9,900	99.00%

3.4. Note: The clauses (f), (h) to (l) of Note 6 (A) to Schedule III of the Companies Act, 2013 is not applicable.

4. Reserves and Surplus

(Amount in `)

Particulars	As at	
	31st March 2020	31st March 2019
Surplus in Statement of Profit and Loss		
Balance as at the beginning of the year	4,28,918	(2,62,814)
Profit/ (Loss) for the year	8,49,370	6,91,732
Balance as at the end of the year	12,78,288	4,28,918

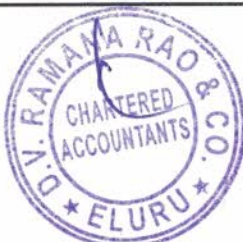
5. Short-term Borrowings

(Amount in `)

Particulars	As at	
	31st March 2020	31st March 2019
Unsecured		
from Related Parties		
GBM Ratna Kumari	400	16,55,676
	400	16,55,676

Terms of Borrowings:

1. Interest Rate is Nil
2. Repayable on Demand



Vaibhav Jewellers Private Limited

Notes forming part of the financial statements

6. Trade Payables

(Amount in `)

Particulars	As at	
	31st March 2020	31st March 2019
Trade Payables:		
Dues to Micro and Small enterprises		
Dues to Others	1,08,710	3,62,00,126
	1,08,710	3,62,00,126

7. Other current liabilities

(Amount in `)

Particulars	As at	
	31st March 2020	31st March 2019
Other liabilities		
Statutory liabilities	46,411	-
Creditors for expenses	15,000	33,186
Provision for expenses		
Advances from customers	37,488	10,89,03,544
(including advance from related party of Nil (` 10,89,02,942))		
	98,899	10,89,36,730

8. Short term provisions

(Amount in `)

Particulars	As at	
	31st March 2020	31st March 2019
Provision for taxation (Net)	2,62,173	2,74,500
	2,62,173	2,74,500

9. Inventories

(Amount in `)

Particulars	As at	
	31st March 2020	31st March 2019
Finished goods	3,26,327	10,26,24,292
	3,26,327	10,26,24,292

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

10. Trade receivables

(Amount in `)

Particulars	As at	
	31st March 2020	31st March 2019
(Unsecured, considered good)		
Outstanding for a period exceeding 6 months from the date they are due for payment		
Others	3,75,001	12,03,727
	3,75,001	12,03,727

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Vaibhav Jewellers Private Limited

Notes forming part of the financial statements

11. Cash and Bank Balances

(Amount in `)

Particulars	As at	
	31st March 2020	31st March 2019
Cash and cash equivalents		
Cash on hand	24,066	8,41,600
Balances with banks		
- In Current A/cs	15,21,906	28,536
- In Deposit A/cs	214	4,02,14,410
	15,46,186	4,10,84,545

12. Short-Term Loans and Advances

(Amount in `)

Particulars	As at	
	31st March 2020	31st March 2019
(Unsecured Considered Good)		
Loans and advances to related parties		
G.S.V.Amarendra	5,00,000	5,00,000
Other taxes	956	30,83,386
	5,00,956	35,83,386

13. Revenue from operations

(Amount in `)

Particulars	For the year ended	
	31st March 2020	31st March 2019
Sales		
Gold Bullion	35,67,55,168	24,88,47,021
Jewellery	17,46,606	24,47,26,830
Service Income	9,05,747	-
	35,94,07,521	49,35,73,851

14. Purchase of Stock-in-Trade

(Amount in `)

Particulars	For the year ended	
	31st March 2020	31st March 2019
Purchases		
Gold Bullion	25,48,56,261	35,12,44,504
Jewellery	1,09,922	24,38,29,855
	25,49,66,183	59,50,74,359

15. Changes in inventories

(Amount in `)

Particulars	For the year ended	
	31st March 2020	31st March 2019
Stock at the end of the year		
Finished goods	3,26,327	10,26,24,292
	3,26,327	10,26,24,292
Stock at the beginning of the year		
Finished goods	10,26,24,292	-
	10,26,24,292	-
	10,22,97,965	(10,26,24,292)



Vaibhav Jewellers Private Limited

Notes forming part of the financial statements

16. Employee benefits expense

(Amount in `)

Particulars	For the year ended	
	31st March 2020	31st March 2019
Salaries	1,20,000	1,20,000
	1,20,000	1,20,000

17. Finance Costs

(Amount in `)

Particulars	For the year ended	
	31st March 2020	31st March 2019
Interest Expense		
Interest on shortfall in payment of advance tax	29,632	3
	29,632	3

18. Other expenses

(Amount in `)

Particulars	For the year ended	
	31st March 2020	31st March 2019
Job work charges	5,90,758	-
Remuneration to Auditor		
for audit services	15,000	15,000
for taxation matters	-	-
for other matters	-	-
out of pocket expenses	-	-
Discount allowed	2,50,251	-
Bank Charges	15,068	1,899
Credit Card Service Charges	2,302	-
Rates and Taxes	8,010	-
ROC Expenses	2,799	2,200
Consultancy charges	9,237	18,000
	8,93,425	37,099

19. Earnings per Share

(Amount in `)

Particulars	For the year ended	
	31st March 2020	31st March 2019
a) Net Profit/ (Loss) for Basic/ Diluted EPS		
Profit/ (Loss) after tax	8,49,370	6,91,732
Add/(Less): Prior period items	8,49,370	6,91,732
b) Number of Shares for Basic/ Diluted EPS		
No. of Equity Shares	10,000	10,000
c) Basic/Diluted Earning per Share	84.94	69.17

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Vaibhav Jewellers Private Limited

Notes forming part of the financial statements

20. Reporting on related parties

a) List of related parties

Nature of relationship	Name of the related party
1. Key Management Personnel (KMP)	Mrs. G.B.M. Ratna Kumari Mrs. GS. Keerthana
2. Relatives of KMP	Mrs. GS. Sindhuri
3. Enterprises over which KMP having Significant Influence	Manoj Vaibhav Gems 'N' Jewellers Private Limited GBM Ratna Kumari (HUF) Vaibhav Sky Scapes Limited Harshil Enterprises (India) Private Limited Vaibhav Sign Tower Private Limited Vaibhav Hospitalities Private Limited Vaibhav Hotels & Leisures (Visakhapatnam) Private Limited Vaibhav Green Energy Private Limited Vaibhav Goldfin Services Private Limited Vaibhav Golden Avenues Private Limited Emerge Enterprises (India) Private Limited

b) Transactions with related parties during the year (Net)

(Amount in `)

Particulars	For the year ended	
	31st March 2020	31st March 2019
1. Key Management Personnel (KMP)		
Advance repaid/ (taken)		
GBM Ratna Kumari	16,63,386 (8,110)	(10,06,276)
2. Enterprises over which director is having significant influence		
Advance repaid/ (taken)		
GBM Ratna Kumari (HUF)	10,89,02,942	-
Net Purchases/ (Net Sales)		
Manoj Vaibhav Gems 'N' Jewellers Private Limited	16,12,524 #	-2,06,65,589 #
GBM Ratna Kumari (HUF)	-16,63,82,840 #	-3,93,15,974 #

excluding Goods and Service Tax

c) Balances outstanding at year end

(Amount in `)

Particulars	For the year ended	
	31st March 2020	31st March 2019
Receivable/ (payable) by year end		
GBM Ratna Kumari	(400)	(16,55,676)
GBM Ratna Kumari (HUF)	-	(10,89,02,942)
GSV Amarendra	5,00,000	5,00,000
Manoj Vaibhav Gems 'N' Jewellers Private Limited	-	12,03,727

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

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

As per our report of even date

for D.V. Ramana Rao & Co.,
Chartered Accountants
Registration No. : 029185

D. Ramana Chaitanya
Partner
Membership No. : 232256

Place : Eluru
Date : 15-Sep-2020

for and on behalf of the Board of Directors

GBM Ratna Kumari
Director
DIN: 00492520

GS. Keerthana
Director
DIN: 05211918

