SWARNSARITA GEMS LIMITED

(CIN: L36911MH1992PLC068283)
Reg. Add.: 10, Floor-1St, Plot-40/42, Ruby Chambers, Dhanji Street, Zaveri Bazar, Mumbadevi, Mumbai-400003
Corp. Add.: Office No. 24, 2nd Floor, Navnidan Bhuvan, 3-7 Dhanji Street, Zaveri Bazar Mumbai 400002
Tel. no.: 022-40047000 **Email**: info@swarnsarita.com **Website**: www.swarnsarita.com

September 04, 2021

To,
Asst. General Manager,
Dept. of Corporate Services.
BSE Limited,
14th Floor, P.J. Towers, Dalal Street,
Fort, Mumbai: 400 001, Maharashtra, Mumbai

Respected Sir,

Scrip Code: 526365 / Scrip ID: SWARNSAR

Subject: Submission of Annual Report for F.Y. ended March 31, 2020

Respected Sir,

With reference to above captioned subject, we are attaching herewith copy of the Annual Report (in searchable Format) for the F.Y. ended March 31, 2021.

Please take the same in your record.

Thanking You,

Yours faithfully,
FOR SWARNSARITA GEMS LIMITED

SWARNSARITA GEMS LTD. Mumbai

……

DEEPAK SUTHAR
Company Secretary and Compliance Officer

ANNUAL REPORT

2020-2021

SWARNSARITA GEMS LIMITED

SWARNSARITA

world class jewellery

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Comparative Analysis of last three years Results

(Amt. in Lakhs except EPS)

Particular	For the year ended on 31.03.2021	For the year ended on 31.03.2020	For the year ended on 31.03.2019
Net Sales	57,540.04	55,873.52	54,823.73
Other Income	435.79	712.63	641.82
Total Income	57,975.83	56,586.14	55,465.55
Expenditure	54,968.4	53,854.26	54,237.48
PBIT	1,523.72	1,409.00	1,228.07
Interest	637.77	553.74	501.87
Depreciation	40.02	86.12	18.88
PBT	845.94	769.14	707.32
Tax	244.31	238.01	235.78
PAT	601.63	531.14	471.54
Net Profit	569.50	531.14	471.54
Basic & Diluted EPS (Rs)	2.73	2.54	2.26
Dividend Paid / Proposed (In %)	---	---	---
Equity Capital	2,083.76	2,083.76	2,083.76
Reserves & Surplus	8420.89	7 ,787.12	7,255.99
Net worth	10,504.65	9,870.88	9,339.75
Book Value per share (Rs)	Rs.10/-each	Rs.10/-each	Rs.10/-each
Basic & Diluted Cash EPS (Rs)	2.73	2.54	2.26

GENERAL INFORMATION

29th Annual Report for the financial year ended on 31st March, 2021

BOARD OF DIRECTORS:

NAME OF DIRECTOR	DESIGNATION	DIN
Mr. Mahendra Madanlal Chordia	Managing Director-Executive	00175686
Mr. Sunny Mahendra Chordia	Wholetime Director-Executive	06664041
Mrs. Seema Rajendra Chordia	Wholetime Director (Cessation w.e.f. 11.11.2020)	02685866
Mrs. Rajul Chordia	Additional Director (Appointed w.e.f. 10.11.2020)	08827725
Mr. Dhruvin Bharat Shah	Independent Director-Non Executive	07528387
Mr. Deep Shailesh Lakhani	Independent Director-Non Executive	08018001
Mr. Umang Mitul Mehta	Independent Director -Non Executive	07974230

Chief Financial Officer

Mr. Sanket Sushil Dangi

Company Secretary & Compliance Officer
Mr. Deepak Suthar

Statutory Auditors
BANSHI JAIN & ASSOCIATES,
Chartered Accountants, Mumbai

Secretarial Auditor
Mr. Deep Omprakash Shukla,
Practicing Company Secretary, Mumbai

Bankers
Union Bank Of India
YES Bank Limited
The Bank of Nova Scotia
State Bank of India

Registrar and Share Transfer Agent
M/s. Link Intime India Private Limited
C-101, 247 Park, L.B.S.Marg, Vikhroli West,
Mumbai – 400083, Maharashtra, India.
Tel:2851 5606/ 5644
Email Id: rnt.helpdesk@linkintime.co.in

Registered Office:
10, Floor-1st, Plot-40/42, Ruby Chambers,
Dhanji Street, Zaveri Bazar, Mumbadevi,
Mandvi, Mumbai, Maharashtra, 400003

Corporate Office:
Office No. 24, 2nd Floor, Navnidan Bhuvan, 3-7
Dhanji Street, Zaveri Bazar, Mumbai - 400003

Branches:

Ahmedabad: 204, Shails Mall, 4th Lane, C.G. Road Ahmedabad-380007
Kolkata: Office No: 4A , 3rd Floor, Mansarovar, Opp. Vardaan Market, 3B Camac Street, Kolkatta-700016 [W. B.]
Delhi: XVI/2634M No.103, First Floor, SRM Emporia Mall, Bank Street, Karol Bagh, New Delhi-110005

Information for Members
29th Annual General Meeting

Monday, 27th September, 2021 at 11:30 A.M. (IST)
through Video Conferencing or Other Audio Visual Means

The Register of Members and the Share Transfer Books of the Company will remain closed from **Monday, 20th September, 2021 to Monday, 27th September, 2021 (both days inclusive)** for the purpose of AGM.

MANAGEMENT NOTE

Dear Shareholders,

It is our privilege to write to you and present the Annual Report for FY21.

These are challenging times, and I hope you and all other members of your family are safe and in good health.

India's diamond and jeweler's industry witnessed one of its most challenging years during FY 21 with declining sales figures vis-à-vis the previous few years owing to weak domestic demand and falling exports.

We would like to assure the shareholders that your Company has taken every step to ensure safety of the employees and the community. We have established world-class safety measures and preventive protocols at all locations. We are taking employees health and safety as the number one priority during the lockdown, unlock and ramp up period.

The world and certainly India has seen significant change – various lockdowns and unlocks continued due to the COVID-19 pandemic. However, slowly but surely, we are trying to come back to what would be the new normal. The impact that this pandemic has had on our lives and livelihoods – right from reduction in GDP to employment uncertainties to supply chain disruptions – would take significant time to undo.

Our performance- We recorded revenues of Rs. 57,540.04 lakhs and EBITDA of Rs. 1523.72 Lakhs during the FY 21.

Significant cost control measures, focus on exports helped the Company to improve the operating EBITDA margin during the year under review in spite of lockdown.

We express our sincere thanks to all our Customers, Suppliers, Shareholders, Employees, Bankers and Auditors for their continued support in these difficult times.

STAY SAFE

NOTICE

Notice is hereby given that the 29th Annual General Meeting ('AGM') of the Members of **Swarnsarita Gems Limited** ('the Company') will be held on **Monday, 27th September, 2021 at 11:30 A.M. (IST)** through Video Conferencing ('VC') or Other Audio Visual Means ('OAVM') facility, in compliance with provisions of the Companies Act, 2013 ('the Act') and rules thereof read with the General Circular No. 14/2020 dated 08 April 2020, the General Circular No. 17/2020 dated 13 April 2020, the General Circular No. 20/2020 dated 5 May 2020 and the General Circular No. 02/2021 dated 13 January 2021 issued by the Ministry of Corporate Affairs [collectively referred to as 'MCA Circulars'] and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with the Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12 May 2020 and No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated 15 January 2021 issued by the SEBI [collectively referred to as 'SEBI Circulars'] to transact the businesses as given below:

ORDINARY BUSINESS:

1. **Adoption of Financial Statements:**

   To receive, consider and adopt the Standalone and Consolidated Audited Financial Statements of the Company for the year ended March 31, 2021 together with the Reports of the Board of Directors and Auditor's thereon.

2. **Appointment of Mr. Mahendra Madanlal Chordia (DIN: 00175686) as director liable to retire by rotation:**

   To appoint a Director in place of Mr. Mahendra Madanlal Chordia (DIN: 00175686), who retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

3. **Appointment of Mr. Dhruvin Bharat Shah (DIN: 07528387) as an Independent Director for a second term:**

   To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

   "RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other relevant provisions of the Companies Act, 2013 and Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Articles of Association of the Company, approvals and recommendations of the nomination and remuneration committee, and that of the Board, Mr. Dhruvin Bharat Shah (DIN: 07528387) who holds office as an independent director up to May 27, 2021, be and is hereby reappointed as an independent director, not liable to retire by rotation, for a second term of five years

with effect from May 28, 2021 up to May 27, 2026 with such remuneration which may be not exceeding the limit prescribed under the Companies Act, 2013.

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers to any committee of directors with power to further delegate to any other officer(s) / authorized representative(s) of the Company to do all acts, deeds and things and take all such steps as may be necessary, proper or expedient to give effect to this resolution

4. **Re-appointment of Managing Director**

To consider, and if thought fit, to pass, with or without modification(s), the following resolution a **Special Resolution**:

"**RESOLVED THAT** in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and on recommendation by Nomination and Remuneration Committee, consent of the Members of the Company be and is hereby accorded to the re-appointment of Mr. Mahendra Madanlal Chordia (DIN: 00175686) as the Managing Director of the Company, for a further period of 5 (five) years with effect from April 01, 2021 *(i.e. 01.04.2021 to 31.03.2026)*, on the terms and conditions including the revision in remuneration, if any, as set out in the Statement annexed to the notice convening this Meeting, with liberty to the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include the Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of the said re-appointment and/or remuneration as it may deem fit and as may be acceptable to Mr. Mahendra Madanlal Chordia, subject to the same not exceeding the limits specified under Schedule V to the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to do all such acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

5. **Appointment of Mrs. Rajul Chordia (DIN: 08827725) as Whole-time Director of the Company:**

To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

"**RESOLVED THAT** Mrs. Rajul Chordia (DIN: 08827725), who was appointed by the Board of Directors as an Additional Director of the Company with effect from 10th November, 2020, and who holds office up to the date of this Annual General Meeting of the Company in terms of Section 161(1) of the Companies Act, 2013 ("Act") and

who is eligible for appointment and has consented to act as Director of the Company and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Act proposing his candidature for the office of Director, who is eligible for appointment be and is hereby appointed as Whole-time Director of the Company.

RESOLVED FURTHER THAT in accordance with the provisions of Sections 196, 197, 203, Schedule V and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), recommendation by Nomination and Remuneration Committee, approval of the Members be and is hereby accords its approval to the re-appointment of Mr. Rajul Chordia [DIN: 08827725] as a Whole-time Director for a period of ***5 years*** w.e.f. 27th September, 2021 to 26th September, 2026 on the remuneration and on such terms and conditions as set out in the explanatory statements.

RESOLVED FURTHER THAT notwithstanding anything herein above wherein during the tenure of Mrs. Rajul Chordia (DIN: 08827725) as a Whole-time Director of the Company, the Company incurs a loss or its profits are inadequate, the Company shall pay to Mrs. Rajul Chordia (DIN: 08827725) by way of salary, bonus and other allowances as a minimum remuneration but not exceeding the limits specified under Schedule V to the Companies Act, 2013, or such other limits as may be agreed to by the Board of Directors of the Company.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to alter and vary the terms and conditions of appointment and/ or remuneration, subject to limits as specified under section 197, read with Schedule V of the Companies Act, 2013.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution."

6. **Change of Name Clause of the Company:**

To consider and if thought fit, to pass, with or without modifications, the following resolution as a **Special Resolution**:

"**RESOLVED THAT** pursuant to the provisions of Section 4 read with Section 13 and other applicable provisions, if any, of the Companies Act, 2013 and Rules made thereon (including any re-enactment and modification thereof for time being in force), subject to the approval of the Central Government, stock exchange and such other authority(ies), the consent of members of the Company be and is hereby accorded to change the name of the Company from "Swarnsarita Gems Limited" to "Swarnsarita Jewels India Limited or Such other name" as approved by the Registrar of Companies, Central Registration Centre, Ministry of Corporate Affairs and the

approved new name of Swarnsarita Gems Limited, wherever it appears in the Memorandum and Articles of Association and such other documents etc. be substituted by the new name "Swarnsarita Jewels India Limited or Such other name" with effect from the date of issue of the fresh Certificate of Incorporation and approval of the stock exchange and such other authorities, pursuant to change of name by the Registrar of Companies.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution.

7. **To consider alteration/amendments of the Memorandum of Association of the Company:**

To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

"**RESOLVED THAT "RESOLVED THAT** pursuant to the provisions of Section 4, 13 and other applicable provisions, *if any*, of the Companies Act, 2013 and Rules made thereon (including any re-enactment(s) and modification(s) thereof for time being in force), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 or any other applicable law(s), regulation(s), guideline(s), and subject to the approvals, consents, sanctions and permissions of the Central Government/ Stock exchange(s)/appropriate regulatory and statutory authorities, the consent of the shareholders of the Company be and is hereby accorded for adoption of new set of Memorandum of Association of the Company ("MOA") in accordance with Table A of Schedule I of the Companies Act 2013, effecting the following modifications and amendments in the existing MOA:-

- By deleting of heading of existing Clause III (A), "MAIN OBJECT TO BE PURSUED BY THE COMPANY" and replacing it with the heading "THE OBJECTS TO BE PURSUED BY THE COMPANY ON ITS INCORPORATION ARE";

- By insertion of new main object no. 3 (which is reproduced below) under existing Clause III (A) of the Memorandum of Association after existing object clause 1;

  (3) "To carry on the business of Manufacturer, Importers, Exporters, Dealers, Commission agents and indenting agents in all kinds of gold, diamond, precious stones, pearls, gems, silver & platinum and also in ornaments & articles whether studded or not studded with precious stones and/or artificial stones, gems, pearls, and artificial jewellery, ornaments and articles"

- By deletion of heading of existing Clause III (B), "OBJECTS INCIDENTAL OR ANCILLARY TO THE ATTAINMENT OF MAIN OBJECTS" and replacing it with the heading "MATTERS WHICH ARE NECESSARY FOR FURTHERANCE OF THE OBJECTS SPECIFIED IN CLAUSE III (A) ARE";

- By deletion of all clause(s) as mentioned under heading of OTHER OBJECTS of existing Clause III (C) of the Memorandum of Association of the Company;

- By deletion of existing Clause IV of the Memorandum of Association of the Company and in place thereof the following new Clause be substituted:

  The liability of member(s) is limited and this liability is limited to the amount unpaid, if any, on shares held by them.

- By re-numbering all Clauses of the Memorandum of Association pursuant to above amendments as provided in draft Memorandum of Association.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution."

8. Alteration Article of Association Of The Company:

To consider and, if thought fit, to pass with or without modifications, the following resolution as a **Special Resolution**:

"**RESOLVED THAT** pursuant to the provisions of Section 14 and other applicable provisions, if any, of the Companies Act, 2013 and Rules made thereon (including any re-enactment and modification thereof for time being in force), the consent of members of the Company be and is hereby accorded for substitution of the Existing sub article 1 of the Article of the Association of the company, with the amended provisions as provide hereunder:

Article No.	Existing clause	Proposed clause
Sub article 1	"Company" or "This Company" means Swarnsarita Gems Limited	"Company" or "This Company" means Swarnsarita Jewels India Limited or Such other name

RESOLVED FURTHER THAT Mr. Mahendra Madanlal Chordia [DIN: 00175686] Managing Director of the Company, be and is hereby authorised to take all relevant steps as may be deemed expedient by him for giving effect to this resolution, for and on behalf of the Company."

For and on behalf of the Board of Directors
Of Swarnsarita Gems Limited

Sd/-

……
Mahendra Madanlal Chordia
Managing Director
DIN: 00175686

Place: Mumbai
Date: 21.08.2021

Registered Address:

10, Floor-1st, Plot-40/42, Ruby Chambers,
Dhanji Street, Zaveri Bazar, Mumbadevi,
Mandvi, Mumbai, Maharashtra, 400003

NOTES:

I. Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 with respect to the Special Business to be transacted at the AGM is annexed hereto.

II. The Register of Members and the Share Transfer Books of the Company will remain closed from **Monday, 20th September, 2021 to Monday, 27th September, 2021 (both days inclusive)** for the purpose of AGM.

III. Pursuant to the provisions of the Companies Act, 2013; a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his / her behalf and the proxy need not be a Member of the Company.

Since the AGM is being held through VC / OAVM facility pursuant to provisions of the MCA Circular and the SEBI Circular, the facility to appoint a proxy to attend and cast vote for a Member will not be available for the AGM. Accordingly, proxy form and attendance slip are not annexed to the Notice of AGM.

IV. Procedure for attending the AGM through VC / OAVM facility:

1. In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed and pursuant to the Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020 issued by the Ministry of Corporate Affairs followed by Circular No. 20/2020 dated May 05, 2020 and Circular No. 02/2021 dated January 13, 2021 and all other relevant circulars issued from time to time, physical attendance of the Members to the EGM/AGM venue is not required and general meeting be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing EGM/AGM through VC/OAVM.

2. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint authorized representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes through e-voting.

3. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.

5. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule20 of the Companies (Management and Administration) Rules, 2014 (as amended)and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as venue voting on the date of the AGM will be provided by NSDL.

6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the ~~EGM~~/AGM has been uploaded on the website of the Company at www.swarnsarita.com The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited www.bseindia.com respectively and the ~~EGM~~/AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e.www.evoting.nsdl.com

7. ~~EGM~~/AGM has been convened through VC/OAVM in compliance with applicable provisions ofthe Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 08, 2020and MCA Circular No. 17/2020 dated April 13, 2020,MCA Circular No. 20/2020 dated May 05, 2020 and MCA Circular No. 2/2021 dated January 13, 2021.

8. Speaker Registration for the AGM :

   A Member, who wishes to ask questions or express views at the AGM, may register with the Company as a 'Speaker' by sending a request by providing full name, DP ID and Client ID / Folio Number and contact number from the registered e-mail ID to info@swarnsarita.com at least seven days in advance.

   A Member, who has registered with the Company as a speaker, will be allowed to ask questions or express views at the AGM. For smooth conduct of proceedings of the AGM, Members may note that the Company reserves the right to restrict number of questions and speakers during the AGM depending upon availability of time.

9. Since the AGM will be conducted through VC / OAVM facility, the Route Map is not annexed to the Notice of AGM.

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:-

The remote e-voting period begins on September 24, 2021 at 09:00 A.M. and ends on September 26, 2021 at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. September 20, 2021, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being September 20, 2021.

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

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

Step 1: Access to NSDL e-Voting system

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

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

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

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	1. Existing **IDeAS** user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the "**Beneficial Owner"** icon under **"Login"** which is available under **'IDeAS'** section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on **"Access to e-Voting"** under e-Voting services and you will be able to see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select **"Register Online for IDeAS Portal"** or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login"

	which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 4. Shareholders/Members can also download NSDL Mobile App "**NSDL Speede**" facility by scanning the QR code mentioned below for seamless voting experience. **NSDL Mobile App is available on** App Store Google Play
Individual Shareholders holding securities in demat mode with CDSL	1. Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest arehttps://web.cdslindia.com/myeasi/home/loginor www.cdslindia.com and click on New System Myeasi. 2. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of **e-Voting service provider i.e. NSDL.** Click on **NSDL** to cast your vote. 3. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4. Alternatively, the user can directly access e-Voting page by

	providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. **NSDL** where the e-Voting is in progress.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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

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

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

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

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

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.
   Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at https://eservices.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
4. Your User ID details are given below :

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

5. Password details for shareholders other than Individual shareholders are given below:
   a) If you are already registered for e-Voting, then you can user your existing password to login and cast your vote.

   b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your

'initial password', you need to enter the 'initial password' and the system will force you to change your password.

c) How to retrieve your 'initial password'?
   (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
   (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**

6. If you are unable to retrieve or have not received the " Initial password" or have forgotten your password:
   a) Click on "**Forgot User Details/Password?**"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
   b) **Physical User Reset Password?**" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
   c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
   d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.

2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join General Meeting".

3. Now you are ready for e-Voting as the Voting page opens.

4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.

5. Upon confirmation, the message "Vote cast successfully" will be displayed.

6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.

7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to deepsoffice@gmail.com with a copy marked to evoting@nsdl.co.in.

2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.

3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to Ms. Pallavi Mhatre, Manager at evoting@nsdl.co.in

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

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to (info@swarnsarita.com).

2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to (info@swarnsarita.com). If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. **Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode**.

3. Alternatively shareholder/members may send a request to evoting@nsdl.co.infor procuring user id and password for e-voting by providing above mentioned documents.

4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants.

Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

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

1. The procedure for e-Voting on the day of the ~~EGM~~/AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the ~~EGM~~/AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the ~~EGM~~/AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the EGM/AGM. However, they will not be eligible to vote at the ~~EGM~~/AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the ~~EGM~~/AGM shall be the same person mentioned for Remote e-voting.

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

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM link" placed under **"Join General meeting"** menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.

2. Members are encouraged to join the Meeting through Laptops for better experience.

3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

5. Shareholders, who would like to express their views/have questions, may send their questions in at least 7 days advance from the date of AGM, mentioning their name demat account number/folio number, email id, mobile number at (info@swarnsarita.com).The same will be replied by the company suitably.

Explanatory Statement – Pursuant to Section 102 of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

ITEM NO. 3 OF THE NOTICE:

Mr. Dhruvin Bharat Shah (DIN: 07528387) was appointed as an independent director of the Company pursuant to Section 149 of the Companies Act, 2013, read with Companies (Appointment and Qualification of Directors) Rules, 2014, by the members, to hold office up to May 27, 2021. His first term as an independent director on May 27, 2021 has completed.

The nomination and remuneration committee, at its meeting held on May 24, 2021, after taking into account the performance evaluation of Mr. Dhruvin Bharat Shah (DIN: 07528387) during his first term of Five years and considering his knowledge, acumen, expertise, experience and substantial contribution has recommended to the Board his reappointment for a second term of five years. Based on the recommendation of the nomination and remuneration committee, the Board has recommended the reappointment of Mr. Dhruvin Bharat Shah (DIN: 07528387) as an independent director, not liable to retire by rotation, for a second term of five years with effect from May 28, 2021 up to May 27, 2026.

In accordance with the provisions of Section 149 of the Companies Act, 2013, an independent director shall hold office for a term up to five consecutive years on the Board of a Company, but shall be eligible for reappointment on passing of the Special Resolution by the members of the Company.

Mr. Dhruvin Bharat Shah (DIN: 07528387) fulfills the requirements of an independent director as laid down under Section 149(6) of the Companies Act, 2013 and Regulation 16 of the SEBI (LODR) Regulations, 2015. He is registered with the Databank of Independent Directors. Also he is not relative of any directors of the company.

The Company has received all statutory disclosures / declarations from Mr. Dhruvin Bharat Shah (DIN: 07528387),

I. Consent in writing to act as director in Form DIR-2, pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014.

II. Intimation in Form DIR-8 in terms of the Companies Act, 2013 to the effect that he is not disqualified under sub-section (2) of Section 164 of the Companies Act,2013.; and

III. A declaration to the effect that he meets the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013.

The Company has also received a notice under Section 160 of the Companies Act, 2013 from a member, intending to nominate Mr. Dhruvin Bharat Shah (DIN: 07528387) to the office of independent director.

In the opinion of the Board, and based on its evaluation, Mr. Dhruvin Bharat Shah (DIN: 07528387) fulfils the conditions specified in the Companies Act, 2013, Rules made thereunder and SEBI (LODR) Regulations, 2015 for his reappointment as an independent director of the Company and he is independent of the Management of the Company. A copy of the draft letter for the reappointment of Mr. Dhruvin Bharat Shah (DIN: 07528387) setting out the terms and conditions is available for electronic inspection at the website of the Company at www.swarnsarita.com without any fee by the members.

The resolution seeks the approval of members for the reappointment of Mr. Dhruvin Bharat Shah (DIN: 07528387) as an independent director of the Company up to May 27, 2026 pursuant to Sections 149, 152 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof) and his office shall not be liable to retire by rotation.

Brief Profile:

Mr. Dhruvin Bharat Shah (DIN: 07528387) completed his bachelor degree in Commerce (Accounting & Finance) from Mumbai University, Mumbai. He has good knowledge of Accounting and Finance. He is professional with good experience of Managing Skill and Handling Team. He possesses rich experience and knowledge of Corporate Affairs and Management.

In compliance with the general circular no. 20/2020 issued by the MCA, this item is considered unavoidable and forms part of this Notice.

None of the Directors and Key Managerial Personnel of the Company and their relatives except Mr. Mr. Dhruvin Bharat Shah (DIN: 07528387) is concerned or interested, financial or otherwise, in the resolution.

The Board recommends the Special resolution set forth in Item no.3 for the approval of the members.

ITEM NO. 4 OF THE NOTICE:

The Board of Directors of the Company at its meeting held on March 22, 2021 has, subject to the approval of members, re-appointed Mr. Mahendra Madanlal Chordia as the Managing Director of the Company for a further period of 5 (five) years from the expiry of his present term, at the remuneration recommended by the Nomination and Remuneration Committee and approved by the Board.

It is proposed to seek the approval of members for the re-appointment and remuneration payable to Mr. Mahendra Madanlal Chordia, in terms of applicable provisions of the Companies Act, 2013.

Broad particulars of the terms of re-appointment of and remuneration payable to Mr. Mahendra Madanlal Chordia are as under:

Salary:

- Salary not exceeding 84,00,000/- per annum, however, subject to the limit as specified in Schedule V and other relevant provisions of the Companies Act, 2013, with such increments as may be decided by the Board of Directors scale of 10% to 30%.

Perquisites:

In addition to the above salary, the following perquisites shall also be granted:

a) Bonus: Payable at such intervals as may be decided by the Board of Directors.
b) Performance Bonus/ Variable payout: Payable at such intervals as may be decided by the Board of Directors.
c) Long-term bonus plan: Entitled to long-term bonus payment, as may be decided by the Board of Directors.
d) Allowances:

(i) Medical reimbursement/allowance: as per the rules of the Company;
(ii) Provision for driver/ driver's salary allowance: as per the rules of the Company;
(iii) Personal accident insurance: As per the rules of the Company.
e) Other:
(i) Earned/ privilege leave: As per the rules of the Company.
(ii) Encashment of leave: As per the rules of the Company.

General:

(i) The Managing Director will perform his duties as such with regard to all work of the Company and will manage and attend to such business and carry out the orders and direction given by the Board from time to time in all respects and conform to and comply with all such directions and regulations as may from time to time be given and made by the Board.

(ii) The Managing Director shall act in accordance with the Articles of Association of the Company and shall abide by the provisions contained in Section 166 of the Companies Act, 2013 with regard to duties of directors.

The Managing Directors shall adhere to the Company's code of conduct.

Mr. Mahendra Madanlal Chordia satisfies all the conditions set out in Part-I of Schedule V of the Act as also conditions set out under sub-section (3) of Section 196 of the Companies Act, 2013 for being eligible for his re-appointment. He is not disqualified for being appointed as Director in terms of Section 164 of the Act.

Brief resume of Mr. Mahendra Madanlal Chordia, nature of his expertise in specific functional areas, names of companies in which he holds directorships and membership/chairmanships amongst directors inter-se as stipulated under Regulation 36 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the Stock Exchanges, are provided and it is the forming part of the Annual Report.

In compliance with the general circular no. 20/2020 issued by the MCA, this item is considered unavoidable and forms part of this Notice.

Mrs. Rajul Chordia (being son's wife), Director, Mr. Sunny M. Chordia, Wholetime Director and Mr. Mahendra Madanlal Chordia (being himself) may be deemed to be interested in the resolution as set out at Item No. 04 of the notice, which pertains to his re-appointment and remuneration payable to him.

The Board recommends the said Resolution set out at Item No. 04 of the notice for approval by the shareholders.

ITEM NO. 5 OF THE NOTICE:

Upon the recommendation of the Nomination and Remuneration Committee, your Board has proposed to appoint Mrs. Rajul Chordia (DIN: 08827725) as Whole-time Director of the Company for a period of ***5 years w.e.f.*** 27th September, 2021 to 26th September, 2026 on the following terms and conditions: . General meeting,

- Salary not exceeding Rs. 84,00,000/- per annum with such increments as may be decided by the Board of Directors scale of 10% to 30%.

- Perquisites:

  In addition to the above salary, the following perquisites shall also be granted:

  a) Performance Bonus/ Variable payout: Payable at such intervals as may be decided by the Board of Directors.
  b) Perquisites and allowances:
  i) Medical reimbursement/allowance: as per the rule of the Company.
  ii) Provision for driver/ driver's salary allowance: as per the rules of the Company.
  iii) Personal accident insurance: as per the rule of the Company.
  c) Other:
  i) Earned/ privilege leave: as per the rules of the Company.
  ii) Encashment of leave: as per the rules of the Company.

The resolution seeks the approval of the members in terms of sections 196 and 197 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013, and the Rules made thereunder for such appointment

None of the Director(s) and Key Managerial Personnel of the Company or their respective relatives, except Mrs. Rajul M. Chordia to whom the resolution relates and Mr. Mahendra Madanlal Chordia Mr. and Sunny Mahendra Chordia being relative of Director, are concerned or interested in the Resolution mentioned at Item No.5 of the Notice.

The Board recommends the special resolution set forth in Item No. 5 for the approval of the Members.

ITEM NO. 6 OF THE NOTICE:

The Company has decided to expand its business from Gems Business to Jewellery Business. Therefore it is necessary to change the name of the company. The Board had recommended the proposal for change in name of the Company from "Swarnsarita Gems Limited" to "Swarnsarita Jewels India Limited or Such other name" and consequent alterations to be made to Memorandum of Association and Articles of Association of the Company. The Registrar of Companies, Central Registration Centre, Ministry of Corporate Affairs, will approve and made available the proposed new name for registration. In accordance with provisions of the Companies Act, 2013, change in name of any Company shall be subject to the approval of Members by way of Special Resolution and further approval of the Central Government, Stock exchange and such other authorities as applicable.

The proposed change of name will not affect any of the rights of the Company or of the shareholders of the Company. All existing certificates of shares/debentures/bonds/other securities bearing the current name of the Company will, after the change of name, continue to be valid for all purposes. The

In compliance with the general circular no. 20/2020 issued by the MCA, this item is considered unavoidable and forms part of this Notice.

None of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution.

The Board recommends the Special resolution set forth in Item no.6 for the approval of the members.

ITEM NO. 7 OF THE NOTICE:

With the enactment of new Companies Act, 2013, it is considered to amend the form of the existing Memorandum of Association to be in accordance with the requirements under the Companies Act, 2013.

In terms of Section 4(1)(c) of the Companies Act, 2013, the Memorandum of Association of a company is to state the objects for which the Company is proposed to be incorporated and any matter considered necessary in furtherance thereof. As such, the requirement of separately indicating the "**main objects**", "**incidental or ancillary objects**" and "**other objects**" under the *erstwhile* legislation has changed.

Accordingly, it is proposed to amend various clauses of the Memorandum of Association by alteration of few clause(s) or insert new clause(s) in place of old clause(s) or replace the existing heading and delete the Other Objects in the existing Memorandum of Association in order comply with the provision of the Companies Act, 2013 including Table A.

The Board of Directors of the Company has indentified major clauses of the existing Memorandum of Association as redundant and required to be rephrased for the purpose of clarity.

Details of proposed alteration are as under:

- By deleting of heading of existing Clause III (A), "MAIN OBJECT TO BE PURSUED BY THE COMPANY" and replacing it with the heading "THE OBJECTS TO BE PURSUED BY THE COMPANY ON ITS INCORPORATION ARE";

- By insertion of new main object no. 3 (*which is reproduced below)* under existing Clause III (A) of the Memorandum of Association after existing object clause 1;
-

  (3) "To carry on the business of Manufacturer, Importers, Exporters, Dealers, Commission agents and indenting agents in all kinds of gold, diamond, precious stones, pearls, gems, silver & platinum and also in ornaments & articles whether studded or not studded with precious stones and/or artificial stones, gems, pearls, and artificial jewellery, ornaments and articles"

- By deletion of heading of existing Clause III (B), "OBJECTS INCIDENTAL OR ANCILLARY TO THE ATTAINMENT OF MAIN OBJECTS" and replacing it with the heading "MATTERS WHICH ARE NECESSARY FOR FURTHERANCE OF THE OBJECTS SPECIFIED IN CLAUSE III (A) ARE";

- By deletion of all clause(s) as mentioned under heading of OTHER OBJECTS of existing Clause III (C) of the Memorandum of Association of the Company;

- By deletion of existing Clause IV of the Memorandum of Association of the Company and in place thereof the following new Clause be substituted:

The liability of member(s) is limited and this liability is limited to the amount unpaid, if any, on shares held by them.

- By re-numbering all Clauses of the Memorandum of Association pursuant to above amendments as provided in draft Memorandum of Association.

It may be noted that the alterations are in the nature of additions, clarifications and restatements of the current clauses.

Consequently, the Company shall be required to amend various clauses of the Memorandum of Association of the Company to reflect the above changes.

In compliance with the applicable provisions of the Companies Act, 2013, Special Resolution as set out in the accompanying Notice is now being placed before the members for their approval. The Copy of Draft Memorandum of Association is available at the website of the company. The Certificate under regulation 45 of SEBI (LODR) Regulation is attached.

Your Directors recommend the passing of the resolution as Special Resolution.

None of the Directors and Key Managerial Personnel of the Company or their relatives is in any way, concerned or interested, financially or otherwise, in the Special Resolution set out at item no. 07 of the Notice except to the extent of their shareholding in the Company.

ITEM NO. 8 OF THE NOTICE:

The Company has decided to enter various segments of jewellery business. Therefore, Your Board had recommended the proposal for change in name of the Company from "Swarnsarita Gems Limited" To "Swarnsarita Jewels India Limited or Such other name" and consequent alterations to be made to Articles of Association of the Company.

The Registrar of Companies, Central Registration Centre, Ministry of Corporate Affairs, will approve and made available the proposed new name for registration. In accordance with provisions of the Companies Act, 2013, change in name of any Company shall be subject to the approval of Members by way of Special Resolution and further approval of the Central Government, stock exchange and such other authorities as applicable.

The proposed change of name will not affect any of the rights of the Company or of the shareholders of the Company. All existing certificates of shares/debentures/bonds/other securities bearing the current name of the Company will, after the change of name,

continue to be valid for all purposes. The Copy of Draft Article of Association is available at the website of the company

None of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution.

The Board recommends the Special resolution set forth in Item no.8 for the approval of the members.

For and on behalf of the Board of Directors
Of Swarnsarita Gems Limited

Sd/-
……
Mahendra M. Chordia
Managing Director
DIN: 00175686

Place: Mumbai
Date: 21.08.2021

Registered Address:

10, Floor-1st, Plot-40/42, Ruby Chambers,
Dhanji Street, Zaveri Bazar, Mumbadevi,
Mandvi, Mumbai, Maharashtra, 400003

Annexure to Notice

Details of Directors seeking appointment / re-appointment at the Annual General Meeting

[In pursuance of Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015]

1	Name of Director	Mr. Mahendra Madanlal Chordia	Mr. Dhruvin Bharat Shah	Mrs. Rajul Chordia
2	DIN	00175686	07528387	08827725
3	Age (in years)	53	28	26
4	Date of Appointment	07/03/2011	28/05/2016	10/11/2020
5	Qualification	Bachelor Degree in Commerce From Manikya Lal Verma University, Bhilwara	Bachelor degree in Commerce (Accounting & Finance) from Mumbai University, Mumbai.	Bachelor degree in Commerce (B.Com) from Jain University, Bangalore.
6	Relationships between directors inter-se	Mr. Sunny Mahendra Chordia (Son) & Mrs. Rajul Chordia (Son's Wife)	N.A.	Mr. Sunny Mahendra Chordia (Husband) & Mr. Mahendra Madanlal Chordia (Husband's Father)
7	List of other Listed Companies in which Directorship held as on March 31, 2021	Swarnsarita Gems Limited	Swarnsarita Gems Limited	Swarnsarita Gems Limited
8	Chairman/ Member of the Committee of Board other Listed Companies as on March 31, 2021	Swarnsarita Gems Limited	Swarnsarita Gems Limited	N.A.
9	Terms and conditions of Appointment/ Reappointment	As approved by the Board and subject to approval of the members of the company		
10	Number of Meetings of the Board attended during the Year	10	10	04
11	Directorship and Membership in the committees of other listed Companies	He is member of the CSR Committee of Swarnsarita Gems Ltd.	He is chairperson of Audit Committee, Nomination and remuneration committee and Stakeholders Relationship Committee of Swarnsarita Gems Ltd.	NA
12	Shareholding of Directors (As on March 31, 2021)(no. of shares holding)	4,03,980 & (01.94%)	NIL	NIL

13	Nature of expertise	He has expertise in Gold and gems for more than 25 years.	He possesses rich experience and knowledge of Corporate Affairs and Management.	She has expertise in Marketing.
14	Brief resume of the director	He is currently Managing Director of the Company. The company and brand has seen rapid Growth and recognition during this period in terms of the brand metrics has gained market share across the Gems and jewelers segments. He came into this business since long ago and having experience of more Than 25 years in Gold and Gems Market.	He has good knowledge of Accounting and Finance. He is professional with good experience of Managing Skill and Handling Team. He possesses rich experience and knowledge of Corporate Affairs and Management.	She has good knowledge of Marketing. She possesses experience and knowledge of Marketing.

For and on behalf of the Board of Directors
Of Swarnsarita Gems Limited

Sd/-
……
Mahendra M. Chordia
Managing Director
DIN: 00175686

Place: Mumbai
Date: 21.08.2021

CERTIFICATE

[As per Regulation 45 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015]

We have verified the relevant records of **Swarnsarita Gems Ltd.** *("Company")* having its registered office at 10, Floor-1st, Plot-40/42, Ruby Chambers Dhanji Street, Zaveri Bazar Mumbadevi, Mandvi Mumbai-400003, and we hereby certify that the company has complied with the requirement as prescribed in sub-regulation (1) of Regulation 45 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and;

1. The name of the Company has not changed its name in last one year from the date of this certificate;

2. More than fifty (50) percent of the total revenue in the preceding one year period i.e. FY 2020-21, is from new business activity(ies). or

3. The amount invested in the new activities/project is atleast fifty percentage of the assets of the Company

For, M/s. Pipara Sancheti and Associates
Chartered Accountants

Sd/-

_____
Manish Pipara
Partner
Membership No. 142858

Place: Mumbai
Date: 24.08.2021

UDIN: 21142858AAAAEF1183

DIRECTORS' REPORT

To,
The Members of Swarnsarita Gems Limited

Your Directors have pleasure in presenting their 29th Annual Report on the Audited Statement of Accounts for the Financial Year ended March 31, 2021

- **FINANCIAL RESULTS:**

(Amount in Lakhs except EPS)

Particulars	Standalone		Consolidated	
	2020-21	2019-20	2020-21	2019-20
Revenue from operations	57,540.04	55,873.52	57,566.63	55,913.86
Other Income	435.79	712.63	411.66	683.77
Total Revenue	**57,975.83**	**56,586.15**	**57,978.29**	**56,597.63**
Total Expenses	57,129.89	55,817.00	57,186.62	55,907.56
Profit/(Loss) before exceptional and extraordinary items and tax	**845.94**	**769.15**	**791.67**	**690.07**
Exceptional Items	0.00	0.00	0.00	0.00
Extraordinary Items	0.00	0.00	0.00	0.00
Net Profit Before Tax	**845.94**	**769.15**	**791.67**	**690.07**
Provision for Tax				
- Current Tax	232.03	222.83	232.03	222.83
- Deferred Tax (Liability)/Assets	---	(15.89)	---	(16.06)
- Excess/(short) provision for earlier years	12.28	31.07	12.12	30.66
Net Profit After Tax	**601.63**	**531.14**	**547.52**	**452.64**
Profit/(Loss) from Discontinued operations	0.00	0.00	0.00	0.00
Tax Expense of Discontinued operations	0.00	0.00	0.00	0.00
Profit/(Loss) from Discontinued operations (after tax)	0.00	0.00	0.00	0.00
Profit/(Loss) for the period	**601.63**	**531.14**	**547.52**	**452.64**
Other Comprehensive Income	(32.13)	0.00	(32.13)	0.00
- Items that will not be reclassified to profit or loss	0.00	0.00	0.00	0.00
- Income tax relating to items that will not be reclassified to profit or loss	0.00	0.00	0.00	0.00
- Items that will be reclassified to profit or loss	0.00	0.00	0.00	0.00
- Income tax relating to items that will be reclassified to profit or loss	0.00	0.00	0.00	0.00
Total Comprehensive income for the period (Comprising Profit (Loss) and Other Comprehensive Income for the period)	**569.50**	**531.14**	**579.66**	**452.64**
Earnings per equity share (for continuing operation):				
- Basic (In Rs.)	2.73	2.54	2.62	2.17
- Diluted (In Rs.)	2.73	2.54	2.62	2.17

- **REVIEW OF OPERATIONS**

Standalone:

During the year under review, the Standalone total Income was Rs.57,975.83 Lakhs as against Rs. 56,586.14Lakhs for the corresponding previous year.

Total Comprehensive income for the period was Rs. 601.63 Lakhs as against Rs. 531.14 Lakhs in the corresponding previous year.

Consolidated:

During the year under review, the consolidated total Income was Rs. 57,978.29 Lakhs as against Rs. 56597.63 Lakhs for the corresponding previous year.

Total Comprehensive Consolidated income for the period was Rs. 579.66 Lakhs as against Rs. 452.64 Lakhs in the corresponding previous year.

- **STATE OF AFFAIRS AND FUTURE OUTLOOK**

The Gems and Jewelry business will continue its growth path through various initiatives, including launching of new collections & Designs, increasing share of studded jewelry and achieving design leadership. In coming year the Company would drive for strong and profitable growth in all its consumer businesses.

- **COVID-19 AND ITS IMPACT**

The Company's operations were disrupted by the prolonged lock down announced by the Government consequent to COVID-19 crisis, partly in the month of March 2020, fully in the month of April 2020, partly in the month of May 2020, partly in the month of March 2021, fully in the month of April 2021, May 2021 and June 2021. The management has assessed the impact of the lockdown & consequent economic slowdown on business operations, revenues, cash flows and other financial parameters as on 31st March, 2021. It has been evaluated and assessed that, the current situation will not affect the recoverability of the company's assets, ongoing pertinence of its business, valuation' & realization of its inventory as also its ability to repay liabilities. While evaluating the impact, the management has considered the global economic conditions as well as information emanating from external and internal sources and is hopeful that future of Indian economy and the Diamond and Jewellary industry in particular, barring a short term slow down, will see a reasonable recovery.

- **TRANSFER TO RESERVES:**

The Board of Directors has decided to retain the entire amount of profits in the profit and loss account for the future growth of the Company.

- **DIVIDEND:**

In order to conserve the resources for the further growth of the Company, your Directors think fit not to recommend any dividend for the year under review.

- **MANAGEMENT DISCUSSION AND ANALYSIS**

The Management Discussion and Analysis as required in terms of the Listing Regulations is annexed to the report as **ANNEXURE I** and is incorporated herein by reference and forms an integral part of this report.

- **SHARE CAPITAL:**

The Authorised Share Capital of the Company as on March 31, 2021 is Rs.22,00,00,000.00 (Rupees Twenty Two Crore) divided into 2,20,00,000 (Two Creore Twenty Lakhs) Equity Shares of Rs.10.00 each.

The Issued, Subscribed and Paid-up Equity Share Capital of the Company as on 31st March, 2021 is Rs.20,87,68,000.00 comprising of 2,08,76,800 shares of Rs.10.00 each. During the year under review, the Company has not issued any equity shares.

- **DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

Inductions / Appointment or Re-appointment of Director:

Pursuant to the provisions of Section 152 of the Act, Mr. Mahendra Madanlal Chordia (DIN: 00175686) retires by rotation at the ensuing Annual General Meeting and being eligible, has offered himself for re-appointment. The Board recommends his re-appointment.

Further, the Board of Directors had appointed Mrs. Rajul Chordia (DIN: 08827725) as an Additional Directors in their meeting held on 10th November, 2020, in pursuant to section 161 of the Companies Act, 2013 read with Articles of Association of the Company, who shall hold the office till the conclusion of the 29th Annual General Meeting.

The resolutions for confirming the appointment of Mrs. Rajul Chordia (DIN: 08827725) as Wholetime Director, forms part of the Notice convening the 29th Annual General Meeting ('AGM') scheduled to be held on 27th September, 2021.

Further note that the five years tenure of Mr. Mahendra Madanlal Chordia, DIN: 00175686 Managing director of the company has completed on 31st March, 2021. The Board of Director of the company has further appointed Mr. Mahendra Madanlal Chordia, Managing director DIN: 00175686 for the period of 5 year subject to approval of the members at the ensuing General Meeting.

Also note that, The First 5years term of Mr. Dhruvin Bharat Shah, DIN: 07528387, Independent director of the company has completed on 27th May, 2021. The Board of Director of the company has further appointed Mr. Dhruvin Bharat Shah, DIN: 07528387 as an independent Director for the period of 5 year subject to approval of the members at the ensuing General Meeting.

We seek your support and hope you will enthusiastically vote in confirming abovementioned appointment.

Cessation of Directorship:

The **following director was resigned from the Board of the Company:**

Sr. no.	Name of the Director	Designation	Date of Resignation
1	Mrs. Seema R. Chordia	Wholetime Director	11th November, 2020

All the directors of the Company have confirmed that they satisfy the fit and proper criteria as prescribed under the applicable regulations and that they are not disqualified from being appointed as directors in terms of Section 164(2) of the Companies Act, 2013.

Further, Pursuant to Section 203 of the Companies Act, 2013, the Key Managerial Personnel of the Company are:

Sr. No.	Name of KMP	Designation
1.	Mr. Mahendra M. Chordia	Managing Director
2.	Mr. Sunny M. Chordia	Whole-time Director
3.	Mrs. Rajul Chordia (Appointment w.e.f. 10.11.2020)	Additional Director
4.	Mr. Sanket Dangi	Chief Financial Officer
5.	Mr. Deepak Suthar	Company Secretary and Compliance Officer

- **DECLARATION BY INDEPENDENT DIRECTORS**

Your Company had received declarations from all the Independent Directors of the Company confirming that they meet with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Companies Act, 2013 along with Rules framed thereunder and Regulation 16(1)(b) of the SEBI Listing Regulations. There has been no change in the circumstances affecting their status as independent directors of the Company.

Independent Directors are familiarized with their roles, rights and responsibilities as well as with the nature of industry and business model through induction program at the time of their appointment as Directors and through presentations on economy & industry overview, key regulatory developments, strategy and performance which are made to the Directors from time to time.

- **BOARD MEETINGS**

Dates for Board Meetings are well decided in advance and communicated to the Board and the intervening gap between the meetings was within the period prescribed under the Companies Act, 2013 and the Listing Agreement. The information as required under Regulation 17(7) read with Schedule II Part A of the LODR is made available to the Board. The agenda and explanatory notes are sent to the Board in advance. The Board periodically reviews compliance reports of all laws applicable to the Company. The Board meets at least once a quarter to review the quarterly financial results and other items on the agenda and also on the occasion of the Annual General Meeting ('AGM') of the Shareholders. Additional meetings are held, when necessary.

Further, Committees of the Board usually meet on the same day of formal Board Meeting, or whenever the need arises for transacting business. The recommendations of the Committees are placed before the Board for necessary approval and noting.

During the year 10 (Ten) Board Meetings were held during the year ended 31st March, 2021, the dates which are 01st April, 2020, 09th July 2020, 17th July 2020, 02nd September, 2020, 15th September, 2020, 10th November 2020, 14th November 2020, 30th December, 2020, 12th February 2021 and 22nd March, 2021.

Attendance details of Directors for the year ended March 31, 2021 are given below:

Name of the Directors	Category	No. of Board Meetings attended
Mr. Mahendra Madanlal Chordia	Managing Director	10
Mr. Sunny M. Chordia	Wholetime Director	10
Mrs. Seema R. Chordia (Resigned from 11th Nov., 2020)	Wholetime Director	05
Mrs. Rajul Chordia (Appointment w.e.f. 10th Nov., 2020)	Additional Director	04
Mr. Umang Mitul Mehta	Independent Director	09
Mr. Dhruvin Bharat Shah	Independent Director	10
Mr. Deep Lakhani	Independent Director	10

- **DISCUSSIONS WITH INDEPENDENT DIRECTORS**

The Board's policy is to regularly have separate meetings with Independent Directors, to update them on all business related issues, new initiatives and changes in the industry specific market scenario. At such meetings, the Executive Directors and other Members of the Management make presentations on relevant issues.

The policy for Familiarization Programme for Independent Directors is available on our website www.swarnsarita.com.

- **BOARD EVALUATION**

Pursuant to the provisions of the Companies Act, 2013 and the Listing Agreement/ SEBI (LODR) Regulations, 2015, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its Committees. The Directors expressed satisfaction with the evaluation process.

- **COMPOSITION OF AUDIT COMMITTEE**

Your Company has formed an Audit Committee as per the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. All members of the Audit Committee possess strong knowledge of accounting and financial management.

The primary objective of the Audit Committee is to monitor and provide an effective supervision of the Management's financial reporting process, to ensure accurate and timely disclosures, with the highest levels of transparency, integrity and quality of financial reporting. The Committee oversees the work carried out in the financial

reporting process by the Management, the statutory auditor and notes the processes and safeguards employed by each of them.

The Committee met 5 (Five) times during the year, the details of which are given in the Corporate Governance Report along with composition of the Committee and their attendance.

- **COMPOSITION OF NOMINATION & REMUNERATION COMMITTEE**

Your Company has formed a Nomination & Remuneration Committee to lay down norms for determination of remuneration of the executive as well as non-executive directors and executives at all levels of the Company. The Nomination & Remuneration committee has been assigned to approve and settle the remuneration package with optimum blending of monetary and non-monetary outlay.

The Committee met 5 (Five) times during the year, the details of which are given in the Corporate Governance Report along with composition of the Committee and their attendance.

- **NOMINATION AND REMUNERATION POLICY**

The Board of Directors has framed a policy which lays down a framework in relation to remuneration of Directors. This policy also lays down criteria for selection and appointment of Board Members. The Board of Directors is authorized to decide Remuneration to Executive Directors. The Remuneration structure comprises of Salary and Perquisites. Salary is paid to Executive Directors within the Salary grade approved by the Members. The Nomination & Remuneration committee has been assigned to approve and settle the remuneration package with optimum blending of monetary and non-monetary outlay.

In terms of requirements prescribed under Section 178(3) of the Companies Act, 2013, the Nomination and Remuneration Policy inter-alia providing the terms for appointment and payment of remuneration to Directors and Key Managerial Personnel.

During the year, there have been no changes to the Policy. The same is annexed to this report as **ANNEXURE II** and is available on our website www.swarnsarita.com.

Details of remuneration paid to Directors and Key Managerial Personnel are given in the Corporate Governance Report along with shareholding in a Company.

- **COMPOSITION OF STAKEHOLDERS RELATIONSHIP COMMITTEE**

Your Board has constituted a Stakeholders Relationship Committee to specifically look into the mechanism of redressal of grievances of shareholders etc. The Committee reviews Shareholder's / Investor's complaints like non-receipt of Annual Report, physical transfer/ transmission/transposition, split/ consolidation of share

certificates, issue of duplicate share certificates, etc. This Committee is also empowered to consider and resolve the grievance of other stakeholders of the Company including security holders.

The Committee met 04 (Four) times during the year, the details of which are given in the Corporate Governance Report along with composition of the Committee and their attendance.

- **COMPOSITION OF CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE**

As per provisions of Companies Act, 2013 and including amendment thereof. The CSR Committee was framed. The following are the member/chairman of the the committee:

Sr. No.	Name of Director & Designation	Designation in committee	Date of Appointment
1	Mr. Deep Shailesh Lakhani	Chairman	01-04-2020
2	Mr. Mahendra Madanlal Chordia	Member	01
3	Mr. SUNNY MAHENDRA CHORDIA	Member	01

The (CSR) Committee met 04 (Four) times during the year at 10th July, 2020, 15th September, 2020, 14th November, 2020 and 12th February 2021.

- **DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to Section 134(3)(c) & 134(5) of the Companies Act, 2013, the Board of Directors of the Company hereby confirm that:

(a) In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;

(b) the directors have 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 have 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 have prepared the annual accounts on a going concern basis; and

(e) the directors have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.

(f) the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

- **PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES**

The information required pursuant to Section 197 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016 in respect of employees of the Company, is enclosed as **ANNEXURE III** and forms part of this Report.

Further, as per the provisions specified in Chapter XIII of Companies (Appointment & Remuneration of Managerial Personnel) Amendment Rules, 2016 none of the employees of the Company are in receipt of remuneration exceeding Rs. 1,02,00,000/- per annum, if employed for whole of the year or Rs. 8,50,000/- per month if employed for part of the year.

Further, the names of top ten employees in terms of remuneration drawn are disclosed in **ANNEXURE IV** and forms part of this Report.

- **EXTRACT OF ANNUAL RETURN:**

Pursuant to Notification dated 28th August, 2020 issued by the Ministry of Corporate Affairs as published in the Gazette of India on 28th August, 2020, the details forming part of the extract of Annual Return in Form MGT-9 is not required to be annexed herewith to this report. However, the Annual Return will be made available at the website of the Company at: www.swarnsarita.com.

- **DETAILS OF SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES**

The Statement AOC-1 pursuant to the provisions of Section 129 (3) of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules, 2014 regarding Subsidiary Company is enclosed as **ANNEXURE V** and forms part of this Report.

- **STATUTORY AUDITORS' AND AUDITORS' REPORT:**

The Members of the Company at their 27th annual general meeting held on 29th September, 2019 have appointed M/s Banshi Jain & Associates, Chartered Accountants as the Statutory Auditor of the Company to hold office till the conclusion of the 32nd Annual General Meeting to be held in the year 2024.

A certificate confirming that, requirements prescribed under provisions of Section 141 of the Companies Act, 2013 have been fulfilled, has been received from the Statutory Auditor.

- **SECRETARIAL AUDIT**

In terms of Section 204 of the Act and Rules made there under, M/s. Deep Shukla & Associates, Practicing Company Secretaries, have been appointed Secretarial Auditors of the Company. The Secretarial Audit Report is enclosed as **ANNEXURE VI** to this report.

- **ANNUAL SECRETARIAL COMPLIANCE REPORT**

M/s. Deep Shukla & Associates, Practicing Company Secretaries, have been appointed to give Annual Secretarial Compliance Certificate. The Annual Compliance Certificate is enclosed as **ANNEXURE VII** to this report.

- **INTERNAL AUDIT & CONTROLS**

The Company has in place adequate internal financial controls with reference to the financial statement. The Audit Committee of the Board periodically reviews the internal control systems with the management, Internal Auditors and Statutory Auditors. Significant internal audit findings are discussed and follow-ups are taken thereon.

Further, M/s. Pipara and Sancheti, Chartered Accountants, Mumbai were appointed as Internal Auditors of the Company pursuant to section 138 of the Companies Act, 2013.

- **EMPLOYEES' STOCK OPTION PLAN**

The Company has not provided stock options to any employee.

- **VIGIL MECHANISM**

In pursuant to the provisions of section 177(9) & (10) of the Companies Act, 2013, a Vigil Mechanism for directors and employees to report genuine concerns has been established. The Vigil Mechanism Policy has been uploaded on the website of the Company at www.swarnsarita.com. The employees of the Company are made aware of the said policy at the time of joining the Company.

- **RISK MANAGEMENT POLICY**

The Company has laid down the procedure to inform the Board about the risk assessment and minimization procedures. These procedures are reviewed by the Board annually to ensure that there is timely identification and assessment of risks, measures to mitigate them, and mechanisms for their proper and timely monitoring and reporting.

The Company does not fall under the ambit of top 500 listed entities, determined on the basis of market capitalisation as at the end of the immediately preceding financial year. Hence, compliance under Regulation 21 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is not applicable.

- **CORPORATE GOVERNANCE REPORT**

We ensure that, we evolve and follow the corporate governance guidelines and best practices sincerely, not only to boost long-term shareholder value, but also to respect minority rights. We consider it as our inherent responsibility to disclose timely and accurate information regarding our operations and performance, as well as the leadership and governance of the Company.

Pursuant to the Listing Regulations, the Corporate Governance Report along with the Certificate from a Practicing Chartered Accountants, regarding compliance of conditions of Corporate Governance, is annexed as **ANNEXURE VIII** and forms part of this Report.

- **DEPOSITS**

The Company has neither accepted nor renewed any fixed deposits during the year under review under Section 76 of the Companies Act, 2013. There are no unclaimed deposits, unclaimed / unpaid interest, refunds due to the deposit holders or to be deposited to the Investor Education and Protection Fund as on March 31, 2021.

- **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:**

Particulars of loan given, investments made, guarantees given and securities provided along with the purpose for which the loan or guarantee or security is proposed to be utilized by the recipient are provided in the notes to the standalone financial statement. (Please refer to Note Nos. 4 & 5 to the standalone financial statement).

- **INSURANCE:**

The properties/assets of the Company are adequately insured.

- **RELATED PARTY TRANSACTIONS**

Details of material transactions with Related Parties on an arm's length basis with respect to transaction covered under Section 188(1) of the Act in the prescribed Form No. AOC-2 is annexed with this Report and marked as **ANNEXURE IX**

Further, details of Related Party Transaction as required under to be disclosed by Accounting Standard – 18 on "Related Party Disclosures" specified under Section 133 of the Act read with rule 7 of the Companies (Accounts) Rules, 2014, are given in the Notes to the Financial Statements.

- **CONSERVATION OF ENERGY, RESEARCH AND DEVELOPMENT, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE:**

The details of conservation of energy, technology absorption, foreign exchange earnings and outgo are as follows:

(a) Conservation of Energy:

Even though its operations are not energy-intensive, significant measures are taken to reduce energy consumption by using energy-efficient equipment. The Company regularly reviews power consumption patterns across all locations and implement requisite improvements/changes in the process in order to optimize energy/ power consumption and thereby achieve cost savings. Energy costs comprise a very small part of the Company's total cost of operations. However, as a part of the Company's conservation of energy programme, the management has appealed to all the employees / workers to conserve energy.

(b) Absorption of Technology:

I. The efforts made towards technology absorption:

The Company values innovation and applies it to every facet of its business. This drives development of distinctive new products, ever improving quality standards and more efficient processes.

The Company has augmented its revenues and per unit price realization by deploying innovative marketing strategies and offering exciting new products. The depth of designing capabilities was the core to our success over the years.

The Company uses the service of in-house designers as well as those of free-lancers in developing product designs as per the emerging market trends. The Company uses innovation in design as well as in technology to develop new products.

II. Benefits derived as a result of the above efforts:

As a result of the above, the following benefits have been achieved:

a) Better efficiency in operations,
b) Reduced dependence on external sources for technology for developing new products and upgrading existing products,
c) Expansion of product range and cost reduction,
d) Greater precision,
e) Retention of existing customers and expansion of customer base,
f) Lower inventory stocks resulting in low carrying costs.

III. The Company has not imported any technology during the year under review;

(a) Foreign Exchange Earnings and Outgo -

(Amt. in Lakhs)

Particulars	F.Y 2020-2021	F.Y 2019-2020
C.I.F. Value of Imports	NIL	Nil
F.O.B. Value of Exports	17003.55	21743.88

- **TRANSFER OF AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND:**

Pursuant to the provisions of the Companies Act, 2013 read with The Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended, ('Rules'), the dividends, unclaimed for a consecutive period of seven years from the date of transfer to the Unpaid Dividend Account of the Company are liable to be transferred to IEPF. Further, the shares (excluding the disputed cases having specific orders of the Court, Tribunal or any Statutory Authority restraining such transfer) pertaining to which dividend remains unclaimed for a period of continuous seven years from the date of transfer of the dividend to the unpaid dividend account are also mandatorily required to be transferred to the IEPF established by the Central Government. Usually, the Company transfers unclaimed dividend eligible to IEPF authority within statutory timelines. However, during the year under review, the company is in process to transfer the amount to IEPF authority.

Any person whose unclaimed dividend and shares pertaining thereto, matured deposits, matured debentures, application money due for refund, or interest thereon, sale proceeds of fractional shares, redemption proceeds of preference shares, amongst others has been transferred to the IEPF Fund can claim their due amount from the IEPF Authority by making an electronic application in e-form IEPF-5. Upon submitting a duly completed form, Shareholders are required to take a print of the same and send physical copy duly signed along with requisite documents as specified in the form to the attention of the Nodal Officer, at the Registered Office of the Company. The e-form can be downloaded from the website of Ministry of Corporate Affairs at www.iepf.gov.in.

Shareholders are requested to get in touch with the RTA for encashing the unclaimed dividend/interest/principal amount, if any, standing to the credit of their account.

- **CORPORATE SOCIAL RESPONSIBILITY (CSR):**

The Company is committed to discharging its social responsibility as a good corporate citizen.

The Board of Directors has framed a policy which lays down a framework in relation to Corporate Social Responsibility of the Company. This policy also lays down to lay down guidelines for the company to make CSR a key business process for

sustainable development for the Society. The details of this policy are explained by way of **ANNEXURE X**.

The Company falling the threshold laid down in section 135 of the Companies Act, 2013, The Company was required to contribute 2% of the Net surplus after tax to Corporate Social Responsibility (CSR) activities as per provisions of the Companies Act, 2013.

The amount spent by the company during the year is Rs.14.20 Lakhs on Corporate Social Responsibility (CSR) activities as per provisions of the Companies Act, 2013.

- **LISTING WITH STOCK EXCHANGE:**

The shares of the Company are listed on BSE only.

- **COST AUDIT**

As per the Cost Audit Orders and in terms of the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014, Cost Audit is not applicable to our Company.

- **OBLIGATION OF COMPANY UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

In order to prevent sexual harassment of women at work place a new act The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 has been notified on 9th December, 2013. Under the said Act every company is required to set up an Internal Complaints Committee to look into complaints relating to sexual harassment at work place of any women employee.

The Company has adopted a policy for prevention of Sexual Harassment of Women at workplace and has set up Committee for implementation of said policy. During the year Company has not received any complaint of harassment.

- **SECRETARIAL STANDARDS**

The Company has in place proper systems to ensure compliance with the provisions of the applicable secretarial standards issued by The Institute of Company Secretaries of India and such systems are adequate and operating effectively.

- **SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS**

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

- **MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY:**

There have been no material changes and commitments, affecting the financial position of the Company which have occurred between the end of the financial year of the company to which the financial statements relate and the date of the report.

- **ACKNOWLEDGEMENT**

The Directors would like to thank all shareholders, customers, bankers, suppliers and everybody else with whose help, cooperation and hard work the Company is able to achieve the results. The Directors would also like to place on record their appreciation of the dedicated efforts put in by the employees of the Company.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS
OF SWARNSARITA GEMS LIMITED

Place: Mumbai
Date: 21.08.2021

Sd/-	Sd/-
Mahendra Madanlal Chordia	**Sunny Mahendra Chordia**
Managing Director	**Wholetime Director**
DIN: 00175686	**DIN: 06664041**

Registered Office:
10, Floor-1st, Plot-40/42, Ruby Chambers, Dhanji Street,
Zaveri Bazar, Mumbadevi, Mandvi, Mumbai, Maharashtra, 400003

ANNEXURE – I

MANAGEMENT DISCUSSION AND ANALYSIS

INDIAN ECONOMY:

The outbreak of the COVID-19 pandemic in March 2020 along with the national lockdown in India disrupted economic activities including demand and supply chain resulting in a significant slowdown of the Indian economy.

With the staggered unlocking measures from May/ June 2020 onwards some normalcy started getting restored. The manufacturing sector witnessed a fast recovery from second quarter of 2020-21 coupled with a revival of consumer demands during the festive season. Widespread monsoon with healthy crops and increased rural demand also helped recovery of the Indian economy in the second half of last fiscal. The service sector was more vulnerable than manufacturing. Indian economy as per the second advance estimates is estimated to have contracted at (8%) during 2020-21 compared to a growth of 4% in 2019-20.

A sharp surge in the cases during the second wave of Covid-19 since the second week of April 2021 had lead to many state governments announcing strict lockdowns / restrictions on movement etc. and this is affecting the economic activity especially of Micro, Small and Medium Enterprises. Economic impact of the second wave could intensify in the next few weeks due to lower mobility. The overall impact of the second wave on the economy is difficult to assess presently, but it is likely to negatively affect GDP growth in the first quarter.

With emergence of strong second wave of Covid-19 pandemic, the Indian economy is now projected to grow at about 10% during fiscal 2021-2022.

INDUSTRY STRUCTURE AND DEVELOPMENTS:

The Company is a part of an Industry, which largely operates through unorganized constituents. However, unlike the industry, the Company has attempted to operate through as systematic and organized manner as possible. However, since Diamonds and Jewellery is one industry, in which India holds, commendable position in the world, akin to the software industry, one can look forward to more international involvement coming up in this industry.

OPPORTUNITIES AND THREATS:

Following can be termed as the opportunities / strengths of the Company:

- Induction of widely experienced and specialized personnel on the Board.
- Good combination of technical as well as advisory personnel in the management.
- Some of the world retail majors have decided sometime back to source part of their requirements from India. This shall further the growth of the Diamond industry in India.
- The unfavorable government policies cut throat competition amongst manufacturers and exporters remains major concerns for the Gems and Jewellery Business.

OUTLOOK

The Company has done reasonable in the current year and expects to achieve a really good percentage of market share in the Diamond manufacturing and Jewellery marketing fields. The outlook for the Company can therefore be termed as optimistic and expects higher growth then inflation and average grow thin the industry.

Growth of the Gems and Jewellery Industry is expected to be moderate to better in the years to come depending on the policies of the Government. However Gems and Jewellery Industry is seeing robust growth in the years to come. The Growth rate of the Gems and Jewellery Industry is closely related to the growth of the other Sector and hence movements and developments in the other sectors would also indirectly affect the future of Gems and Jewellery Industry.

CHANGES IN KEY FINANCIAL RATIOS:

Pursuant to provisions of Regulation34 (3) of SEBI (LODR) Regulation, 2015 read with Schedule V part B(1) details of changes in Key Financial Ratios is given hereunder:-

S. NO.	Key Financial Ratio		FY 2020-21	FY 2019-20
1.	Debtors Turnover Ratio	%	6.45	8.13
2.	Inventory Turnover Ratio	%	7.25	5.85
3.	Interest Coverage Ratio	%	2.39	2.54
4.	Current Ratio	%	1.75	1.81
5.	Debt Equity Ratio	%	45.74	47.24
6.	Operation Profit Margin	%	2.58	2.37
7.	Net Profit Margin	%	0.98	0.94
8.	Change in Return on Net Worth	%	5.42	5.38

RISK AND CONCERNS

Looking at the scenario in India in case of gems and jewellery industry, Risks associated with operating in a particular industry and include risks arising from demand changes, changes in customer's choice and industry changes. Gold price fluctuation risk could arise on account of frequent changes in gold prices either up or downside momentum. It could have adverse impact on earnings. Forex risks could arise from the company being exposed to foreign currency fluctuations which could impact its rupee earnings. Diamond prices usually are not very volatile over a long period of time.

The Company has adequate internal control procedures commensurate with the size of the Company and the nature of its business for purchase of stores, raw materials, components, plant and machinery, equipment and other assets, and for the sale of goods.

The Company also has in place an Audit Committee to have a periodic overview of the internal control procedures of the Company. The Audit committee is accessible at all times to the employees of the Company for any improvement to be recommended in the procedures in place.

DISCUSSION ON FINANCIAL PERFORMANCE OF THE COMPANY:

The financial performance of the Company has declined in the year under review.

During the year under review, the Standalone total Income was **Rs. 57,975.83lakhs** as against **Rs. 56,586.14lakhs** for the corresponding previous year.

Total Comprehensive income for the period was **Rs.569.50lakhs** as against **Rs.531.14lakhs** in the corresponding previous year.

INDUSTRIAL RELATIONS AND HUMAN RESOURCES:

The Company considers that its relationship with its employees is vital and ensures that employees feel valued and is endeavoring to create an environment and culture within which every employee can put his best efforts and maximize his contribution.

The Company ensures that all its employees remain competent through education, skills, training and experience as necessary. The Company has had cordial relations between the management and employees and an atmosphere of harmonious working to achieve the business objectives of the Company throughout the year. The Company is poised to motivate each of its employees to perform to the fullest extent possible and to appropriately reward their excellence.

CAUTIONARY STATEMENT

Statements in this report and Corporate Governance Report read together with the Directors' Report and financial statement describing the Company's objectives, projections, estimates, expectations and predictions, may be "forward looking statements". Actual results may differ from those expressed or implied due to variations in prices of raw materials, seasonal demand and pricing in the Company's principal markets, changes in Government regulations, tax regimes, economic developments within India and other incidental factors.

For and on behalf of the Board of Directors of
Swarnsarita Gems Limited

	Sd/-	Sd/-
	Mahendra Madanlal Chordia	**Sunny Mahendra Chordia**
Place: Mumbai	**Managing Director**	**Whole-time Director**
Date: 21.08.2021	**DIN: 00175686**	**DIN: 0666404**

ANNEXURE II

NOMINATION AND REMUNERATION POLICY

FOREWORD

A transparent, fair and reasonable process for selection of directors, key managerial personnel and senior management and appropriate remuneration at all levels of the Company is required to ensure that Shareholders remain informed and confident in the management of the Company. The Company also understands the importance of attracting and maintaining high quality individuals for managing its affairs from directors level right through to support staff.

CONSTITUTION OF COMMITTEE

The Board of Directors of the Company (the Board) constituted the committee to be known as the Nomination and Remuneration/Compensation Committee consisting of three or more non-executive directors out of which not less than one-half are independent directors. The Chairman of the Committee is an Independent Director. However, the chairperson of the company (whether executive or non-executive) may be appointed as a member of the Nomination and Remuneration Committee but shall not chair such Committee."

OBJECTIVE

The Nomination and Remuneration Committee and this Policy shall be in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and Regulation 19 under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The objective of this policy is to lay down a framework in relation to remuneration of directors, KMP, senior management personnel and other employees.

The Key Objectives of the Committee would be:

- To guide the Board in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management.

- To formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration of Directors, key managerial personnel and other employees.

- To formulation of criteria for evaluation of Independent Director and the Board.

- To evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation of the Board.

- To recommend to the Board on Remuneration payable to the Directors, Key Managerial Personnel and Senior Management.

- To provide to Key Managerial Personnel and Senior Management reward linked directly to their effort, performance, dedication and achievement relating to the Company's operations.

- To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.

- To develop a succession plan for the Board and to regularly review the plan.

- To assist the Board in fulfilling responsibilities.

- To Implement and monitor policies and processes regarding principles of corporate governance.

Section 178 (4) of the Companies Act, 2013 stipulates that while formulating the policy the Committeeshall ensure that —

a. The level and composition of remuneration is reasonable and sufficient to attract, retain andmotivate directors of the quality required to run the company successfully;
b. Relationship of remuneration to performance is clear and meets appropriate performancebenchmarks; and
c. Remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals:

APPLICABILITY

- Directors (Executive and Non Executive)
- Key Managerial Personnel
- Senior Management Personnel

DEFINITIONS:

The definitions of some of the key terms used in this Policy are given below.

"**Act**" shall mean the Companies Act, 2013 and the Rules made thereunder, including the modifications,amendments, clarifications, circulars or re-enactment thereof.

"**Board**" refers to collective body of Board of Directors of the Company.

"**Committee**" means Nomination and Remuneration Committee of the Company as constituted or reconstituted by the Board.

"**Company**" means Swarnsarita Gems Limited.

"**Directors"** means a director as defined under section 2(34) of the act except nominee director anddirector appointed by small shareholders.

"**Independent Director**" means a Director referred to in Section 149 (6) of the Companies Act, 2013.

"**Key Managerial Personnel**" means key managerial personnel as defined under the Companies Act,2013 and includes –

- Managing Director, or Executive Director or manager and in their absence, a whole- time director; (includes Executive Chairman)

- Company Secretary;
- Chief Financial Officer; and
- Such other officer as may be prescribed.

"**Policy**" or "**This policy**" means Nomination and Remuneration Policy.

"**Remuneration**" means any money or its equivalent given or passed to any person for services rendered by him and includes perquisites as defined under the Income Tax Act, 1961.

"**Senior Management**" Senior Management means personnel of the company who are members of its core management team excluding the Board of Directors. This would also include all members of management one level below the executive directors including all functional heads.

Unless the context otherwise requires, words and expressions used in this policy and not defined herein but defined in the Companies Act, 2013 and the Listing Agreement as may be amended from time to time shall have the meaning respectively assigned to them therein.

ROLE AND POWER OF THE COMMITTEE:-

Matters to be dealt with, perused and recommended to the Board by the Nomination and Remuneration Committee:

The Committee shall:

- formulation of the criteria for determining qualifications, positive attributes and independence ofa director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
- formulation of criteria for evaluation of performance of independent directors and the board of directors;
- devising a policy on diversity of board of directors;
- identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal.
- whether to extend or continue the term of appointment of the independent director, on the basis ofthe report of performance evaluation of independent directors.

Policy for appointment and removal of Director, KMP and Senior Management

(i). Appointment criteria and qualifications

a. The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his / her appointment.

b. A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.

c. The Company shall not appoint or continue the employment of any person as Whole-time Director who has attained the age of seventy years. Provided that the term of the person

holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.

(ii). Term / Tenure

a. Managing Director/Whole-time Director:

- The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Executive Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

b. Independent Director:

- An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.

- No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly. However, if a person who has already served as an Independent Director for 5 years or more in the Company as on October 1, 2014 or such other date as may be determined by the Committee as per regulatory requirement; he/ she shall be eligible for appointment for one more term of 5 years only.

- At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company or such other number as may be prescribed under the Act.

c. Evaluation

- The Committee shall carry out evaluation of performance of every Director, KMP and Senior Management Personnel at regular interval (yearly).

d. Removal

- Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, rules and regulations thereunder, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rulesand regulations.

e. Retirement

- The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefitof the Company.

Policy relating to the Remuneration for the Whole-time Director, KMP and Senior Management Personnel

(i). General:

- The remuneration / compensation / commission etc. to the Whole-time Director, KMP and Senior Management Personnel will be determined by the Committee and recommended to the Board for approval. The remuneration / compensation / commission etc. shall be subject to the prior/post approval of the shareholders of the Company and Central Government, wherever required;

- The remuneration and commission to be paid to the Whole-time Director shall be in accordance with the percentage / slabs / conditions laid down in the Articles of Association of the Company and as per the provisions of the Act;

- Increments to the existing remuneration/ compensation structure may be recommended by the Committee to the Board which should be within the slabs approved by theShareholders in the case of Whole-time Director;

- Where any insurance is taken by the Company on behalf of its Whole-time Director, Chief Executive Officer, Chief Financial Officer, the Company Secretary and any other employees for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel. Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.

(ii). Remuneration to Whole-time / Executive / Managing Director, KMP and Senior ManagementPersonnel:

- Fixed pay:

  The Whole-time Director/ KMP and Senior Management Personnel shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee. The breakup of the pay scale and quantum of perquisites including, employer's contribution to P.F, pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board/ the Person authorized by the Board on the recommendation of the Committee and approved by the shareholders and Central Government, wherever required.

- Minimum Remuneration:

  If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Whole-time Director/Managing Director/Executive Director in accordance with the provisions of Schedule V of the Act and if it is not able to comply with such provisions, with the previous approval of the Central Government.

- Provisions for excess remuneration:

  If any Whole-time Director/Managing Director/Executive Director draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Act or without the prior sanction of the Central Government, where required, he / she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government.

(iii). Remuneration to Non- Executive / Independent Director:

- Remuneration / Commission:

  The remuneration / commission shall be fixed as per the slabs and conditions mentioned in the Articles of Association of the Company and the Act.

- Sitting Fees

  The Non- Executive / Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof. Provided that the amount of such fees shall not exceed Rs. One Lac per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

- Commission:

  Commission may be paid within the monetary limit approved by shareholders, subject to the limit not exceeding 1% of the profits of the Company computed as per the applicable provisions of the Act.

- Stock Options:

  An Independent Director shall not be entitled to any stock option of the Company.

MEMBERSHIP:-

- The Committee shall consist of a minimum 3 non-executive directors, majority of them beingindependent.

- Minimum two (2) members shall constitute a quorum for the Committee meeting.

- Membership of the Committee shall be disclosed in the Annual Report.

- Term of the Committee shall be continued unless terminated by the Board of Directors.

CHAIRMAN:-

- Chairman of the Committee shall be an Independent Director;
- Chairperson of the Company may be appointed as a member of the Committee but shall not be a Chairman of the Committee;
- In the absence of the Chairman, the members of the Committee present at the meeting shall choose one amongst them to act as Chairman;
- Chairman of the Nomination and Remuneration Committee meeting could be present at the Annual General Meeting or may nominate some other member to answer the shareholders' queries.

FREQUENCY OF MEETINGS

The meeting of the Committee shall be held at such regular intervals as may be required.

COMMITTEE MEMBERS' INTERESTS

A member of the Committee is not entitled to be present when his or her own remuneration is discussed ata meeting or when his or her performance is being evaluated.

The Committee may invite such executives, as it considers appropriate, to be present at the meetings ofthe Committee.

SECRETARY

The Company Secretary of the Company shall act as Secretary of the Committee.

VOTING

- Matters arising for determination at Committee meetings shall be decided by a majority of votes of Members present and voting and any such decision shall for all purposes be deemed a decision of the Committee.
- In the case of equality of votes, the Chairman of the meeting will have a casting vote.

MINUTES OF COMMITTEE MEETING

- Proceedings of all meetings must be minuted and signed by the Chairman of the Committee at the subsequent meeting. Minutes of the Committee meetings will be tabled at the subsequent Board and Committee meeting.

IMPLEMENTATION

- The Committee may issue guidelines, procedures, formats, reporting mechanism and manuals insupplement and for better implementation of this policy as considered appropriate.
- The Committee may Delegate any of its powers to one or more of its members.

AMENDMENTS TO THE POLICY

- The Board of Directors on its own and / or as per the recommendations of Nomination andRemuneration Committee can amend this Policy, as and when deemed fit.

AMENDMENTS IN THE LAW

- Any subsequent amendment/modification in the listing agreement and/or other applicable laws inthis regard shall automatically apply to this Policy.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS
OF SWARNSARITA GEMS LIMITED

Place: Mumbai
Date: 21.08.2021

Sd/-
Mahendra Madanlal Chordia
Managing Director
DIN: 00175686

Sd/-
Sunny Mahendra Chordia
Wholetime Director
DIN: 06664041

ANNEXURE III

Particulars of employee

Information required under Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016

i. The Ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the Financial year 2020-21; and

ii. The percentage increase in remuneration of each Director, Managing Director & Chief Executive Officer, Chief Financial Officer and Company Secretary of the Company in the Financial Year 2020-21.

Name & Designation	Remuneration of each Director & KMP for Financial Year 2020-21 in(Rs.)	% increase/ decrease in remuneration in the Financial Year 2020-21
A. Independent Directors		
Mr. Dhruvin Bharat Shah	4,50,000/-	-
Mr. Deep Shailesh Lakhani	6,000/-	-
Mr. Umang Mitul Mehta	-	-
A. Executive Directors		
Mr. Mahendra M. Chordia (MD)	63,00,000/-	-
Mr. Sunny M. Chordia (WTD)	42,00,000/-	-
Mrs. Seema R Chordia (WTD)	19,00,000/-	-
Mrs. Rajul Chordia(WTD)	21,60,000/-	-
Mr. Sanket Dangi, (CFO)	11,25,000/-	-
Mr. Deepak Suthar, (CS)	2,18,470/-	-

MD - Managing Director, WTD- Whole Time Director, ED- Executive Director. CFO – Chief Financial Officer, CS -Company Secretary

notes:

1. Median remuneration of all the employees of the Company for the financial year 2020-2021 is Rs2,28,409.

The percentage increase/decrease in the median remuneration of employees in the financial year 2020-2021

Particulars	Financial Year 2020-21 (Rs)	Financial Year 2019-20 (Rs)	Increase (%)
Median remuneration of all employees	2,28,409	1,56,843.00	31.33

Note: The calculation of % increase in the median remuneration has been done based on comparable employees.

iii. The number of permanent employees on the rolls of Company:

There were 46 permanent employees on the roll of Company as on March 31, 2021.

iv. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification here of and point out if there are any exceptional circumstances for increase in the managerial remuneration.

- Average increase in the remuneration of all employees excluding KMPs:
- Average increase in the remuneration of KMPs:

v. Affirmation that the remuneration is as per the Remuneration Policy of the Company

PursuanttoRule5(1)(xii)of the Companies(Appointment and Remuneration of Managerial Personnel) Rules, 2014, it is affirmed that the remuneration paid to the Directors, KMPs, Senior Management and other employees of the Company is as per the Remuneration Policy of the Company.

For and on behalf of the Board of Directors of Swarnsarita Gems Limited

Sd/-	Sd/-
Mahendra Madanlal Chordia	**Sunny Mahendra Chordia**
Managing Director DIN: 00175686	**Wholetime Director DIN: 06664041**

Place: Mumbai
Date: 21.08.2021

ANNEXURE - IV

Information required under Section 197 of the Companies Act, 2013 read with Rule 5(2)(a) of the Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016:

Names of employees	Designation/ nature of duties	Remuneration received [Rs.] Per Annum	Qualification	Exp-rience in years	Age in years	Date of commen-cement of employment	Last employ-ment held	% of share-holding
Mr. Mahendra Madanlal Chordia	Managing Director	63,00,000	Graduate	24 Years	53	07/03/2011	Swarnsarita Jewellers Private Limited	1.94
Mr. Sunny Mahendra Chordia	Whole-time Director	42,00,000	Master in Global Management	5 year	28	17/10/2017	Swarnsarita Gems Ltd	1.54
Mr. Rajendra M Chordia	V.P. Gold division	19,00,000	Graduate	18 Years	47	01/07/2017	Swarnsarita Jewellers Private Limited	0.55
Ms. Nishita Chordia	V.P. Manufacturing Division	18,00,000	Graduate	3 Years	23	01/04/2018	NA	NIL
Mrs. Asha M Chordia	Design Research Analyst	18,00,000	HSC	13 Years	49	17/10/2017	Swarnsarita Jewellers Private Limited	1.11
Mr. Lalit S Chordia	V.P. Diamond Division	11,87,500	Graduate	16 Years	42	01/10/2012	NA	NIL
Mr. Sanket Dangi	CFO	11,25,000	MBA	7 Years	34	05/07/2015	ICICI BANK LTD	NIL
Mr. Naveen Kumar Hiran	International Operation Head	11,25,000	B.E.	7 years	34	15/12/2013	TCS	NIL
Mrs. Rajul Chordia	Kolkata Designer Jewellery Analyst	9,60,000	Graduate	3 years	26	01/04/2018	NA	NIL
Mrs. Seema Rajendra Chordia	Whole-time Director	9,00,000	Graduate	14 Years	46	17/10/2017	Swarnsarita Gems Ltd	0.10

the below employees are related to the Directors of the Company.

names of employees	names of employees who are relatives of any Director
Mr. Mahendra M. Chordia	Mrs. Asha M. Chordia (Wife) , Mr. Sunny M. Chordia (Son) and Mrs. Rajul Chordia (son's wife)
Mrs. Seema R. Chordia (resigned w.e.f. 11.11.2020)	Mr. Mahendra M. Chordia (Husband's Brother)
Mr. Sunny Mahendra Chordia	Mr. Mahendra M. Chordia (Father) Mrs. Asha M. Chordia (Mother)Mrs. Rajul Chordia (wife) Mrs. Nishita Chordia (sister)
Mrs. Rajul Chordia (Appointed w.e.f. 10.11.2020)	Mr. Sunny M Chordia(Husband), Mrs. Asha M. Chordia (Husband's mother) , Mr. Mahendra M. Chordia (Husband's Father)
Mr. Rajendra M Chordia	Mrs. Seema R Chordia(Husband) Mr.Mahendra M Chordia(Brother)
Mrs. Nishita Chordia	Mr. Mahendra M Chordia(Father) Mr. Sunny M Chordia(Brother)

For and on behalf of the Board of Directors of
Swarnsarita Gems Limited

Sd/-

Mahendra Madanlal Chordia
Managing Director
DIN: 00175686

Sd/-

Sunny Mahendra Chordia
Wholetime Director
DIN: 06664041

Place : Mumbai
Date: 21.08.2021

Annexure - V

FORM AOC-I

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

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

Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in Lakhs.)

1.	**Sl. no.**	**1**
2.	**name of the subsidiary**	**M/s. Swarnsarita Trading Private Limited (earlier known as Swarnsarita Realty Private Limited)**
3.	**Reporting period for the subsidiary concerned, if different from the holding company's reporting period.**	March 31, 2021
4.	**Reporting currency and exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries.**	NA
5.	**Share capital**	1000.00
6.	**Reserves & surplus**	(110.77)
7.	**total assets**	1969.13
8.	**total Liabilities**	1969.13
9.	**Investments**	0.00
10.	**turnover**	26.60
11.	**Profit before taxation**	(54.30)
12.	**Provision for taxation**	0
13.	**Profit after taxation**	(54.14)
14.	**Proposed Dividend**	0
15.	**% of shareholding**	100%

For Banshi Jain and Associates
Chartered Accountants
Firm Regn. No.- 100990W

Sd/-

R. B. Golecha
Partner

Membership No.
035348

Place : Mumbai
Date: 23.06.2021

For and on behalf of the Board of Directors
of Swarnsarita Gems Limited

Sd/-

Mahendra M. Chordia
Managing Director
DIN: 00175686

Sd/-

Sunny M. Chordia

Whole-time Director

DIN: 066640

Sd/-

Deepak
Suthar, CS

Sd/-

Sanket Dangi, CFO

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

name of Associates/Joint Ventures	**nIL**
1. Latest audited Balance Sheet Date	
2. Shares of Associate/Joint Ventures held by the company on the year end	
No.	
Amount of Investment in Associates/Joint Venture	
Extend of Holding %	
3. Description of how there is significant influence	
4. Reason why the associate/joint venture is not consolidated	
5. Networth attributable to Shareholding as per latest audited Balance Sheet	
6. Profit / Loss for the year	
i. Considered in Consolidation	
i. Not Considered in Consolidation	

For Banshi Jain and Associates
Chartered Accountants
Firm Regn. No.- 100990W

Sd/-

R. B. Golecha
Partner

Membership No.
035348

Place : Mumbai
Date: 23.06.2021

For and on behalf of the Board of Directors
of Swarnsarita Gems Limited

Sd/-

Mahendra M. Chordia
Managing Director
DIN: 00175686

Sd/-

Sunny M. Chordia

Whole-time Director

DIN: 066640

Sd/-

Deepak
Suthar, CS

Sd/-

Sanket Dangi, CFO

ANNEXURE - VI

SECRETARIAL AUDIT REPORT

For the financial year ended March 31, 2021
[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To
The Members
SWARNSARITA GEMS LIMITED
Regd. Office: 10, Floor-1st, Plot-40/42, Ruby Chambers Dhanji Street,
Zaveri Bazar, Mumbadevi, Mandavi, Mumbai - 400003.
Maharashtra, India.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Swarnsarita Gems Limited (hereinafter called the Company). In light of ongoing COVID-19 pandemic situation, due to limitations of physical verifications of various records, 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 my said verification of the Company's 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 secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March 2021 ('Audit Period') complied with the statutory provisions listed hereunderand also that the Company has proper Board-processes and compliance-mechanism in place to the extent, *(subject to the observations mentioned in this report)* in the manner and subject to the reporting made hereinafter.

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

(i) The Companies Act, 2013 (the Act) and the rules made thereunder as amended;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder as amended;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder as amended;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings *(to the extent as may be applicable to the Company)*;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): —

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2015 *(Not Applicable to the Company during the Audit Period)*;

(d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999*(Not Applicable to the Company during the Audit Period)*;

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 *(Not Applicable to the Company during the Audit Period)*;

(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;

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009*(Not Applicable to the Company during the Audit Period)*; and

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998*(Not Applicable to the Company during the Audit Period)*;

(vi) There were no other specific laws applicable to the Company, taking into consideration the business operations of the Company

I have also examined compliance with the applicable clauses of the following:

(a) Secretarial Standards issued by The Institute of Company Secretaries of India;

(b) The Listing Agreement entered into by the Company with Bombay Stock Exchange Limited along with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as applicable for respective periods.

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

- During the year ended, the Company has received notices from BSE for non-appointment of Company and Compliance Officer for the Sep. 2019 & Dec. 2019 quarters and imposed the total fine of Rs. 1,77,000, however as informed by the management , they have made the payment of fine as imposed by BSE on 04.11.2020.
- During the year ended, the Company has received notices from BSE for non-compliance with disclosure of related party transactions on consolidated basis for quarter ended 30.09.2020 under Regulation 23(9) of SEBI (LODR), 2015, however, as explained by the management the said regulation is not applicable to the company for the said quarter and the Company has requested for waiver of fee on 22.01.2021
- During the year under review, we have not found any documents related with compliance of IEPF rules, as amended.

I further report that:

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

- Adequate notice is 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.

- All the resolutions were passed with consent of majority Directors and minutes were prepared accordingly.

I 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.

I further report that during the audit period there were no specific events/actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, guidelines and standards.

For: M/s. DEEP SHUKLA & ASSOCIATES
COMPANY SECRETARIES

Sd/-

Place: Mumbai
Date : 16.08.2021

DEEP SHUKLA
{PROPRIETOR}
FCS: 5652
CP. NO.5364
UDIN: F005652C000790260

ANNEXURE TO THE SECRETARIAL AUDIT REPORT

To
The Members
SWARNSARITA GEMS LIMITED

I further state that my said report of the even date has to be read along with this letter.

1. Maintenance of Secretarial/ Statutory Records is the responsibility of the Management of the Company. My responsibility is to express an opinion on these records based on the audit.

2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial Records.

3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

4. Wherever required I have obtained the Management representation about the compliance of laws, rules and regulations and happenings of events etc.

5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standard is the responsibility of management. My examination is 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.

For: M/s. DEEP SHUKLA & ASSOCIATES
COMPANY SECRETARIES

Sd/-
DEEP SHUKLA
{PROPRIETOR}
FCS: 5652
CP. NO.5364
UDIN: F005652C000790260

Place: Mumbai
Date : 16.08.2021

ANNEXURE VII

Secretarial Compliance Report of SWARNSARITA GEMS LIMITED for the year ended March 31, 2021

We, Deep Shukla & Associates have examined:

(a) all the documents and records made available to us and explanation provided by **Swarnsarita Gems Limited *[CIN: L36911MH1992PLC068283]*** ("the listed entity"),
(b) the filings/ submissions made by the listed entity to the stock exchanges,
(c) website of the listed entity,
(d) other relevant document(s)/ filing, which has been relied upon to make this certification,

for the year ended March 31, 2021 ("Review Period") in respect of compliance with the provisions of :

(a) the Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, circulars, guidelines issued thereunder; and

(b) the Securities Contracts (Regulation) Act, 1956 ("SCRA"), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India ("SEBI");

The specific Regulations, whose provisions and the circulars/ guidelines issued thereunder, have been examined, are:-

(a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
(b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018*); [Not applicable during the review period]*
(c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 *(to the extent applicable)*;
(e) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; *[Not applicable during the review period]*
(f) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; *[Not applicable during the review period]*
(g) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; *[Not applicable during the review period]*
(h) Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013; *[Not applicable during the review period]*
(i) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 *(to the extent applicable)*;
(j) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993, as amended;
(k) The Securities and Exchange Board of India (Intermediaries) Regulations, 2008; *[Not applicable during the review period]*

(l) Securities and Exchange Board of India (Depositories and Participant) Regulations, 2018; and circulars/guidelines issued thereunder.

And based on the above examination, we hereby report that, during the review period:

(a) The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder, **except** in respect of matters specified below:-

Sr. No	Compliance Requirement (Regulations/ circulars / guidelines including specific clause)	Deviations	Observations/ Remarks of the Practicing Company Secretary
1.	Regulation 46	The Company has not hosted the required compliances on the website of the Company such as financial results, newspaper publication etc. for the F.Y. 2020-21	As explained by the management they are in a process to update the same
2.	Regulation 23(9)	Non-compliance with disclosure of related party transactions on consolidated basis for the quarter ended 30.09.2020	As explained by the management, the said regulation is not applicable to the company for the said quarter

(b) The listed entity has maintained proper records under the provisions of the above Regulations and circulars/ guidelines issued thereunder in so far as it appears from our examination of those records;

(c) The following are the details of actions taken against the listed entity/ its promoters/ directors/ material subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under the aforesaid Acts/ Regulations and circulars/ guidelines issued thereunder:

Sr. No	Action taken by	Details of violation	Details of action taken E.g. fines, warning letter, debarment, etc.	Observations/ remarks of the Practicing Company Secretary, if any.
1.	BSE Ltd on 23.10.2020	Non-appointment of Company Secretary and Compliance Officer	The Company has received email from BSE dated 23rd October, 2020 for non-appointment of Company and	As informed by the management , they have made the payment of fine as imposed

			Compliance Officer for the Sep. 2019 & Dec. 2019 quarters and imposed the total fine of Rs. 1,77,000 (including 18% GST)	by BSE on 04.11.2020
3	BSE Limited on 18.01.2021	Non-compliance with disclosure of related party transactions on consolidated basis for quarter ended 30.09.2020 under Regulation 23(9) of SEBI (LODR), 2015	The fines was imposed of Rs. 2,06,500	As explained by the management the said regulation is not applicable to the company for the said quarter and the Company has requested for waiver of fee on 22.01.2021

(d) The listed entity has taken the following actions to comply with the observations made in previous reports:

Sr. No	**Observations of the Practicing Company Secretary in the previous reports**	**Observations made in the secretarial compliance report for the year ended 31st March, 2020**	**Actions taken by the listed entity, if any**	**Comments of the Practicing Company Secretary on the actions taken by the listed entity**
1.	Non-appointment of Company Secretary	The Company has received notice from BSE dated 14th November, 2019 for non-appointment of Company and imposed the total fine of Rs. 89,680 (including 18% GST)	The Company has paid the fine on 26.11.2020	Imposed penalty was paid by Company on 26.11.2020
2.	Non-appointment of Company Secretary	The Company has received notice from BSE dated 12th	The Company has paid the fine on 26.11.2020	N.A.

		February, 2020 for non-appointment of Company and imposed the total fine of Rs. 87,320 (including 18% GST)		
3.	Non-compliance of Reg. 17 to 21 of SEBI (LODR), 2015	As The Company has received notice from BSE dated vide e-mail dated 3rd February, 2020 for non-compliance of Corporate Governance Report, Non-compliance of Composition of Board, Non-compliance of composition of Audit Committee and Nomination and remuneration Committee and imposed the total fine of Rs. 2,17,120 (including 18% GST)	As informed by the Management that they have requested to forego the levied fine vide their letter dated 25th February, 2020. Still not received any response	Request for waiver of penalty made

For: M/s. Deep Shukla & Associates
Company Secretaries
Sd/-
Deep Shukla
{Proprietor}
FCS: 5652
CP NO. 5364
UDIN: F005652C000517121

Place: Mumbai
Date: 25/06/2021

ANNEXURE – VIII

REPORT ON CORPORATE GOVERNANCE

- **INTRODUCTION:**

Corporate Governance is not merely the compliance of a set of regulatory laws and regulations but is a set of good and transparent practices that enable an organization to perform efficiently and ethically to generate long term wealth and create value for all its stakeholders. It goes beyond building and strengthening the trust and integrity of the Company by ensuring conformity with the globally accepted best governance practices. The Securities and Exchange Board of India (SEBI) observes keen vigilance over governance and fulfillment of these regulations in letter and spirit, which entails surety towards sustainable development of the Company, enhancing stakeholders' value eventually.

- **COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE**

SWARNSARITA GEMS LIMITED, ('the Company'), The Company's philosophy on Corporate Governance envisages best management practices, compliance of law and adherence to these ethical standards has set a culture in the Company wherein good Corporate Governance underlines interface with all stakeholders. The Company is committed to attain the highest levels of transparency, accountability, and equity in all facets of its working, and in all its interactions with its stakeholders including shareholders, employees, lenders and the government.

The Company believes in adopting the best practices in the areas of Corporate Governance. Even in a strong competitive business environment, the Management and Employees of the Company are committed to value transparency, integrity, honesty and accountability which are fundamental core values of Corporate Governance.

A report on Corporate Governance in accordance with Part C of Schedule V to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015 ("hereinafter referred as SEBI (LODR) Regulations, 2015), is outlined below:

- **BOARD OF DIRECTORS**

The Board of Directors ("the Board") facilitates effective fulfillment of the Board's tasks and provides leadership and guidance to the Company's management and helps in supervising the performance of the Company and helps achieving goals. The Board plays a crucial role enhancing and protecting the reputation of the organization are expected to exercise their duties in the best interests of shareholders and to maximize wealth.

The Board comprises of the members distinguished in various fields such as management, finance, law and marketing. This provides reliability to the Company's functioning and the Board ensures a critical examination of the strategies and operational planning mechanisms adopted by the management across the globe.

The Company has an optimum combination of Directors on the Board and is in conformity with Regulation 17 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as on March 31, 2021, the Board comprised of 6 Directors out of which 3 are Non-Executive & Independent Directors; 3 are Executive Directors.

Agenda papers of the Boards and its Committee meetings are circulated to the Directors well in advance of the meetings, supported with significant information as per Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for an effective and well-informed decision making during the meetings.

The Board meets at regular intervals to discuss and decide on Company's business policy and strategy apart from other normal business. During the Financial Year 2020-2021, 10 (Ten) Board Meetings were held on 01st April, 2020, 09th July 2020, 17th July 2020, 02nd September, 2020, 15th September, 2020, 10th November 2020, 14th November 2020, 30th December, 2020, 12th February 2021 and 22nd March, 2021. Time gap between any two meetings was not more than 120 days.

Details of the composition, category of the Directors, their attendance at the Board Meetings held during the year & Annual General Meeting (AGM) held on 29th September 2020, Directorships and Committee Memberships are as under:

Name of the Director	Category	No. of Board Meetings Attended during the year	No. of Equity Shares held as on March 31, 2021	Attendance at previous AGM Held on 29.09.2020 (Y-Yes, N-No)	Directorship in other Companies (Including Private Companies		Committee Membership(s) of other Companies	
					Listed	Other Com-panies	Chairman-ship	Member-ship
Mr. Mahendra M. Chordia	Managing Director	10	4,03,980	Yes	NIL	2	NIL	NIL
Mr. Sunny M. Chordia	Whole Time Director	10	3,21,728	Yes	NIL	1	NIL	NIL
Mrs. Seema R. Chordia (Cessation	Whole Time Director	05	20,000	Yes	NIL	NIL	NIL	NIL

w.e.f 11-11-2020)								
Mrs. Rajul Chordia	Whole Time Director	4	NIL	NA	NIL	1	NIL	NIL
Mr. Umang Mitul Mehta	Non Executive Independent Director	9	NIL	Yes	NIL	NIL	NIL	NIL
Mr. Deep Shailesh Lakhani	Non-Executive Independent Director	10	NIL	Yes	NIL	1	NIL	NIL
Mr. Dhruvin B. Shah	Non-Executive Independent Director	10	NIL	Yes	NIL	1	NIL	NIL

The Board periodically reviews the compliance report of all laws applicable to the Company. All the Directors have made necessary disclosures about the directorships and committee positions they occupy in other companies. None of the Directors on the Board is a Member of more than 10 Committees and Chairman of more than 5 Committees across all Companies in which they are Directors.

The particulars of Directors, who are proposed to be re-appointed at the ensuing AGM, are given in the Notice convening the AGM.

Further, there are no inter-se relationships between our Board Members except Mr. Mahendra Madanlal Chordia, Mr. Sunny Mahendra Chordia and Mrs. Rajul Chordia being relative and promoter of the Company.

- **Audit Committee**

The Audit Committee comprises of experts specializing in accounting / financial management. During the Financial Year 2020-2021, 5(Five) Committee Meetings were held on 10th July 2020, 15th September 2020, 14th November 2020, 12th February, 2021 and 22nd March 2021. The time gap between any two meetings was not more than 4 months and the Company has complied with all the requirements as mentioned under the Listing Agreement/SEBI (LODR) Regulations, 2015 and the Companies Act, 2013.

Details of the composition of the Committee and attendance during the year are as under:

Name of the Director	Category	No. of Meetings Attended
Mr. Dhruvin Bharat Shah	Chairperson, Independent Director	05
Mr. Umang Mitul Mehta	Member, Independent Director	05
Mr. Deep Shailesh Lakhani	Member, Independent Director	05

The terms of reference of the Audit Committee are in order to cover the matters specified under revised Regulation 17(2) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 177 of the Companies Act, 2013. This Committee has powers and roles comprising of Financial Reporting and disclosure, recommendation of appointment/removal of Auditors, reviewing of company's results, evaluation of Independent Directors performances.

- **Nomination and Remuneration Committee**

The Committee's constitution and terms of reference are in compliance with provisions of section 178 of the Companies Act, 2013, Regulation 19 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.

During the Financial Year 2020-2021, 5 (Five) Board Meetings were held on 10th July 2020, 15th September 2020, 14th November 2020, 12th February, 2021 and 22nd March 2021.

Details of composition of the Committee and attendance during the year are as under:

Name of the Director	Category	No. of Meetings Attended
Mr. Dhruvin Bharat Shah	Chairperson, Independent Director	05
Mr. Umang Mitul Mehta	Member, Independent Director	05
Mr. Deep Shailesh Lakhani	Member, Independent Director	05

This Committee has powers to recommend/ approve remuneration, Identification of Persons who are qualified to become director, Recommend to the board their appointment and removal, approve remuneration of Non Executive Directors.

The performance evaluation criteria for independent directors are defined in Performance Evaluation Policy, which is available on our website www.swarnsarita.com.

- **Remuneration Policy for Key Managerial Personnel and other Employees of the Company**

As per listing regulation the Company is required to frame Remuneration Policy for Key Managerial Personnel and Other employees. The Nomination and Remuneration Committee are responsible for Identifying suitable person eligible to become director and recommend to the Board their appointment and removal. Through its compensation programme, the Company endeavors to attract, retain, develop and motivate a high performance workforce.

Details of remuneration paid to Directors and Key Managerial Personnel are as under:

Sr. No.	Name of Directors and KMP	Designation	Fixed Salary per annum (In Rs.)			Commission	Sitting Fees	Total
			Basic	Perquisite/ Allowance	Total Fixed Salary			
1	Mr. Mahendra Madanlal Chordia	Chairman & Managing Director	63,00,000	--	63,00,000	---	---	63,00,000
2	Mr. Sunny Mahendra Chordia	Wholetime Director	42,00,000	---	42,00,000	---	---	42,00,000
3	Mrs. Rajul Chordia (Appointment w.e.f. 10-11-2020)	Additional Director	9,60,000	---	9,60,000	---	---	9,60,000
4	Mrs. Seema R. Chordia (Cessation w.e.f. 11-11-2020)	Wholetime Director	9,00,000	----	9,00,000	---	---	9,00,000
5	Mr. Dhruvin Bharat Shah	Independent Director	---	---	---	---	4,50,000	4,50,000

6	Mr. Deep Shailesh Lakhani	Independent Director	---	---	---	---	6,000	6,000
7	Mr. Umang Mitul Mehta	Independent Director	---	---	---	---	---	---
8	Mr. Sanket Sushil Dangi	Chief Financial Officer	11,25,000	---	11,25,000	---	---	11,25,000
9	Mr. Deepak Suthar	Company Secretary	2,18,470	---	2,18,470	---	---	2,18,470

Further, there is no pecuniary relationship or transactions of the non-executive directors vis-à-vis the Company. None of the Executive Directors are eligible for payment of any severance fees.

- **Stakeholders' Relationship Committee**

The terms of reference are in line with Section 178 of the Companies Act, 2013 and Regulation 20 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Committee reviews Shareholder's/ Investor' s complaints like non-receipt of Annual Report, physical transfer/ transmission/transposition, split/ consolidation of share certificates, issue of duplicate share certificates etc. This Committee is also empowered to consider and resolve the grievance of other stakeholders of the Company including security holders.

During the Financial Year 2020-2021, 04(Four) Meetings were held on 10th July 2020, 15th September 2020, 14th November 2020 and 12th February, 2021. The details of composition of the Committee and attendance during the year are as under:

Name of the Director	Category	No. of Meetings Attended
Mr. Dhruvin Bharat Shah	Chairperson, Independent Director	04
Mr. Umang Mitul Mehta	Member, Independent Director	04
Mr. Deep Shailesh Lakhani	Member, Independent Director	04

The details of complaints received and resolved during the Financial Year ended March 31, 2021 are given in the Table below. The complaints relate to non-receipt of annual report, dividend, share transfers, other investor grievances, etc.

Details of complaints received and resolved during the Financial Year 2020-21:

Particulars	Number of Compliant
Opening as on April 1, 2020	-
Received during the year	-
Resolved during the year	-
Closing as on March 31, 2021	-

- **Composition Of Corporate Social Responsibility (CSR) Committee**

As per provisions of Companies Act, 2013 and including amendment thereof. The CSR Committee was framed. The details of composition of the Committee and attendance during the year are as under:

Sr. No.	Name of Director & Designation	Category	Designation in committee	No. of Meetings Attended	Date of Appointment
1	Mr. Deep Shailesh Lakhani	Chairperson, Independent Director	Chairman	4	01-04-2020
2	Mr. Mahendra Madanlal Chordia	Member, Executive Director	Member	4	01-04-2020
3	Mr. Sunny Mahendra Chordia	Member, Executive Director	Member	4	01-04-2020

The (CSR) Committee met 04 (Four) times during the year under the review.

- **General Body Meetings:**

Venue, day, date and time of last three AGMs:

Financial Year	Date of the AGM	Location	time	Special Resolution passed
2017-2018	26th September, 2018	Agrasen Bhavan, 90 feet Road, Garodiya Nagar, Ghatkopar (East), Mumbai-400077.	10.00 A.M.	1
2018-2019	26th September, 2019	Balbhawan, Ghatkopar Balkan Ji Bari Marg, Opposite Rajwadi Garden, Ghatkopar East, Mumbai 400077, Maharashtra, India	10:00 A.M.	NIL
2019-2020	29th September, 2020	Through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM")	11:00 A.M	NIL

No Special Resolution was passed by the Company last year through Postal Ballot. None of the businesses proposed to be transacted at the ensuing AGM require passing a Special Resolution through Postal Ballot.

- **Training for Board Members**

Regulation 25(7) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, every listed company is required to conduct familiarization programme enabling the Independent Directors of the Company to understand the Company's business in depth that would facilitate their active participation in managing the Company.

The Company has adopted a system to familiarize its Independent Directors with the Company, to make them aware of their roles, rights & responsibilities in the Company, and nature of the industry in which the Company operates business model of the Company, etc.

- **Performance Evaluation**

The performance evaluation process is a constructive mechanism for improving board effectiveness, maximizing strengths and tackling weaknesses, leading to an immediate improvement in performance throughout the organization. The Board of the Company has carried out the annual performance evaluation of its own performance, the Directors individually including the Chairman of the Board as well as the evaluation of the working of its Audit Committee, Nomination & Remuneration Committee, and Stakeholders Relationship Committee on parameters such as attendance and participation in the Meetings, preparedness for the meetings, understanding of the Company & the external environment in which it operates, contribution to strategic direction, raising of valid concerns to the Board, constructive contribution to issues, active participation at meetings and engaging with & challenging the management team without confronting or obstructing the proceeding of the Board and its Committee meetings of which the Director is a member pursuant to the provisions of the Companies Act, 2013 and Regulation 17 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors at its meeting. The Directors expressed their satisfaction with the evaluation process.

- **Disclosures**

I. Related Party Transactions

The transactions with related parties as per Accounting Standard AS-18 are set out in Notes to accounts under Note no. 33 forming part of financial statements. Further, transactions were entered into with Related Parties as defined under Section 188 the Companies Act, 2013 at Arm's Length Price. However the details of the transaction are enclosed as **ANNEXURE IX**.

II. Managing Director Certification

Certification on financial statements pursuant to Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 has been obtained from the Managing Director of the Company. Extract of the same is given at the end of this Report.

III. Code of Conduct for Directors

The Board has laid down Codes of Conduct for Executive Directors and for Non-Executive/ Independent Directors of the Company. The Codes of Conduct have been circulated to the Board and the compliance of the same has been affirmed by them. A declaration signed by the Managing Director (MD) in this regard is given at the end of this Report.

IV. Subsidiary Companies

The Company has one material non-listed Indian Subsidiary Company as defined in Regulation 24 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

V. Risk Management & Internal Control

The board has ultimate responsibility for risk management and internal control, including for the determination of the nature and extent of the principal risks it is willing to take to achieve its strategic objectives and for ensuring that an appropriate culture has been embedded throughout the organization. The Company has implemented a comprehensive 'Enterprise Risk Management' framework in order to understand the risks they are exposed to, put controls in place to counter threats, and effectively pursue their objectives and further to anticipate, identify, measure, mitigate, monitor and report the risks, details of which are given in the Risk Management section under 'Management Discussion and Analysis Report' which forms part of this Annual Report. The team presents their key audit findings of every quarter to the Audit Committee. The management updates the members

about the remedial actions taken or proposed for the same. The suggestions and comments from the Committee members are vigilantly incorporated and executed by the Company.

VI. Independent Directors

The Independent Directors of the Company have the option and freedom to meet and interact with the Company's Management as and when they deem it necessary. They are provided with necessary resources and support to enable them to analyze the information/data provided by the Management and help them to perform their role effectively.

VII. Compliance with mandatory / discretionary requirements under Regulation 27 read with Schedule II Part E of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

The Company has complied with all mandatory requirements under Regulation 27 and Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The status of compliance with non mandatory recommendations under Regulation 27 and Part E of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is provided below:

- Separate posts of Chairman and CEO : The Company has Chairman and there were no CEO appointed.
- Modified opinion in Audit Report: The Company has moved to unmodified audit opinion regime
- Reporting of Internal Auditor: The Internal Auditor reports to the Audit Committee.

VIII. Review of Directors' Responsibility Statement:

The Board in its report has confirmed that the annual accounts for the financial year ended 31st March, 2021 have been prepared as per applicable Accounting Standards and policies and that sufficient care has been taken for maintaining adequate accounting records.

IX. Details of utilization of funds raised through preferential allotment or qualified institutions placement:

The Company has not raised any funds through preferential allotment or qualified institutions placement as specified under Regulation 32(7A) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 during the financial year ended 31st March, 2021.

X. Recommendation by Committee:

The Board has accepted all recommendations made by its committees during the financial year ended 31st March, 2021.

XI. Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditors and all entities in the network firm/network entity of which the statutory auditor is a part, given below:

Nature of Payments	Amount (Rs. In Lakhs)
Statutory Audit Fees	4.00
Audit Fees for Limited Review	1.00
GST Audit Fees	2.85
Total	**7.85**

XII. Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

Sr. No.	Particulars	No. of Complaints
a.	Complaints filed during the financial year	Nil
b.	Complaints disposed of during the financial year	Nil
c.	Complaints pending as end of the financial year	Nil

XIII. Disclosure of the compliance with Corporate Governance:

The Company has complied with the Regulations 17-20, 22-23, 24A, 25-27 and Clauses (b) to (i) of sub regulations (2) of Regulation 46 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, during the financial year ended 31st March, 2021. Regulations 21 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 are n

- **Means of Communication**

The quarterly and annual financial results are normally published in Business Standard (English) and Mumbai Lakhsdeep (Marathi) newspapers. The following information is promptly uploaded on the Company's website viz. www.swarnsarita.com.

- **General Shareholder Information**

i. Annual General Meeting

Day, Date & Time	Monday, September 27, 2021 at 11:30 A.M. (IST)
Venue	Through VC or OAVM

ii. Financial year - April 01, 2021 to March 31, 2022

Financial Calendar (Tentative) – Financial Year 2021-22

1st Quarter : On or before 15th August, 2021
2nd Quarter : On or before 15th November, 2021
3rd Quarter : On or before 15th February, 2022
4th Quarter : On or before 30th May, 2022
(Audited yearly result for the year ended March 2021- End of June 2021)

iii. Dividend

In order to conserve the resources for the further growth of the Company, your Directors think fit not to recommend any dividend for the year under review.

iv. Listing with Stock Exchange:

The Company confirms that it has paid the Annual Listing Fees for the year 2021-22 to BSE where the Company's Equity Shares are listed.

v. Stock Code / Symbol

BSE	526365
ISIN in (NSDL and CDSL)	INE967A01012
Corporate Identity Number (CIN)	L36911MH1992PLC068283

vi. Market Price Data

The market price data i.e. monthly high and low prices of the Company's shares on BSE Limited (BSE) are given below:

Month	*BSE	
	Share Price (in Rs.)	
	High	Low
Apr-2020	7.82	6.10
May-2020	6.19	5.80
Jun-2020	8.00	5.60
Jul-2020	9.27	6.75
Aug-2020	7.79	6.10
Sep-2020	7.65	5.50

Oct-2020	8.08	5.81
Nov-2020	8.29	6.24
Dec-2020	14.99	6.50
Jan-2021	14.45	9.47
Feb-2021	13.69	9.71
Mar-2021	14.20	10.75

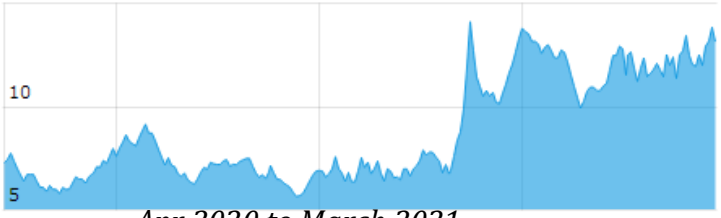
Source: BSE Website

vii. Performance in comparison

The company Fully Paid Share Price versus BSE SENSEX

Share Price

Price



Apr 2020 to March 2021

BSE Sensex

viii. Registrar & Transfer Agent

Link Intime India Private Limited
C-101, 247 Park, L.B.S.Marg, Vikhroli West,
Mumbai – 400083, Maharashtra, India.
Tel No.: 022 - 4918 6270
E-mail: rnt.helpdesk@linkintime.co.in

ix. Share Transfer System

Share Transfers in physical form can be lodged Link Intime India Pvt. Ltd. The transfers are normally processed within 15 days from the date of receipt if the documents are complete in all respects.

x. Distribution of shareholding

Share Holding(nominal Value) Rs.	Shareholders	
	no.	%
Upto 5,000	5408	3.37
5,001-10,000	303	1.20
10,001- 1,00,000	368	6.04
100,001 and above	100	89.39
Total	**6179**	**100.00**

xi. Shareholding Pattern as on 31st March, 2021:

Category	No. of Shares held	% of holding
Promoters	1,04,77,598	50.19
Financial Institutions, Insurance Companies, Banks and Mutual Funds, etc.	0	0
Foreign Institutional Investors	0	0
Bodies Corporate	5,86,773	2.81
NRIs / OCBs	1,03,729	0.50
Indian Public	93,48,347	44.77
Clearing Members	44,735	0.21
IEPF	3,15,418	1.51
Foreign National	200	0.01
total	**20876800**	**100.00**

xii. Top 10 Shareholders as on March 31, 2021

SN	Name of Top 10 Shareholders	Shareholding as on 31st March, 2021	
		No. of shares	% of total shares of the company
1.	Mrs. Sheela Sunil Kothari	6,63,271	3.18
2.	Mr. Jagdishchandra Jajoo	4,83,700	2.32
3.	Mrs. Luxmi Kant Gupta	3,87,806	1.86
4.	Mr. Piyush Dilip Nabera	3,70,673	1.78
5.	Mr. Shivajirao S Jondhale	3,70,855	1.78
6.	Mrs. Kantadevi Maheshwari	2,25,000	1.08
7.	Mrs. Sadhana Nabera	2,06,150	0.99
8.	Mr. Balchand Jain	2,00,000	0.96
9.	Mr. Asha Balchand Jain	2,00,000	0.96
10.	Mr. Nitin Rajendrakumar Daga	1,99,880	0.96

i. Dematerialization of Shares and Liquidity

According to the requirements of the Securities & Exchange Board of India (SEBI) the shares of the company are to be compulsorily traded in a dematerialized form. Consequently the company had written to its shareholders advising them that they had the option of converting their shareholdings from the physical form to the electronic form. As of 31st March, 2021, a total number of 2,04,86,875 shares, representing 98.13% of the total shares of the company have been dematerialized.

ii. Skills matrix for the Directors

The Board of Directors of the Company comprises members, who bring in the required skills and expertise for effective functioning of the Company, the Board and its Committees.

Skill	Skill definitions
Strategy and Strategic Planning	Ability to identify and critically assess strategic opportunities and threats to the Company vis-à-vis the Company's objectives and develop strategies for the Company's long term growth and sustainability.
Corporate Governance	Ability to maintain management accountability and formulate policies to safeguard interests of the Company and shareholders; understanding of control environments and ability to ensure adherence to highest standards of corporate governance.
Business Acumen	Ability to drive success in the market and formulate policies for enhancing market share; ability

	to understand business environment and economic and regulatory conditions impacting market
Leadership	Understanding of operations and organizational processes; ability to develop talent and ensure succession planning; ability to bring about organizational change and improvement; ability to manage crisis.
Industry Knowledge	Experience and knowledge with respect to pig iron and foundry industry
Financial Skills	Expertise in financial management, capital allocation, financial reporting requirements; ability to evaluate merger / acquisition decisions and execute the same effectively, including integration of operations.
Technology	Ability to anticipate changes in technology, drive product and process innovation.
Legal and Regulatory Knowledge	Understanding of regulatory and legal frameworks.

Table given below summarizes key skills and expertise possessed by the Board of Directors:

Name of director	Skills							
	Strategy and strategic planning	Corporate governance	Business acumen	Leadership	Industry knowledge	Financial skills	Technology	Legal and regulatory Knowledge
Mr. Mahendra M. Chordia	✓	✓	✓	✓	✓	✓	✓	✓
Mr. Sunny M. Chordia	✓	✓	✓	✓	✓	✓	✓	✓
Mrs. Rajul Chordia	✓	✓	✓	✓	✓	✓	✓	
Mr. Deep Shailesh Lakhani	✓	✓	✓	✓	✓	✓		✓
Mr. Umang Mitul Mehta	✓	✓	✓	✓	✓	✓	✓	
Mr. Dhruvin B. Shah	✓	✓	✓	✓	✓	✓	✓	✓

iii. Address for Correspondence:

10, Floor-1St, Plot-40/42, Ruby Chambers, Dhanji Street, Zaveri Bazar, Mumbadevi, Mumbai-400003, Maharashtra, India

iv. Corporate Office Address:

Office No. 24, 2nd Floor, Navnidan Bhuvan, 3-7 Dhanji Street, Zaveri Bazar Mumbai 400002 Maharashtra, India

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS
OF SWARNSARITA GEMS LIMITED

Place: Mumbai
Date: 21.08.2021

Sd/-	Sd/-
Mahendra Madanlal Chordia	**Sunny Mahendra Chordia**
Managing Director	**Wholetime Director**
DIN: 00175686	**DIN: 06664041**

INDEPENDENT AUDITORS CERTIFICATE ON CORPORATE GOVERNANCE UNDER SEBI (LISTINGOBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

[Pursuant To Part E of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
The Members of Swarnsarita Gems Limited

1. We have examined the compliance with the conditions of Corporate Governance by **Swarnsarita Gems Limited** ('the Company') for the year ended March 31, 2021, as stipulated in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Listing Regulations), pursuant to the Listing Agreement of the company with the Stock Exchange.

Managements Responsibility

2. The compliance of the conditions of Corporate Governance is the responsibility of the management. Our examination was limited to a review of procedures and implementation
thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

Auditors Responsibility

3. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the company.

4. We have examined the books of account and other relevant records and documents maintained by the company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.

5. We have carried out an examination of the relevant records in accordance with the guidance note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India , the standards on Auditing specified under section 143(10) of the companies Act ,2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which

requires that we comply with ethical requirements of the Code of Ethics issued by the ICAI.

6. We have complied with the relevant applicable requirements of the Standard on Quality control (SQC) 1, Quality Control for Firms that perform Audits and Reviews of Historical Financial Information, and other Assurance and Related Services Engagements.

Opinion

7. Based on our examination of relevant records and according to the information explanations given to us, in our opinion and to the best of our information and according to the explanations given to us, and the representations made by the Directors and the Management and considering the relaxations granted by the Ministry of Corporate Affairs (MCA) and Securities and Exchange Board of India (SEBI) in the light of CoVID-19 situation, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations during the year ended March 31, 2021.

8. We state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Banshi Jain and Associates
Chartered Accountants
(Registration No.100990W)

Sd/-
R. B. Golecha
Partner
Membership No. 035348
UDIN:- 21035348AAAAGJ2301

Place: MUMBAI
Date: 21/08/2021

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS
(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members of
Swarnsarita Gems Limited

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Swarnsarita Gems Limited having CIN L36911MH1992PLC068283 and having Registered Office at 10, Floor-1St, Plot-40/42, Ruby Chambers, Dhanji Street, Zaveri Bazar, Mumbadevi, Mumbai-400003, Maharashtra, India (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number(DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2021 have been debarred or disqualified from being appointed or continuing as Directors of Companies, by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

DIN	Name of Director	Date of Appointment
00175686	Mr. Mahendra Madanlal Chordia	07/03/2011
06664041	Mr. Sunny Mahendra Chordia	17/10/2017
08827725	Mrs. Rajul Chordia	10/11/2020
07528387	Mr. Dhruvin Bharat Shah	28/05/2016
08018001	Mr. Deep Shailesh Lakhani	18/10/2018
07974230	Mr. Umang Mitul Mehta	05/02/2020

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion on these based on my verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For: M/s. DEEP SHUKLA & ASSOCIATES
COMPANY SECRETARIES

Sd/-
DEEP SHUKLA
{PROPRIETOR}
FCS: 5652
CP NO.5364
UDIN: F005652C000790315

Place: Mumbai
Date: 16/08/2021

CERTIFICATION FROM THE MANAGING DIRECTOR AND CFO:

In terms of Regulation 17(8) of **Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015** entered with the BSE Ltd (BSE), I hereby certify as under:

a) We have reviewed financial statements and the cash flow statement for the year ended March 31, 2021 and that to the best of our knowledge and belief:

   1) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

   2) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.

c) 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. We have disclosed to the auditors and the Audit Committee, 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 rectify these deficiencies.

There have been no

I. Significant changes in internal control over financial reporting during the year;

II. Significant changes in accounting policies during the year;

III. Instances of fraud of which we have become aware and the involvement therein, of the management or an employee having significant role in the Company's internal control system over financial reporting.

For Swarnsarita Gems Limited

	Sd/-	**Sd/-**
	Mahendra Madanlal Chordia	**Sanket Sushil Dangi**
Place: Mumbai	**Managing Director**	**Chief Financial Officer**
Date: 21.08.2021	**DIN: 00175686**	

DECLARATION BY THE MANAGING DIRECTOR ON 'CODE OF CONDUCT'

I hereby confirm that:

The Company has obtained from all the members of the Board and senior management, affirmation that they have complied with the Code of Conduct as applicable to them.

For Swarnsarita Gems Limited
Sd/-

Mahendra Madanlal Chordia
Managing Director
DIN: 00175686

Place: Mumbai
Date: 21.08.2021

ANNEXURE - IX

FORM -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 arms length transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at Arm's length basis – NIL.
2. Details of contracts or arrangements or transactions at Arm's length basis:

Sr. no.	Particulars	Description		
a)	Name (s) of the related party & nature of relationship	Mr. Rajendra m. Chordia (MD's Brother)	Mrs. Seema R. Chordia (MD's Brother Wife) (Cessation W.e.f 11.11.2020)	Mrs. Asha M. Chordia (MD's Wife)
b)	Nature of contracts/ arrangements/transaction	Remu-neration	Remu-neration	Remu-neration
c)	Duration of the contracts/ arrangements/transaction	Not Applicable	5 Years	From 18/10/2017
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	Rs.2.00 Lakhs .M.	Rs. 2.00 Lakhs .M.	Rs. 2.40 Lakhs
e)	Date of approval by the Board	01.07.2017	01.07.2017	14.11.2017
f)	Amount paid as advances, if any	-	-	-

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS
OF SWARNSARITA GEMS LIMITED

Place: Mumbai
Date: 21.08.2021

Sd/-
Mahendra Mahendra Chordia
Managing Director
DIN: 00175686

Sd/-
Sunny Mahendra Chordia
Wholetime Director
DIN: 06664041

Annexure – X

CSR POLICY

(Approved by the Board of Directors on August 21, 2021)

1. Title and applicability:

The document describes the Corporate Social Responsibility Policy ("CSR policy") of Swarnsarita Gems Limited ("the company"). It includes the Company's vision, mission and other relevant attributes of Corporate Social Responsibility.

The CSR policy shall be guided by Company's corporate philosophy of respect for the individual and the society at large.

The CSR policy has been formulated in accordance with the requirements of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014 and the relevant amendments / notifications / circulars.

The CSR policy shall apply to all CSR programs of Company.

2. Vision and Mission:

The Company is committed to build a sustainable business with strong social relevance and a commitment to inclusive growth and contribute to the society by supporting causes on various concerns about health-care.

In pursuance of our vision that Company desires to assist people and animals to live healthier through innovative medicines. We are dedicated towards fulfilling the social objectives through various CSR activities. The Company shall make its endeavor to positively impact and influence the Society for its sustainable development.

3. CSR Committee:

3.1. Constitution of CSR Committee

In compliance with the CSR Rules, a Corporate Social Responsibility Committee ("the CSR Committee") has been constituted by the Board of Directors to oversee the CSR agenda of the Company.

Board of Directors shall be empowered to take decision for making or effecting changes in the constitution of the CSR Committee.

The composition of CSR Committee shall be disclosed in the Board of Directors' Report and the Website of the Company.

3.2. Responsibilities of the CSR Committee

a. To formulate & recommend to the Board of Directors, a CSR Policy indicating the activities to be undertaken as specified in Schedule VII of the Companies Act, 2013 and modify / amend the same as required;
b. To recommend the amount of expenditure to be incurred on CSR activities;

c. To develop and institutionalize a CSR reporting mechanism in light with Section 135, Rule 8 of the Companies Act 2013;

d. To ensure that KIL corporate website displays the approved CSR policy of the company;

e. To monitor the CSR Policy, Projects and Programs from time to time.

f. To formulate and recommend to the Board, an annual action plan in pursuance of its CSR

Policy which shall include the following:

The list of CSR projects or programmes that are approved to be undertaken in areas or subjects specified in Schedule VII of the Companies Act, 2013;
The manner of execution of such projects or programmes ;
The modalities of utilization of funds and implementation schedules for the projects or programmes; and
Monitoring and reporting mechanism for the projects or programmes.

3.3. Meetings of CSR Committee

The CSR Committee shall meet as and when the CSR Committee deems appropriate and in any event shall be held not less than twice a year.

4. Monitoring of CSR programs:

Corporate Social Responsibility Committee shall monitor Corporate Social Responsibility Policy of the company from time to time and it shall provide its report to the Board of Directors on annual basis.

5. Effective Date:
The new CSR Policy shall be effective from the date of its approval by the Board of Directors.

6. Review Mechanism & Governance

Every year, the CSR Committee will place for the Board's approval, a CSR plan delineating the CSR programs to be carried out during the financial year and the specified budgets thereof as per the applicable provisions of the Act. The Board will consider and approve the CSR Plan with any modification that may be deemed necessary. The Board of a company shall satisfy itself that the funds so disbursed for CSR activities have been utilised for the purposes and in the manner as approved by it and the Chief Financial Officer or the person responsible for financial management shall certify to the effect. The CSR Committee will assign the task of implementation to the management group led by the Managing Director who will in turn report to the CSR Committee on progress as such frequency as the CSR Committee may direct. At the end of every financial year, the CSR committee will submit its report to the Board.

7. CSR Expenditure:

CSR expenditure will include all expenditure, direct and indirect, incurred by the Company on CSR programs undertaken in accordance with the approved CSR Plan. Any income arising from the CSR programs will be netted off from the CSR expenditure and such net amount will be reported as CSR expenditure. The expenditure will be fully supported with all documentary evidences as may be required and specified by the CSR committee.

8. CSR Funds:

a) The Board of the Company to ensure that minimum of 2% of average net profit of the last 3 years is spent on CSR initiatives undertaken.
b) In case at least 2% of average net profit of the last 3 years is not spent in a financial year, reasons for the same to be specified in the CSR report.
c) Any surplus generated out of the CSR activities not to be added to the normal business profits of the Company.
d) In case the company spends an amount in excess of the 2%, then the company may set off such excess amount up to immediate succeeding 3 (Three) financial year subject to following conditions:
(i) the excess amount available for set off shall not include the surplus arising out of the CSR activities, if any;
(ii) the Board of the Company shall pass a resolution to that effect.

9. DISCLOSURE:

The Company's engagement in this domain shall be disseminated on its website, annual reports and/ or its in-house journals as and when deem fit.
The Company will also disclose the CSR projects/programmes/activities on the official website as required under the Act and the rules. A brief summary of CSR projects/programmes/activities will also be included in the Annual Report in the prescribed format as per the CSR rules of the Act. The CSR Policy issued pursuant to the Act

has been recommended by the CSR Committee of the Board of Directors and approved by the Board of Directors and shall be placed on the Company's website.

10. Review and amendments of the CSR Policy:

The CSR Committee shall review the CSR Policy from time to time based on the changing needs and make suitable modifications as may be necessary with the approval of the Board. In case of any amendment(s), clarification(s), circular(s) etc. issued by the relevant authorities, not being consistent with the provisions laid down under this Policy, then such amendment(s), clarification(s), circular(s) etc. shall prevail upon the provisions hereunder and this Policy shall stand amended accordingly from the effective date as laid down under such amendment(s), clarification(s), circular(s) etc.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS
OF SWARNSARITA GEMS LIMITED

Place: Mumbai
Date: 21.08.2021

Sd/-	Sd/-
Mahendra Madanlal Chordia	**Sunny Madanlal Chordia**
Managing Director	**Wholetime Director**
DIN: 00175686	**DIN: 06664041**

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF SWARNSARITA GEMS LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Swarnsarita Gems Limited ("the Company"), whichcomprise the standalone Balance Sheet as at March 31, 2021, the standalone Statement of Profit and Loss (including other comprehensive income), standalone statement of changes in equity and the standalone Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013("the Act") in the mannerso required and give a true and fair view in conformity with the Accounting Standards as prescribed under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014 and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, the profit and its cash flows for the year ended on thatdate.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing 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 Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of CharteredAccountants of India(ICAI) together with the independence requirements that are relevant to our audit ofthe standalone 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 ICAI's Code of Ethics. We believe thatthe audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financialstatements.

Key Audit Matters

Key audit matters ('KAM') are those matters that, in our professional judgment, were of the most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have not identified any of such matters that are to be reported separately here during the current period.

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

The Company's Board of Directors is responsible for the preparation of the other information. The other

information comprises the information included inAnnual Report, but does not include the standalone financial statements and our auditor's reportthereon.

Our opinion on the standalone financial statements does not cover the other informationand we do not express any form of assurance conclusionthereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materiallyinconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materiallymisstated.If, based on the work we have performed, we conclude that there isa material misstatement of this otherinformation;we are required to report that fact. We have nothing to report in thisregard.

Responsibility of Management for the Standalone FinancialStatements

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 standalone financial statements that give a true and fair view of the standalone financial position, standalone financial performance, standalone profit and other comprehensive income,, standalone statement of changes in equity and standalone cash flows of the Company in accordance with 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud orerror.

In preparing the standalone 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 doso.

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

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone 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 ofusers taken on the basis of these standalone financialstatements.

As part of an audit in accordance with Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that issufficient andappropriate 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 internalcontrol.

- Obtain an understanding of internal financial controls relevant to the audit inorder to designaudit 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 suchcontrols.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made bymanagement.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on theaudit 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 standalone 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 causethe Company to cease to continue as a goingconcern.

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's 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 suchcommunication.

Report on Other Legal and Regulatory Requirements

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

2. (A) As required by Section 143(3) of the Act, based on our audit we reportthat:

   a) We have sought and obtained all the information and explanations which to thebestofourknowledgeand belief were necessary for the purposes of ouraudit.

   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 thosebooks.

   c) The standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows dealt with by this Report are in agreement with the relevant books ofaccount.

   d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with rule 7 of Companies (Accounts) Rules 2014.

   e) On the basis of the written representations received from the directors as on March 31,2021 takenon record by the Board of Directors, none of the directors is disqualified ason March 31, 2021 frombeing appointed asa director in terms of Section 164 (2) of theAct.

   f) With respect to the adequacy of the internal financial controls over financial reporting with reference to these standalone financial statements of the company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internalfinancial controls over financialreporting;

   (B) 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 tous:

      i. The Company has disclosed the impact of pending litigations on its financial position in its financial
      statements. Refer note 35 of Notes to the financial statements

      ii. The Company did not have any long – term contracts including derivative contracts for which there were any material foreseeable losses.

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

(C) With respect to the matter to be included in the Auditors' Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

For Banshi Jain and Associates
Chartered Accountants
(Firm's Registration
No.100990W)

Sd/-
R. B. Golecha
Partner
Membership No. 035348
UDIN:21035348AAAAFL7150

Place: MUMBAI
Date: 23rd June2021

Annexure 'A' to The Independent Auditor's Report

(Referred to in paragraph 2 under the heading 'Report on Other Legal and Regulatory Requirements' of our report to the members of Swarnsarita Gems Limited)

Based on the audit procedures performed for the purpose of reporting a true and fair view on the standalone financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

1. In respect of the Company's fixedassets:

   (a) The Company has maintained proper records showing full particulars,including quantitative details and situation of fixedassets.

   (b) The company has a regular program of physical verification of its fixed assets under which the fixed assets are verified in a phased manner, which, in our opinion is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this program, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification.

   (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deed of immovable property is held in the name of the company.

2. In respect of its inventories:

   a) As explained to us, the inventory available in the hands of the company has been physically verified during the year by the Management. In our opinion, the frequency of verification is reasonable.

   b) According to the information and explanations given to us, in our opinion, the procedures of physical verification of inventories followed by the Management are reasonable and adequate in relation to the size of the Company and the nature of its business.

   c) According to the information and explanations given to us and on the basis of our examination of records of inventory, in our opinion, the Company has maintained proper records inventory and there were no material discrepancies noticed on verification between the physical inventory and the book records.

3. According to the information and explanation given to us, the company has granted unsecured loans to parties covered in the register maintained under section 189 of the Companies Act. The balance Outstanding as at the end of the year was Rs. 10,13,48,333/- . In our opinion and according to the information and explanation given to us:-

   a) The terms and conditions of the grant of aforesaid loans are not prejudicial to the company's interest.

   b) In respect of the aforesaid loans, the parties are repaying the principal amounts as stipulated and are also regular in payment of interest, wherever applicable.

c) There are no amounts of loan granted to the company listed in the register maintained under section 189 of the Act, which were overdue for more than ninety days.

4. In our opinion and according to the information and explanations given to us, provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans to directors including entities in which they are interested and in respect of loans and advances given, investments made, guarantees and securities given have been complied by the company.

5. In our opinion, the Company has not accepted deposits within the meaning of Section 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended).Accordingly the provisions of clause 3(v) of the Order are not applicable.

6. The central government has not prescribed the maintenance of cost records under section 148(1) of the Act.

7. According to the information and explanation given to us in respect of statutory dues:

a) Undisputed statutory dues including provident fund, employees' state insurance, income tax, duty of customs, goods and service tax, cess and other statutory dues have generally been regularly deposited with the appropriate authorities.

According to the information and explanation given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, duty of customs, goods and service tax, and cess and other statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

b) According to the information and explanations given to us, there are no material dues including provident fund, employees' state insurance, income-tax, service tax, cess and any other statutory dues which have not been deposited with the appropriate authorities on account of any dispute. However, according to the information and explanations given to us, the particulars of dues of income tax and sales tax as at 31st March, 2021 which have not been deposited on account of any dispute, are as follows.

Name of the Statute	**Nature of Dues**	**Amounts involved Rs.**	**Period to which the amount relates**	**Forum where dispute is pending**
Income Tax	Income Tax	4,43,51,370/-	2012-13	Commissioner of Income Tax (Appeals)
Income Tax	Income Tax	3,76,656/-	2017-18	Commissioner of Income Tax (Appeals)
WB VAT	VAT	21,90,328/-	2018-19	Senior Joint Commissioner

8. According to the records of the company examined by us and the information and explanations given to us, the company has not defaulted in repayment of dues to any financial institution or bank as at the balance sheet date. Further the Company has not issued any debentures as at the balance sheet date

9. The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year or term loans and hence reporting under clause 3 (ix) of the Order is not applicable to the Company.

10. No fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during theyear.

11. Managerial remuneration has been paid by the company in accordance with the requisite approvals mandated by the provisions of Section 197 of the Act read with Schedule V to the Act.

12. In our opinion, the Company is not a Nidhi Company. Accordingly, provision of clause 3 (xii) of the Order is not applicable to theCompany.

13. In our opinion all transactions with the related parties are in compliance with Section 177 and 188 of the Act where applicable, and the requisite details have been disclosed in the notes to financial statements, as required by the applicable accounting standards.

14. During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly paid convertible debentures.Accordingly reporting under clause 3 (xiv) of the Order is not applicable to theCompany.

15. In our opinion, the Company has not entered into any non – cash transactions with directors or persons covered with them under section 192 of the Act.

16. The Companyis not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For Banshi Jain and Associates
Chartered Accountants
(Firm's Registration No. 100990W)

Sd/-

R. B. Golecha
Partner
Membership No.
035348

Place: MUMBAI
Date: 23rd June 2021

UDIN:21035348AAAAFL7150

Annexure –B to the Auditors' Report"

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

In conjunction with our audit of the standalone financial statements of Swarnsarita Gems Limited (the "Company") as at and for the year ended 31 March 2021, we have audited the internal financial controls over financial reporting of the Company as of that date.

Management's Responsibility for Internal Financial Controls

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

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were 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 authorizations of management and directors of the company and; (3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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, 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 March 31, 2021, 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 ICAI.

For Banshi Jain and Associates
Chartered Accountants
(Firm'sRegistration No.100990W)

Sd/-

R. B. Golecha
Partner

Place: MUMBAI

Date: 23rd June2021

Membership No. **035348**
UDIN:21035348AAAAFL7150

SWARNSARITA GEMS LIMITED
STANDALONE BALANCE SHEET AS ON 31ST MARCH 2021 (Rs. in lakhs)
CIN: L36911MH1992PLC068283

Particular	Note	As at 31.03.2021	As at 31.03.2020
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	1	506.42	154.61
Right to Use Assets	2	10.72	143.41
Intangible Assets	3	2.00	2.02
Financial Assets			
Investments	4	1,000.00	1,000.00
Other Financial Assets	5	1.60	57.55
Total Non-Current Assets		**1,520.74**	**1,357.59**
Current Assets			
Inventories	6	7,686.77	9,260.14
Financial Assets			
Investments	4	12.73	10.02
Trade Receivables	7	8,915.26	6,868.55
Cash and Cash Equivelants	8	373.79	229.30
Bank Balances Other than Cash and Cash Equivelants	9	2,814.01	1,681.01
Loans and Advances	10	1,040.15	1,154.74
Other Financial Assets	5	0.92	4.39
Other Current Assets	11	266.07	254.70
Total Current Assets		**21,109.70**	**19,462.86**
Total Assets		**22,630.41**	**20,820.45**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	12	2,083.76	2,083.76
Other Equity		8,420.89	7,787.12
Total Equity		**10,504.65**	**9,870.88**
Liabilities			
Non -Current Liabilities			
Long Term Provisions	13	27.88	37.11
Deferred Tax Liabilities	14	1.48	(10.80)
Financial liabilities			
Other Financial Liabilities	15	5.09	141.27
Total Non-Current Liabilities		**34.45**	**167.58**
Current liabilities			
Financial liabilities			
Borrowings	16	11,677.25	10,116.81
Trade Payables Due to:			
Micro and Small Enterprise		-	0.16
Other than Micro and Small Enterprise	17	115.20	181.35
Other Financial Liabilities	15	162.17	246.63
Other Current Liabilities	18	89.43	203.64
Short Term Provisions	19	11.74	18.40
Current Tax Liabilities (Net)	20	35.52	14.98
Total Current Liabilities		**12,091.31**	**10,781.98**
Total Equity and Liabilities		**22,630.42**	**20,820.45**

As per our report of even date

For Banshi Jain and Associates
Chartered Accountants
Firm Regn. No.- 100990W

R. B. Golecha
Partner
Membership No. 035348

Place: Mumbai
Date: 23-06-2021

For and On behalf of the Board of Directors of Swarnasraita Gems Limited

Sd/-
Mahendra M. Chordia
Managing Director
DIN: 00175686

Sd/-
Rajul Chordia
Director
DIN: 08827725

Sd/-
Umang Mitul Mehta
Director
DIN: 07974230

Sd/-
Sunny Mahendra Chordia
Director
DIN: 06664041

Sd/-
Dhruvin Bharat Shah
Director
DIN: 07528387

Sd/-
Deep Shailesh Lakhani
Director
DIN: 08018001

Sd/-
Sanket Dangi
Chief Financial Officer

Sd/-
Deepak Suthar
Company Secretary

Swarnsarita Gems Limited
Standalone Statement of Profit and loss for year ended 31st March 2021
CIN: L36911MH1992PLC068283

(Rs. in lakhs)

Particulars	Note	Year Ended 31 March 2021	Year Ended 31 March 2020
Revenue from operation	22	57,540.04	55,873.52
Other Income	23	435.79	712.63
Total Income		**57,975.83**	**56,586.14**
Expenses			
Cost of material consumed	24	53,899.03	53,121.57
Changes in Inventories of Finished Goods, Stock - In - Trade and Work in progress	25	1,837.19	1,031.25
Employee Benefit Expenses	26	391.02	682.26
Financial Costs	27	637.77	553.74
Depreciation and Amortization Expenses	28	40.02	86.12
Other Expenses	29	324.86	342.06
Total Expenses		**57,129.89**	**55,817.00**
Profit before tax		**845.94**	**769.14**
Tax Expense			
Current Tax		232.03	222.83
Tax for Earlier Year		-	31.07
Deferred Tax		12.28	(15.89)
Profit for the period		**601.63**	**531.14**
Other comprehensive income			
(A) Items that will not be reclassified to profit or loss			
Income tax relating to items that will not be reclassified to profit or loss		-	-
Actuarial Gains/Losses on Gratuity Provision		(32.13)	
(B) Items that will be reclassified to profit or loss			
Income tax relating to items that will be reclassified to profit or loss		-	-
Total other comprehensive Income		(32.13)	-
Total Comprehensive Income for the period		**569.50**	**531.14**
Earning per equity share			
Basic		2.73	2.54
Diluted		2.73	2.54

The accompaying notes form an integral part of the standalone financial statements.

As per our report of even date

For Banshi Jain and Associates
Chartered Accountants
Firm Regn. No.- 100990W

Sd/-

R. B. Golecha
Partner
Membership No. 035348

Place: Mumbai
Date: 23-06-2021

For and On behalf of the Board of Directors of Swarnasraita Gems Limited

Sd/-
Mahendra M. Chordia
Managing Director
DIN: 00175686

Sd/-
Rajul Chordia
Director
DIN: 08827725

Sd/-
Umang Mitul Mehta
Director
DIN: 07974230

Sd/-
Sunny Mahendra Chordia
Director
DIN: 06664041

Sd/-
Dhruvin Bharat Shah
Director
DIN: 07528387

Sd/-
Deep Shailesh Lakhani
Director
DIN: 08018001

Sd/-
Sanket Dangi
Chief Financial Officer

Sd/-
Deepak Suthar
Company Secretary

Swarnsarita Gems Limited
Standalone Statement of Cash Flow for the year ended 31st March 2021
CIN: L36911MH1992PLC068283

(Rs. in lakhs)

Particulars	2021	2020
Net Cash Flow From Operating Activities		
Profit before tax	845.94	769.15
Adjustment for :		
Depreciation and amourtization of expenses	40.02	86.12
Gain/Loss on Investments	(2.69)	0.42
Profit on Sale of Fixed Assets	(5.54)	(1.87)
Fixed Assets w/off	-	0.25
Actuarial Gain or Loss on post employement benefit	32.13	
Remeasurement of Financial Instruments	18.10	
Loss on revaluation financial hedge at fair value	40.63	
Interest Expenses (Net)	425.64	228.48
Operating Profit Before Working Capital Changes	**1,394.23**	**1,082.58**
1) (Increase) / Decrease in Inventories	1,573.37	989.31
2) (Increase) / Decrease in Trade Receivables	(2,064.82)	(562.59)
3) (Increase) / Decrease in Loans	114.59	(38.21)
4) (Increase) / Decrease in Other Financial Assets	59.43	(3.21)
6) (Increase) / Decrease in Other Current Assets	29.66	78.46
7) Increase / (Decrease) in Trade and other payable	(66.15)	(173.27)
8) Increase / (Decrease) in Other financial liabilities	(220.64)	(21.02)
9) Increase / (Decrease) in Short term Provision	(6.66)	18.40
10)Increase / (Decrease) in Long Term Provision	(9.23)	37.11
11) Increase / (Decrease) in Change in Current Tax Liabilities	-	(32.23)
12) Increase / (Decrease) in Other Current Liabilities	(154.84)	171.08
13) Increase / (Decrease) in Right to use assets	110.31	-
Cash Generated From Operations	**759.24**	**1,546.39**
Income Tax Paid	(253.83)	(253.90)
Net Cash From Operating Activities	**505.41**	**1,292.52**
Cash Flow From Investing Activities		
Payment for purchase of property, plant and equipment	(420.88)	(237.23)
Sale of Property Plant and Equipment	57.00	-
Proceeds from disposal/redemption of investments	-	6.80
Interest received	213.29	325.25
Net Cash Used In Investment Activities	**(150.59)**	**94.83**
Cash Flow From Financing Activities		
Short Term Borrowings	1,560.44	(2,975.09)
Interest paid	(637.77)	(553.74)
Net Cash Used In Financing Activities	**922.67**	**(3,528.83)**
Net change in cash and cash equivalents	**1,277.49**	**(2,141.48)**
Cash And Cash Equivalents As At The Commencement of the Year (Opening Balance)	229.30	82.57
Bank Balances Other than Cash and Cash Equivelants of the Year (Opening Balance)	1,681.01	3,969.22
Cash And Cash Equivalents As At The End of the Year	373.79	229.30
Bank Balances Other than Cash and Cash Equivelants of the Year (Closing Balance)	2,814.01	1,681.01
Net Increase / (Decrease) As Disclosed Above	**1,277.48**	**(2,141.48)**

Note :

The above Statement of Cash Flows has been prepared under indirect method as set out in Ind AS 7, 'Statement of Cash Flows', as specified under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standard) Rules, 2015 (as amended).
All figures in brackets are outflows
The previous year figures have been regrouped and rearranged wherever necessary

As per our report of even date

For Banshi Jain and Associates
Chartered Accountants
Firm Regn. No.- 100990W

Sd/-

R. B. Golecha
Partner
Membership No. 035348

Place: Mumbai
Date: 23-06-2021

For and On behalf of the Board of Director of Swarnsarita Gems Ltd.

Sd/-
Mahendra M. Chordia
Managing Director
DIN: 00175686

Sd/-
Rajul Chordia
Director
DIN: 08827725

Sd/-
Umang Mitul Mehta
Director
DIN: 07974230

Sd/-
Sunny Mahendra Chordia
Director
DIN: 06664041

Sd/-
Dhruvin Bharat Shah
Director
DIN: 07528387

Sd/-
Deep Shailesh Lakhani
Director
DIN: 08018001

Sd/-
Sanket Dangi
Chief Financial Officer

Sd/-
Deepak Suthar
Company Secretary

Swarnsarita Gems Limited
Statement of Change in Equity
CIN: L36911MH1992PLC068283
A. Equity Share Capital

Particulars	Balance at the Beginning of the year	Changes in Equity share capital during the year	Balance at the end of the year
March 31, 2020			
Numbers	22,000,000	-	**22,000,000**
Amount	2,083.76	-	**2,083.76**
March 31, 2021			
Numbers	22,000,000	-	**22,000,000**
Amount	2,083.76	-	**2,083.76**

B. Other Equity as on 31st March, 2021 (Rs. in lakhs)

Particulars	Other equity					Total
	Capital reserve	Securities premium reserve	General reserve	Retained earnings	Other items of other comprehensive income	
Balance as of April 1, 2020	67.50	1,368.10	49.46	6,302.06	-	7,787.12
Increase in share capital	-	-	-	-	-	-
Profit for the period	-	-	-	601.63	32.13	633.76
Balance as of March 31, 2021	**67.50**	**1,368.10**	**49.46**	**6,903.69**	**32.13**	**8,420.89**

B. Other Equity as on 31st March, 2020 (Rs. in lakhs

Particulars	Other equity					Total
	Capital reserve	Securities premium Reserve	General reserve	Retained Earnings	Other items of other comprehensive income	
Balance as of April 1, 2019	67.50	1,368.10	49.46	5,770.92	-	7,255.98
Increase in share capital	-	-	-	-	-	-
Profit for the period	-	-	-	531.14	-	531.14
Balance as of March 31, 2020	67.50	1,368.10	49.46	6,302.06	-	7,787.12

The accompaying notes form an integral part of the standalone financial statements.

As per our report of even date

For and On behalf of the Board of Directors of Swarnasraita Gems Limited

For Banshi Jain and Associates
Chartered Accountants
Firm Regn. No.- 100990W

Sd/-
R. B. Golecha
Partner
Membership No. 035348

Sd/-
Mahendra M. Chordia
Managing Director
DIN: 00175686

Sd/-
Sunny Mahendra Chordia
Director
DIN: 06664041

Sd/-
Rajul Chordia
Director
DIN: 08827725

Sd/-
Sanket Dangi
Chief Financial Officer

Sd/-
Deep Shailesh Lakhani
Director
DIN: 08018001

Sd/-
Dhruvin B. Shah
Director
DIN: 07528387

Sd/-
Umang Mitul Mehta
Director
DIN: 07974230

Sd/-
Deepak Suthar
Company Secretary

Place: Mumbai
Date: 23-06-2021

Swarnsarita Gems Limited
Notes to Financial Statement for the Year Ended 31st March, 2021

1. Property plant and equipment (Rs. in lakhs

Following are the changes in the carrying value of property, plant and equipment for the year ended 31st March, 2021

	Cost				Depreciation				Carring Value	
Name of Assets	**As On 01.04.2020**	**Addition during the year**	**Deduction/ Written off During the Year**	**As On 31.03.2021**	**As On 01.04.2020**	**Depreciation during the year**	**Deduction/Written off During the Year**	**Total As On 31.03.2021**	**As On 31.03.2021**	**As On 31.03.2020**
Mettler Balances	7.15	-	-	7.15	6.47	0.16	-	6.63	0.52	0.68
Motor Cars	75.44	-	14.67	60.77	42.85	4.55	11.97	35.43	25.34	32.59
Office Equipments	26.11	5.10	-	31.20	16.86	2.89	-	19.75	11.45	9.24
Computers	12.60	0.60	-	13.20	11.54	0.54	-	12.08	1.12	1.06
Furniture & Fixtures	32.52	0.57	-	33.09	9.85	3.26		13.11	19.97	22.67
Plant & Machinery	53.00	-	-	53.00	14.25	3.48	-	17.73	35.27	38.75
Office Building	53.52	414.42	53.52	414.42	3.91	2.53	4.76	1.68	412.74	49.61
Total	**260.35**	**420.68**	**68.19**	**612.84**	**105.74**	**17.42**	**16.73**	**106.42**	**506.42**	**154.61**

Following are the changes in the carrying value of property, plant and equipment for the Year ended 31st March, 2020

	Cost				Depreciation				Carring Value	
Name of Assets	**As On 01.04.2019**	**Addition during the year**	**Deduction/ Written off During the Year**	**As On 31.03.2020**	**As On 01.04.2019**	**Depreciation during the year**	**Depreciation Reversal**	**Total As On 31.03.2020**	**As On 31.03.2020**	**As On 31.03.2019**
Mettler Balances	7.15	-	-	7.15	5.87	0.61	-	6.47	0.68	1.29
Motor Cars	94.05	18.53	37.14	75.44	68.14	6.92	32.21	42.85	32.59	25.91
Office Equipments	20.55	5.55	-	26.11	12.78	4.08	-	16.86	9.24	7.77
Computers	16.38	-	3.78	12.60	14.36	0.65	3.47	11.54	1.06	2.03
Furniture & Fixtures	31.99	0.52	-	32.52	6.65	3.19		9.85	22.67	25.34
Plant & Machinery	51.85	1.15	-	53.00	10.80	3.45	-	14.25	38.75	41.05
Office Building	53.52	-	-	53.52	3.06	0.85	-	3.91	49.61	50.46
Total	**275.51**	**25.76**	**40.92**	**260.35**	**121.66**	**19.75**	**35.68**	**105.74**	**154.61**	**153.84**

2. Right to Use Assets

Following are the changes in the carrying value of Right to Use Assets for the Year ended 31st March, 2021

	Cost				Depericiation				Carring Value	
Name of Assets	**As On 01.04.2020**	**Addition during the year**	**Deduction/ Written off During the Year**	**As On 31.03.2021**	**As On 01.04.2020**	**Depreciation during the year**	**Deduction/Written off During the Year**	**Total As On 31.03.2021**	**As On 31.03.2021**	**As On 31.03.2020**
Right to Use Assets	209.64	-	182.74	26.91	66.24	22.37	72.43	16.18	10.72	143.41
Total	**209.64**	**-**	**182.74**	**26.91**	**66.24**	**22.37**	**72.43**	**16.18**	**10.72**	**143.41**

Following are the changes in the carrying value of Right to Use Assets for the Year ended 31st March, 2020

	Cost				Depericiation				Carring Value	
Name of Assets	**As On 01.04.2019**	**Addition during the year**	**Deduction/ Written off During the Year**	**As On 31.03.2020**	**As On 01.04.2019**	**Depreciation during the year**	**Depreciation Reversal**	**Total As On 31.03.2020**	**As On 31.03.2020**	**As On 31.03.2019**
Right to Use Assets	-	209.64	-	209.64	-	66.24	-	66.24	143.41	-
Total	**-**	**209.64**	**-**	**209.64**	**-**	**66.24**	**-**	**66.24**	**143.41**	**-**

3. Intangible Assets

Following are the changes in the carrying value of Intangible Assets for the Year ended 31st March, 2021

	Cost				Depericiation				Carring Value	
Name of Assets	**As On 01.04.2020**	**Addition during the year**	**Deduction/ Written off During the Year**	**As On 31.03.2021**	**As On 01.04.2020**	**Depreciation during the year**	**Depreciation Reversal**	**Total As On 31.03.2021**	**As On 31.03.2021**	**As On 31.03.2020**
Trademark	0.36	-	-	0.36	0.07	0.03	-	0.10	0.26	0.29
Software	1.82	0.20	-	2.02	0.09	0.19	-	0.28	1.74	1.73
Total	**2.18**	**0.20**	**-**	**2.38**	**0.16**	**0.22**	**-**	**0.38**	2.00	**2.02**

Following are the changes in the carrying value of Intangible Assets for the Year ended 31st March, 2020

	Cost				Depericiation				Carring Value	
Name of Assets	**As On 01.04.2019**	**Addition during the year**	**Deduction/ Written off During the Year**	**As On 31.03.2020**	**As On 01.04.2019**	**Depreciation during the year**	**Depreciation Reversal**	**Total As On 31.03.2020**	**As On 31.03.2020**	**As On 31.03.2019**
Trademark	0.36	-	-	0.36	0.04	0.04	-	0.07	0.29	0.32
Software	-	1.82	-	1.82	-	0.09	-	0.09	1.73	-
Total	**0.36**	**1.82**	**-**	**2.18**	**0.04**	**0.13**	**-**	**0.16**	**2.02**	**0.32**

Swarnsarita Gems Limited
Notes to Standalone Financial Statement for the Year Ended 31st March, 2021

4. Investments

(Rs. in lakhs)

Particulars	As at 31.03.2021	As at 31.03.2020
Non-current investments		
Investment in Subsidiary- Unquoted Equity Shares carried at Cost		
Swarnsarita Realty Pvt Ltd (1crore shares of Rs. 10 each)	1,000.00	1,000.00
	1,000.00	**1,000.00**
Current investments		
(Investment Carried at Fair Value through Profit and Loss Account (FVTPL))		
Liquid Mutual Fund Units		
Union Mutual Fund	12.69	9.98
Equity Investments		
SJ Corporation Limited of Rs. 1 each	0.04	0.04
400 quity shares of Rs. 1 each, fully paid up		
Aggregated amount of Impairment	-	-
Aggregated amount of Quoted Investment	*12.73*	*10.02*
Market value of Quoted Investment	*12.73*	*10.02*
	12.73	**10.02**
Total carrying Value of Investment	**1,012.73**	**1,010.02**

5. Other Financial Assets

Particulars	As at 31.03.2021	As at 31.03.2020
Non-current		
Security Deposit	1.51	52.78
Unamortised Advance Rental	0.08	2.29
Deposits with Bank		
Original maturity more than 12 months with Banks	-	2.49
	1.60	**57.55**
Current		
Advance to Employees	0.85	0.85
Unamortised Advance Rental	0.07	3.54
	0.92	**4.39**

6. Inventories*

Particulars	As at 31.03.2021	As at 31.03.2020
(Valued at Lower of Ccost or Net Realisable Value)		
Raw Materials**	4,910.82	4,647.00
Finished Goods**	2,775.95	4,613.14
	7,686.77	**9,260.14**

**Working Capital Borrowing obtained by the Parent Company are secured by hypothecation of inventories of the Parent Company (refer note 17).*

7. Trade receivables

Particulars	As at 31.03.2021	As at 31.03.2020
Unsecured , Considered Good*		
Considered Good Credit Impaired	8,933.37	6,868.55
Less: Impairment Allowance (Allowance for Bad & Doubtful Debts)	18.10	-
	8,915.26	**6,868.55**

**Working Capital Borrowing obtained by the Parent Company are secured by hypothecation of trade receivables of the Parent Company (refer note 17).*

No trade or other receivables are due from directors or other officers of the Comapany either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a parter, a director or a member.

Trade receivables are generally not interest-bearing.

8. Cash and cash equivlents (Rs. in lakhs)

Particulars	As at 31.03.2021	As at 31.03.2020
Balances with banks		
In current accounts	372.25	224.18
Cash on hand	1.53	5.12
	373.79	**229.30**

9. Bank Balances Other than Cash and cash equivlents

Particulars	As at 31.03.2021	As at 31.03.2020
Deposits with Bank		
Original maturity more than 3 month but less than 12 months with Banks	2,814.01	1,681.01
	2,814.01	**1,681.01**

10. Loans & Advances

Particulars	As at 31.03.2021	As at 31.03.2020
Non - Current		
Unsecured, considered good		
- Loans To		
Related Parties	1,013.48	1,130.48
Other than Related Parties	26.66	24.26
	1,040.15	**1,154.74**

11. Other Current Assets

Particulars	As at 31.03.2021	As at 31.03.2020
Advance to Supplier	13.56	34.43
Balances with Government Authorities	240.82	216.77
Prepaid Expenses	11.69	3.50
	266.07	**254.70**

12. Equity share capital

Particulars	As at 31.03.2021	As at 31.03.2020
Authorised Share:		
2,20,00,000 (2,20,00,0000) Equity Shares of Rs. 10/- each	2,200.00	2,200.00
Issued, Subscribed and Paid up:		
2,08,76,800 (2,08,76,8000) Equity Shares of Rs. 10/- each Fully Paid-Up	2,087.68	2,087.68
Less : Call Money Due on Equity Shares	(3.92)	(3.92)
Total	**2,083.76**	**2,083.76**

Reconcilation of the Number of Equity Shares Outstanding at the beginning and at the end of the reporting period

Particulars	As at 31.03.2021	As at 31.03.2020
	No. of Shares	No. of Shares
Outstanding at the Beginning of the Reporting Year	20,876,800	20,876,800
Add: Issued During the year	-	-
Outstanding at the End of the Reporting Year	**20,876,800**	**20,876,800**

Terms / Right Attached to Equity Shares

The Company has only one class of equity shares having a face value of INR 10 each. Each holder of an equity share is entitled to one vote per share. The Company declares and pays dividends in Indian rupees, if any. The dividend proposed by the board of directors, if any is subject to the approval of the shareholders in the ensuing annual general meeting.

In the event of liquidation of the company, the holder of equity shares will be entitled to receive any of the remaining assets of the company, after distribution of all preferential amounts. However, no such preferential amounts exist currently. The distribution will be in the number of equity shares held by the shareholders at the time of liquidation

Details of Shareholders holding more than 5% share in the company

Equity Shares Fully Paid at Rs. 10/- each

No.	Name	As at 31st March, 2021		
		No. of Shares	% of Holding	% of Holding
1	Swarnsarita Jewellers Pvt. Ltd.	9,357,187	44.82	44.82

13. Long Term Provisions (Rs. in lakhs)

Particulars	As at 31.03.2021	As at 31.03.2020
Provision for Gratuity	27.88	37.11
	27.88	**37.11**

14. Deferred Tax Assets (Liabilities)

Particulars	As at 31.03.2021	As at 31.03.2020
Deferred Tax Liability		
Property plant and equipment	11.89	5.66
Right to Use (Lease Asset)	2.70	35.86
Deferred Tax Asset		
Lease Liability	(3.14)	(38.34)
Gratuity Provision	(9.97)	(13.97)
	1.48	**(10.80)**

15. Other Financial Liabilities

Particulars	As at 31.03.2021	As at 31.03.2020
Non-Current		
Lease Liability	5.09	141.27
	5.09	**141.27**
Current		
Expenses payables	114.17	234.57
Fair value of Derivative liability	40.63	
Lease Liability	7.37	12.07
	162.17	**246.63**

16. Borrowing (Rs. in lakhs)

Particulars	As at 31.03.2021	As at 31.03.2020
Current		
Secured, Loans Repayable on Demand		
From Banks		
Union Bank of India (CC A/c) [1]	2,763.18	980.79
Union Bank of India (Gold Loan)[1]	5,050.24	6,695.63
Yes Bank Bullion Account [2]	365.80	365.80
State bank of India (Gold Loan) [3]	2,005.76	-
Yes Bank CC [2]	329.75	412.54
Yes Bank GECL 2	362.50	-
Yes Bank EPC	-	101.49
Yes Bank WCDL [2]	800.00	1,385.00
Unsecured, Loans Repayable on Demand		
From Banks		
The Bank of Nova Scotia	-	175.55
	11,677.25	**10,116.81**

1	The Cash Credit facility and Gold Loan from the Union Bank of India is collaterally secured by way of the equitable mortgage of property being Shops at Kalyan bearing No. 3, 103, 4, 104, 15, 115, 16 and 116 and office no. 114, 115 at Panchratna, Opera House, Mumbai, Pledge of 62.63040 Lakhs shares of Swarnsarita Gems Limited held by Promoter group (Swarnsarita Jewellers Private Limited), personal guarantee given by the directors of the company and Corporate guarantee of Swarnsarita Realty Private Limited and hypothecation of Stock and book debt upto 90 days.
2	The Cash Credit facility from YES Bank is secured by exclusive charge by way of equitable/ registered mortgage on 2 residential properties situated i.e. 901, Silver Solitaire, Opp Axis Bank, Tilak Road Ghatkopar East, Mumbai and 1603, Panoroma, The Address, opp. R. City Mall, LBS Road Ghatkopar West Mumbai, Charge on all the present and future current assets and movable fixed assets, personal guarantee of directors of the company.
3	Gold Loan from the State Bank of India is secured against the bank guarantee provided by the Yes Bank worth Rs. 20 crores i.e. 4 BG's of Rs. 5 crores each

17. Trade Payable

(Rs. in lakhs)

Particulars	As at 31.03.2021	As at 31.03.2020
Trade Payable due to		
Micro and Small Enterprise	-	0.16
Other than Micro and Small Enterprise	115.20	181.35
	115.20	**181.51**

	[*] Disclosure in respect of Micro, Small and Medium Enterprises:	As at 31.03.2021	As at 31.03.2020
A	Principal amount remaining unpaid to any supplier as at the year end	-	0.16
B	Interest due thereon	-	-
C	Amount of interest paid by the Company in terms of section 16 of the MSMED Act, along with the amount of the payment made to the supplier beyond the appointed	-	-
D	Amount of interest due and payable for the period of delay in making payment which have been paid but beyond the appointed day during the year but without adding the interest specified under the MSMED Act	-	-
E	Amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
F	Amount of further interest remaining due and payable in succeeding years	-	-

The above information has been compiled in respect of parties to the extent to which they could be identified as Micro, Small and Medium.

18. Other Current Liabilities

Particulars	As at 31.03.2021	As at 31.03.2020
Advance received from customer	64.51	190.70
Payable to Statutory Authorities	24.92	12.94
	89.43	**203.64**

19. Short Term Provisions

Particulars	As at 31.03.2021	As at 31.03.2020
Provision for Gratuity	11.74	18.40
	11.74	**18.40**

20. Current Tax Liabilities

Particulars	As at 31.03.2021	As at 31.03.2020
Income tax liabilities	35.52	14.98
	35.52	**14.98**

Swarnsarita Gems Limited
Notes to Financial Statement for the Year Ended 31st March, 2021

21. Revenue from operation (Rs. in lakhs)

Particulars	31 March 2021	31 March 2020
Sale of Goods	56,742.17	55,458.63
Labour Charges Received	797.86	414.88
	57,540.04	**55,873.52**

22. Other Income

Particulars	31 March 2021	31 March 2020
Interest Income		
Interest Income on Bank Deposits	107.84	224.04
Interest Income Lease (Security Deposit)	1.17	3.15
Other Interest Income	104.29	98.07
Other Non Operating Income		
Exchange difference	197.97	384.17
Gain/Loss on valuation of Shares and mutual fund at fair value	2.69	(0.42)
Profit on Sale of Property Plant and Equipment	5.54	1.87
Rent Income	-	1.39
Sundry Balances Written back	-	-
Miscellaneous Income	16.29	0.37
	435.79	**712.63**

23. Cost of material consumed

Particulars	31 March 2021	31 March 2020
Purchase of Goods	53,491.17	52,737.98
Labour Charges & Other Charges	671.68	425.53
Add:- Opening Stock		
Raw Material	4,647.00	4,605.06
Less:- Closing Stock		
Raw Material	4,910.82	4,647.00
Raw Material Consumed	**53,899.03**	**53,121.57**

24. Changes in Inventories of Finished Goods, Stock - In - Trade and Work in progres

Particulars	31 March 2021	31 March 2020
Opening Balance of Inventory	4,613.14	5,644.39
Less: Closing Balance of Inventory	2,775.95	4,613.14
	1,837.19	**1,031.25**

25.Employee benefit expenses

Particulars	31 March 2021	31 March 2020
Salaries and Wages*	367.01	600.78
Contribution to Employee Benefits	0.85	7.11
Staff Welfare Expenses	6.92	18.85
Gratuity Expense	16.24	55.52
	391.02	**682.26**

*Salaries and wages includes director remuneration of Rs. 144 Lakhs.

26. Finance Costs

Particulars	31 March 2021	31 March 2020
Interest Expenses	633.02	535.84
Interest Charge (Ind AS Lease)	4.75	17.90
	637.77	**553.74**

27. Depreciation and Amortisation Expenses (Rs. in lakhs)

Particulars	31 March 2021	31 March 2020
Depreciation on Tangible Assets (Note 1)	17.42	19.75
Depreciation on Intangible Assets (Note 3)	0.22	0.13
Amortisation on Right to use assets (Note 2)	22.37	66.24
	40.02	**86.12**

28. Other Expenses

Particulars	31 March 2021	31 March 2020
Auditor Remuneration	7.85	9.55
Bad Debts	34.67	-
ECL on Debtors	18.10	-
Brokerage and Commission	18.31	0.50
Business Promotion Expense	2.43	10.32
Certification Charges	6.01	17.79
CSR Expenses	14.20	-
Discount, Rebate & Round off	0.01	0.12
Donation	1.95	5.06
Electricity Expenses	1.99	15.11
Exhibition Charges	-	54.11
Export Expenses	26.55	27.30
Factory Expenses	2.10	13.61
Fixed Assets Written Off	-	0.25
Freight Charges	13.31	35.58
Insurance Expenses	6.01	10.32
Interest on Statutory Dues	0.94	4.33
Listing Fees	6.50	4.68
Office Expenses	10.59	13.86
Other Expenses	2.19	2.01
Printing and Stationery	0.94	4.81
Professional Fees	29.39	45.38
Repairs and Maintenance	1.62	3.04
Rental Expense	49.23	54.26
Travelling Expenses	7.20	10.21
Loss on Forward Transaction	22.14	-
Loss on revaluation financial hedge at fair value	40.63	-
	324.86	342.06

Auditors Remuneration*

Particulars	31 March 2021	31 March 2020
Statutory Audit Fees	4.00	7.00
Audit Fees for Limited Review	1.00	1.00
GST Audit Fees	2.85	1.00
Stock Audit Fees	-	0.55
Total	**7.85**	**9.55**

29 Earning Per Share

Particulars	31 March 2021	31 March 2020
(a) Basic and diluted earnings per share (INR)	2.73	2.41
(b) Profit attributable to the equity holders of the company used in calculating basic earnings per share	601.63	531.14
(c) Nominal Value per share (INR)	10.00	10.00
(d) Weighted average number of equity shares used as the denominator in calculating basic earnings per share	22,000,000	22,000,000

SWANSARITA GEMS LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

(Rs. in lakhs)

30. INCOME TAX

A) Deferred Tax

Particular	As at 31st March, 2021	As at 31st March, 2020
Deferred tax relates to the following:		
a) Temporary difference in carrying value of property, plant and equipment as per books and tax base	11.89	5.66
b)Right to Use	2.70	35.86
Lease Liability	(3.14)	(38.34)
c) Employee benefit obligation	(9.97)	(13.97)
Net Deferred Tax Assets / (Liabilities)	**1.48**	**(10.80)**

B) Movement in deferred tax liabilities/assets

Particular	As at 31st March, 2021	As at 31st March, 2020
Opening Balance		
Tax income/(expense) during the period recognised in profit or loss	232.03	222.83
Tax income/(expense) during the period recognised in OCI	-	-
Closing Balance	**232.03**	**222.83**

The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liablities relate to income taxes levied by the same tax authority.

C) Major Components of income tax expense for the years ended March 31, 2021 and March 31, 2020 are as follows:

1) Income Tax recognized in Profit & Loss A/c

	As at 31st March, 2021	As at 31st March, 2020
a) Current income tax charge	232.03	222.83
b) Deferred tax		
Relating to origination and reversal of temporary differences	12.28	(15.89)
c) Short/(Excess) Provision for tax of earlier years	-	31.07
Income tax expense recognised in Profit or Loss	**244.31**	**238.01**

2) Income Tax recognized in OCI

	As at 31st March, 2021	As at 31st March, 2020
a) Revaluation of FVTOCI investments to fair value	-	-
Income tax expense recognised in OCI	**-**	**-**

D) Reconciliation of tax expense and accounting profit multiplied by income tax rate for March 31, 2021 and March 31, 2020

	As at 31st March, 2021	As at 31st March, 2020
Profit before tax	845.94	769.14
Profit before tax from discontinuing operations	-	-
Accounting profit before income tax	845.94	769.14
Enacted tax rate in India	25.17%	25.17%
Income tax on accounting profits	**212.91**	**193.58**
Tax effect of		
Expenses not deductible for tax purpose	52.42	36.82
Expenses allowed in Income tax	(21.01)	(23.46)
Tax adjustment of previous years	-	31.07
		-
Tax at effective income tax rate	**244.31**	**238.01**

SWARNSARITA GEMS LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

31. FAIR VALUE MEASUREMENTS

The significant accounting policies, including the criteria for recognition, the basic of measurement and the basic on which income and expenses are recognized, in respect of each class of financial asset, financial liability and equity instrument are disclosed in notes to the financial statements.

i. Accounting classification and fair values
The following table showsthe carrying amount and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy:
The carrying value and fair value of financial instruments by categories as of 31 March 2020 are as follows: (Rs.in lakhs)

Particulars	Carrying Amount				Fair Value			
March 31, 2020	FVPL	FVOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
FINANCIAL ASSETS								
Investments	10.02	-	1,000.00	1,010.02	10.02	-	-	10.02
Trade Receivables	-	-	6,868.55	6,868.55	-	-	-	-
Cash and Cash Equivalents	-	-	229.30	229.30	-	-	-	-
Bank Balance other than cash and cash equivalents	-	-	1,681.01	1,681.01	-	-	-	-
Loans and Advances			1,154.74	1,154.74				
Other Financial Assets	-	-	61.94	61.94	-	-	-	-
Total	**10.02**	**-**	**10,995.54**	**11,005.57**	**10.02**	**-**	**-**	**10.02**
FINANCIAL LIABILITIES								
Borrowings	-	-	10,116.81	10,116.81	-	-	-	-
Trade Payables	-	-	181.51	181.51	-	-	-	-
Other financial liabilities	-	-	387.90	387.90	-	-	-	-
Total	**-**	**-**	**10,686.23**	**10,686.23**	**-**	**-**	**-**	**-**

The carrying value and fair value of financial instruments by categories as of 31 March 2021 are as follows:

Particulars	Carrying Amount				Fair Value			
March 31, 2021	FVPL	FVOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
FINANCIAL ASSETS								
Investments	12.73	-	1,000.00	1,012.73	12.73	-	-	12.73
Trade Receivables	-	-	8,915.26	8,915.26	-	-	-	-
Cash and Cash Equivalents	-	-	373.79	373.79	-	-	-	-
Bank Balance other than cash and cash equivalents	-	-	2,814.01	2,814.01	-	-	-	-
Loans and Advances			1,040.15					
Other Financial Assets	-	-	2.51	2.51	-	-	-	-
Total	**12.73**	**-**	**14,145.72**	**13,118.31**	**12.73**	**-**	**-**	**12.73**
FINANCIAL LIABILITIES								
Borrowings	-	-	11,677.25	11,677.25	-	-	-	-
Trade Payables	-	-	115.20	115.20	-	-	-	-
Other financial liabilities	-	-	167.26	167.26	-	-	-	-
Total	**-**	**-**	**11,959.71**	**11,959.71**	**-**	**-**	**-**	**-**

The management assessed that the fair value of cash and cash equivalent, trade receivables, trade payables, and other current financial assets and liabilities approximate their carrying amounts largely due to the short term maturities of these instruments.

Level 1: The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and equity securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the group is the current bid price. These instruments are included in level 1.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities and investment in private equity funds, real estate funds.

ii. Valuation technique used to determine fair value
Specific Valuation techniques used to value financial instruments include:
- the use of quoted market prices or dealer quotes for similar instruments
- the fair value of the remaining financial instruments is determined using discounted cash flow analysis

iii. Valuation processes
The finance department of the company includes a team that performs the valuations of financial assets and liabilities required for financial reporting purposes, including level 3 fair values.

SWARNSARITA GEMS LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

32. FINANCIAL RISK MANAGEMENT

The Company is exposed primarily to credit, liquidity, and fluctuations in foreign currency exchange rates and interest rate risks, which may adversely impact the fair value of its financial instruments. The Company has a risk management policy which covers risks associated with the financial assets and liabilities. The risk management policy is approved by the Board of Directors. The focus of the risk management committee is to assess the unpredictability of the financial environment and to mitigate potential adverse effects on the financial performance of the Company.

(A) Market risk
Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Such changes in the values of financial instruments may result from changes in the foreign currency exchange rates, interest rates, credit, liquidity and other market changes.

(i) Foreign currency risk
The company is not significantly exposed to the fluctuation in foreign currency exchange rate. The company export goods outside India for which bills are issued in US $ and payment of the same will be received on letter date. The company carries the risk of fluctuation in foreign currency exchange rate on export transaction.

(ii) Interest rate risk
Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of change in market interest rates. The management is responsible for the monitoring of the Company' interest rate position. Various variables are considered by the management in structuring the Company's borrowings to achieve a reasonable and competitive cost of funding.

(B) Credit risk
Credit risk is the risk of financial loss arising from counter party failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Credit risk is controlled by analyzing credit limits and creditworthiness of customers on a continuous basis to whom the credit has been granted after obtaining necessary approvals for credit.

Financial instruments that are subject to concentrations of credit risk principally consist of trade receivables, investments, cash and cash equivalents and other financial assets. None of the other financial instruments of the Company result in material concentration of credit risk.

(C) Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at reasonable price. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of credit facilities to meet obligations when due. The Company's finance team is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Company's liquidity position through rolling forecasts on the basis of expected cash flows.

The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. In the table below, borrowings include both interest and principal cash flows.

Contractual maturities of financial liabilities (Rs. in lakhs)

Particulars	Carrying Amount	Less than 1 year	1 to 5 years	More than 5 years
March 31, 2021				
Borrowings	11,677.25	11,677.25	-	-
Trade payables	115.20	115.20	-	-
Other financial liabilities	167.26	162.17	5.09	-
Total financial liabilities	**11,959.71**	**11,954.62**	**5.09**	**-**
March 31, 2020				
Borrowings	10,116.81	10,116.81	-	-
Trade payables	181.51	181.51	-	-
Other financial liabilities	387.90	246.63	141.27	-
Total financial liabilities	**10,686.23**	**10,544.96**	**141.27**	**-**

SWANSARITA GEMS LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

33. RELATED PARTY TRANSACTIONS

(i) List of related parties as per the requirements of Ind-AS 24 - Related Party Disclosures

Name of Related Party

a) Details of Related Parties

-Key Managerial Personnel

Mahendra M Chordia, Sunny Choedia, Sanket Dangi, Rajul Chordia (appointed as KMP w.e.f 10th November 2020) , Deepak Suthar, Dhruvin Bharat Shah, Umang Mitul Mehta and Deep Shailesh Lakhani

-Relative of Key Managerial Personnel

Seema R Chordia (ceased to be KMP on 11th November 2020), Rajendra Chordia, Nishita Chordia and Asha Chordia

- Wholly Owned Subsidiary Company

Swarnsarita Trading Pvt. Ltd. (Earlier Known as Swarnsarita Realty Pvt. Ltd.)

-Enterprises owned or significantly influenced by KMP

M/s Swarnsarita Jewellers

b) Compensation of key management personnel of the Company

Key management personnel are those individuals who have the authority and responsibility for planning and exercising power to directly or indirectly control the activities of the Company and its employees. The Company includes the members of the Board of Directors which include independent directors (and its sub-committees) and Executive Committee to be key management personnel for the purposes of Ind AS 24 Related Party Disclosures.

c) Transactions with key management personnel of the Company

The Company enters into transactions, arrangements and agreements involving directors, senior management and their business associates, or close family members, in the ordinary course of business under the same commercial and market terms, interest and commission rates that apply to non-related parties.

d) Transactions with related parties

The following transactions occurred with related parties (Rs. in lakhs)

Name	Nature of Relationship	Nature of Transaction	March 31, 2021	March 31, 2020
Swarnsarita Trading Pvt. Ltd. (Earlier Known as Swarnsarita Realty Pvt. Ltd.)	Wholly owned Subsidiary Company	Interest Received	98.61	95.29
Mahendra M Chordia	Key Managerial Person	Director Remuneration	63.00	72.00
Sunny Chordia	Key Managerial Person	Director Remuneration	42.00	48.00
Seema R. Chordia	Relative of KMP	Director Remuneration/Salary	19.00	24.00
Sanket Dangi	Key Managerial Person	Director Remuneration	11.25	15.00
Rajendra Chordia	Relative of KMP	Salary	19.00	24.00
Nishita Chordia	Relative of KMP	Salary	18.00	24.00
Rajul Chordia	Key Managerial Person	Director Remuneration/Salary	21.60	28.80
Asha Chordia	Relative of KMP	Salary	18.00	24.00
Mahendra M Chordia	Key managerial person	Rent Expense	-	12.00
Asha Chordia	Relative of KMP	Rent Expense	-	3.00
Swarnsarita Jewellers	Significantly infulenced by KMP	Rent Expense	21.00	24.00

(iii) Outstanding balances arising from sales/purchases of goods and services

Name	Nature of Relationship	Nature of Transaction	March 31, 2021	March 31, 2020
Swarnsarita Jewellers	Significantly infulenced by KMP	*Rent payable*	5.84	5.40
Mahendra M Chordia	Key Managerial Person	*Salary Payable*	1.64	7.00
Sunny Chordia	Key Managerial Person	*Salary Payable*	0.60	6.13
Sanket Dangi	Key Managerial Person	*Salary Payable*	3.11	-
Rajul Chordia	Key Managerial Person	*Salary Payable*	6.57	0.76
Seema R. Chordia	Relative of KMP	*Salary Payable*	3.08	1.50
Rajendra Chordia	Relative of KMP	*Salary Payable*	3.60	0.58
Nishita Chordia	Relative of KMP	*Salary Payable*	10.22	-
Asha Chordia	Relative of KMP	*Salary Payable*	1.22	1.87

(iv) Loans from related parties

Name	Nature of Relationship	Particulars	March 31, 2021	March 31, 2020
Swarnsarita Trading Pvt. Ltd. (Earlier Known as Swarnsarita Realty Pvt. Ltd.)	Wholly owned Subsidiary Company	Beginning of the year	1,130.48	1,094.87
		Loans Given during the year	119.66	125.25
		Loan repayments made during the year	236.65	89.65
		End of the year	**1,013.49**	**1,130.47**

(v) Investments in related parties

Name	Nature of Relationship	Particulars	March 31, 2021	March 31, 2020
Swarnsarita Trading Pvt. Ltd. (Earlier Known as Swarnsarita Realty Pvt. Ltd.)	Wholly owned Subsidiary Company	Beginning of the year	1,000.00	1,000.00
		Investments made during the year	-	-
		Disinvesments made during the year	-	-
		End of the year	**1,000.00**	**1,000.00**

(vii) Terms and conditions of transactions with related parties

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables and payables. For the year ended March 31, 2020, the group has not recorded any impairment of receivables relating to amount owed by related parties. This assessment is undertaken each financial year through examining the financial position of the related party and market in which the related party operates.

34. SEGMENT REPORTING

The company is engaged in the business of Gold and diamnond jewellery. The company has only one reporting business segment, which is Gold and diamnond jewellerybusiness and only one reportable geographical segment. The company is also engaged in investment of shares and securities but it is not a business acivity. Accordingly, these financial statements are reflective of the information required as per Ind AS 108 "Operating Segments" notified under section 133 of the Companies Act, 2013, there are no reportable segment applicable to the company.

SWANSARITA GEMS LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

35. CONTINGENT LIABILITY

(Rs. in lakhs)

Particulars	2021	2020
Contingent liability on account of Income Tax Demand	447.28	447.28
Contingent liability on account of WBVAT Demand	21.90	21.90
TOTAL	**469.18**	**469.18**

Details of the Case of Income tax
Liabilities in respect of Income tax matters for which the Company has gone in further appeal for AY 12-13 & AY 17-18 and exclusive of the effect of similar matter in respect of pending assessments.

Details of the Case of WBVAT
Sales tax matter in respect of which company filed appeal under section 84 for AY 2018-19

The Company is contesting the demands and the management, including its tax advisors, believe that its position will likely be upheld in the appellate process. No tax expenses has been accrued in the financial statements for the tax demand raised. The management believes that the ultimate outcome of this proceeding will not have a material adverse effect on the company's financial position and results of operations.

36 Contribution on CSR Activities

In accordance with the provisions of Section 135 of the Companies Act, 2013, the company was required to constitute a Corporate Social Responsibility Committee of the Board and an amount of Rs. 14.20 Lakhs was required to be spent by the Company during the year ended March 31, 2021, computed at 2% of its average net profit for the immediately preceding three financial years, on Corporate Social Responsibility (CSR).

SWANSARITA GEMS LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

37. CAPITAL MANAGEMENT

For the purpose of the company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Company's capital management is to maximise the shareholder value.

The company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The company includes within debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents and other bank balances.

(Rs. in lakhs)

	March 31, 2021	March 31, 2020
Borrowings	11,677.25	10,116.81
Trade payables	115.20	181.35
Other payables	251.60	450.28
Less: cash and cash equivalents	373.79	229.30
Less: Other bank balances	2,814.01	1,681.01
Net Debt	**8,856.25**	**8,838.13**
Convertible preference shares		
Equity Share Capital	2,083.76	2,083.76
Other Equity	8,420.89	7,787.12
Total Capital	**10,504.65**	**9,870.88**
Capital and net debt	**19,360.90**	**18,709.01**
Net Debt to Equity ratio	**45.74**	**47.24**

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the borrowings that define capital structure requirements.

SWANSARITA GEMS LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

38. Disclosure under regulation 34(3)of the SEBI (Listing and disclosure requirements) Regulations,2015 Amount of loans and advances in nature of loans outstanding from subsidiaries as at March 31,2021 and 31st March, 2020 is as follows.

(Rs. in lakhs)

Particulars	2021		2020	
	Outstanding as at March 31, 2021	Maximum amount outstanding during the year	Outstanding as at March 31, 2020	Maximum amount outstanding during the year
Swarnsarita Trading Private Limited (Earlier known as Swarnsarita Realty Private Limited)	1013.48	1013.48	1130.48	1130.48

39. Other Notes

1. Sundry debtors,creditors,Loans & Advances are subject to confirmation & reconciliation,if any.In the opinion of the Board,the current Assets, Loans & Advances are approximately of the value stated,if realised in ordinary course of business. The Provision for depreciation & all known liabilities are adequate & not in exceess of amounts reasonably necessary. The Provision for depreciation & all known liabilities are adequate & not in exceess of amounts reasonably necessary.

2. Previous years Figures are regrouped and restated wherever required.

As per our report of even date

For Banshi Jain and Associates
Chartered Accountants
Firm Regn. No.- 100990W

Sd/-

R. B. Golecha
Partner
Membership No. 035348

Place: Mumbai
Date: 23-06-2021

For and On behalf of the Board of Directors of Swarnasraita Gems Limited

Sd/-
Mahendra M. Chordia
Managing Director
DIN: 00175686

Sd/-
Rajul Chordia
Director
DIN: 08827725

Sd/-
Umang Mitul Mehta
Director
DIN: 07974230

Sd/-
Sunny Mahendra Chordia
Director
DIN: 06664041

Sd/-
Dhruvin Bharat Shah
Director
DIN: 07528387

Sd/-
Deep Shailesh Lakhani
Director
DIN: 08018001

Sd/-
Sanket Dangi
Chief Financial Officer

Sd/-
Deepak Suthar
Company Secretary

Notes forming part of Financial Statements

A. Company Overview

Swarnsarita Gems Limited('the Company)is public company and a company limited by shares incorporated under the Companies Act, 1956. It was incorporated on 25th August, 1992. It is a Non-Government company. It is registered at Registrar of Companies, Mumbai, Allotted CIN L36911MH1992PLC068283 and its registration number is 68283.Swarnsarita Gems Ltd is involved in the business of Export & Import and Manufacturing & Trading of Polished Diamonds, Gems & Jewellery. It offers products such as diamond studded rings, bracelets, pendants, diamond necklaces, earrings, etc. in silver & gold. Swarnsarita Gems Ltd. is listed on the Bombay Stock exchange as a result of takeover of a profit making company Shyam Star Gems Ltd.

B. Statement of Compliance

The financial statements of company have been prepared in accordance with Indian Accounting Standards as notified under the Companies (Indian Accounting Standards) Rules, 2015 read with Section 133 of the Companies Act, 2013 and Companies (Indian Accounting Standards) amendment rules, 2016 and other relevant provisions of the act.

The financial statements were authorized for issue by the company's Board of Directors at their meeting held on 23rd June, 2021.

C. Significant Accounting Policies

1. Basis of Preparation& Presentation of Financial Statement

The financial statements are prepared and presented in the format prescribed in the Schedule III to the Companies Act, 2013 ("the Act"). The statement of Cash Flows has been prepared and presented as per the requirements of IND-AS 7 "Statement of Cash flows". The financial statements have been prepared in accordance with Indian Accounting Standards as notified under the Companies (Indian Accounting Standards) Rules, 2015 read with Section 133 of the Companies Act, 2013 and other relevant provisions of the act. These financial statements have been prepared under the historical cost convention except certain Financial Assets and liabilities, which have been measured at fair value. The accounting policy provides information on such Financial Assets and Liabilities measured at fair value. The Company follows the accrual basis of accounting.

These financial statements include the Balance Sheet, the Statement of Changes in Equity, the Statement of Profit and Loss (including other comprehensive income), the Statement of Cash flows and Notes, comprising a summary of significant accounting policies and other explanatory information and comparative information in respect of the preceding period.

The financial statements are presented in Indian Rupees in Lakh and all values are rounded off to the nearest lakh as permitted by Schedule III of the Companies Act 2013. Earnings per share data are presented in Indian Rupees up to two decimal places.

2. Use of Estimates andJudgments

The preparation of the financial statements in conformity Indian Accounting Standards requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets, liabilities, the accompanying disclosure and disclosure of contingent liabilities as at the date of the financial statements and the reported amounts of income and expenses for the period presented.

Uncertainty about these assumptions and estimates could result in outcomes that require material adjustments to the carrying amount of assets and liabilities affected in future periods. Estimates and assumptions are reviewed on periodic basis. Revision to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

Critical Accounting Judgments and Key Sources of Estimation Certainty

The key assumptions concerning the future and other key sources of estimation, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities, within the next financial year, are described below. The Company has based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Information about critical judgments in applying accounting policies, as well as estimates and assumptions that have the most significant effect to the carrying amounts of assets and liabilities within the next financial year, are included in the following notes:

i. Measurement of Defined Benefit Obligations

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation. The mortality rate is based on publicly available mortality tables for India. Future salary increases and gratuity increases are based on expected future inflation rates.

Further details about gratuity obligations are given in Note – 21 (ii) below. For the purpose of assessing the leave availment rate, the Company considered the past leave availment history of the employees.

ii. Provisions and Contingent Liabilities

AprovisionisrecognizedwhentheCompanyhasapresentobligationasaresultofpasteventanditis probable thatanoutflowofresourcewillberequiredtosettletheobligation,inrespectofwhichareliableestimatecanbe made. Provisions (excluding retirement benefits and compensated absences) are measured at the best

estimate of the expenditure required to settle the present obligation at the balance sheet date and are discounted to its present value if the effect of time value of money is considered to be material.These are reviewed at each year end date and adjusted to reflect the best current estimate. The unwinding of the discount is recognized as finance cost. Expected future operating losses are not provided for.

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

Contingent assets are neither recognized nor disclosed in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognized in the period in which the change occurs.

iii. Valuation of Deferred Tax Assets / Liabilities

TheCompanyreviewsthecarryingamountofdeferredtaxassetsattheendofeachreportingperiod.Thepolicy for the same has been explained under Note18 (ii)below.

iv. Useful lives of Property, Plant and Equipment

The Company reviews the estimated useful lives of property, plant and equipment and intangible assets at the end of each reporting period. During financial years ended 31 March 2021, there were no changes in useful lives of property plant and equipment and intangible assets. The Company at the end of each reporting period, based on external and internal sources of information, assesses indicators and mitigating factors of whether a property, plant or equipment and intangible assets may have suffered an impairment loss. If it is determined that an impairment loss has been suffered, it is recognized in profit or loss

v. Going concern:

During the current year ended March 31, 2021, management has performed an assessment of the entity's ability to continue as a going concern. Based on the assessment, management believe that there is no material uncertainty with respect to any events or conditions that may cast a significant doubt on the entity to continue as a going concern, hence the financial statements have been prepared on going concern basis.

vi. Impairment of Investments

The Company reviews its carrying value of investments carried at cost annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accountedfor.

vii. Provision for Inventory

The Company provides provision based on policy, past experience, current trend and future expectations of the inventory held by them.

3. **Fair Value Measurement:**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, (regardless of whether that price is directly observable or estimated using another valuation technique). In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability, if market participants would take those characteristics into account when pricing the asset or liability, at the measurement date.

Fair value hierarchy:

For financial reporting purposes, fair value measurements are categorized into Level 1, 2, or 3 based on the degree to which inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 — Inputs are quoted prices (unadjusted) in active markets for identical assets orliabilities that entity can access at the measurement date.

- Level2—InputsareotherthanquotedpricesincludedwithinLevel1thatareobservablefortheassetor Liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

- Level3—Inputsarenotbasedonobservablemarketdata
- (unobservableinputs).Fairvaluesaredetermined inwholeorinpartusingavaluationmodelbasedonassumptionsthatareneithersupportedbypricesfrom observablecurrentmarkettransactionsinthesameinstrumentnoraretheybasedonavailablemarketdata.

The investments included in Level 2 of fair value hierarchy have been valued using quotes available for similar assetsandliabilitiesintheactivemarket.TheinvestmentsincludedinLevel3offairvaluehierarchyhavebeen valued using the cost approach to arrive at their fair value. The cost of unquoted investments approximate the fair value because there is a wide range of possible fair value measurements and the cost represents estimate of fair value within thatrange.

4. **Current and Non-current classification:**

All assets and liabilities are classified into current and non-current.

Assets

An asset is classified as current when it satisfies any of the following criteria:

a) It is expected to be realized in, or is intended for sale or consumption in, the Company's normal operating cycle;

b) It is held primarily for the purpose of being traded;

c) It is expected to be realized within 12 months after reporting date; or

d) It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of non-current financial assets.

All other assets are classified as non-current.

Liabilities

A liability is classified as current when it is satisfies any of the following criteria:

a) It is expected to be settled in the Company's normal operating cycle;

b) It is held primarily for the purpose of being traded;

c) It is due to be settled within 12 months after the reporting date; or

d) The Company does not have as unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instrument do not affect its classification.

Current liabilities include current portion of non-current financial liabilities.

All other liabilities are classified as non-current.

5. Operating Cycle :

Based on the nature of services and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current – non-current classification of assets and liabilities.

6. Property, plant and equipment

Property, Plant and Equipment (PPE) is recognized when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. PPE is stated at original cost, net of tax/duty credits availed, if any, less accumulated depreciation and cumulative impairment.

Cost comprises the purchase price and any attributable costs of bringing the asset to its working condition for its intended use as estimated by the management. Any trade discounts and rebates are deducted in arriving at the purchase price. Subsequent expenditure on property, plant and equipment after its purchase/completion is capitalized only if it is probable that future economic benefit associated with the expenditure will flow to the company.

PPE not ready for the intended use, on the date of the Balance Sheet are disclosed as “Capital Work-in-Progress”.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-current assets.

If significant parts of an item of property, plant and equipment have different lives, then they are accounted for as separate items (major components) of property, plant and equipment.

An item of property, plant and equipment and any significant part initially recognized is de-recognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the property, plant and equipment is de-recognized.

Depreciation is calculated on a Straight-Line Method on the basis of the useful life as specified in Schedule II to the Companies Act, 2013. Depreciation method is reviewed at each financial year end to reflect expected pattern of consumption of the future economic benefits embodied in the asset and adjusted if appropriate.

Depreciation for additions to/deductions from, owned Assets is calculated on pro rata basis.

Depreciation charged for impaired Assets is adjusted in future periods in such a manner that the revised carrying amount of the asset is allocated over its remaining useful life.

The estimated useful lives are as mentioned below:

Type of asset	Method	Useful lives
Mettler Balance	Straight line	5 years
Motor Cars	Straight line	8 Years
Office Equipment	Straight line	5years
Computers	Straight line	3 years
Furniture & Fixtures	Straight line	10 years
Plant & Machinery	Straight line	15 years
Office Building	Straight line	60 years

Depreciation is not recorded on capital work-in-progress until construction and installation is complete and the asset is ready for its intended use.

7. Intangible assets

Intangible Assets are stated at original cost net of tax/duty credits availed, if any, less accumulated amortization and cumulative impairment. Intangible Assets are recognized when it is probable that the future economic benefits that are attributable to the asset will flow to the enterprise and the cost of the asset can be measured reliably.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably.

Amortization method and useful lives are reviewed at each reporting date. If the useful life of an asset is estimated to be significantly different from previous estimates, the amortization period is changed accordingly. If there has been a significant change in the expected pattern of economic benefits from the asset, the amortization method is changed to reflect the changed pattern.

Amortization on impaired Assets is provided by adjusting the amortization charges in the remaining period so as to allocate the Asset's revised carrying amount over its remaining useful life.

Amortization is provided using the Straight-Line Method as per the following useful life as per Schedule II of the Companies Act 2013:

Sr. No.	Nature of Assets	Estimated useful life (In years)
1.	Trademark	10 years
2.	Software	10 years

8. Leases as per IND-AS 116

The company determines whether a contract is (or contains) a lease is based on the substance of the contract at the inception of the lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The company recognizes Right to Use and lease liability at the commencement of the lease period.

Subsequently the right to use is shown as at cost less any accumulated depreciation and any accumulated impairment losses; and adjusted for any re-measurement of the lease liability. The company applies depreciation requirements of IND-AS 16, Property, Plant and Equipment, in depreciating the right-of-use asset and the lease term mentioned in the contract is taken as useful life for calculating the depreciation.

The company measures the lease liability at the present value of the lease payments. The lease payments are discounted using incremental borrowing rate applicable to the company for a similar term. Subsequently the lease liability is increasing the carrying amount to reflect interest on the lease liability; reducing the carrying amount to reflect the lease payments made; and re-measuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments.

In the current year, the company has recognized Interest on Lease Liability and Amortization of Right to Use Asset as per Ind AS 116 "Lease" in the profit and loss statement as under.

i. Interest on lease liability of Rs. 4.75 Lakhs
ii. Amortization of Right to use Asset of Rs. 22.37 Lakhs

iii. Total Outstanding Cash Outflow for Lease as per the agreement is Rs. 13.52 Lakhs
iv. The Carrying amount of Right to use Asset as on 31st March, 2021 is Rs. 10.72 Lakhs

The Company has taken premises under leave and license agreement, the rent and escalation of which depends upon the lease by the Company. The Company has given refundable interest free security deposits under certain agreements.

The disclosure requirement and maturity analysis of lease liability and asset as per IND-AS 116 are as follows:

i. The net carrying amount of Right to use Asset (Cost less Depreciation):

(Rs. In Lakhs)

Particulars	Opening as on 01stApril, 2020	Addition	Deletion	Depreciation during the Year	Closing as on 31st March, 2021
Leasehold Premises	209.64	0	182.74	16.18	10.72
Total	**209.64**	**0**	**182.74**	**16.18**	**10.72**

ii. The Total Minimum Lease Payment as on 31st March, 2021 is Rs. 12.46 Lakhs, the maturity analysis of which as below:

Maturity Analysis of the Minimum lease payment for the following years as follow:

Particulars	As on 31st Match, 2021	As on 31st March, 2020
Within 1 year	8.24	12.07
Above 1 year	5.28	141.27

9. Investment insubsidiaries

The Company has elected to account for its equity investments in subsidiaries under Ind AS 27 on separate financial statements, at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed.

Investments in subsidiaries are measured at cost less impairment.On disposal of investments in subsidiaries, the difference between net disposal proceeds and the carrying amounts are recognized in the Statement of profit and loss.

10. Impairment of Non-Financial assets

Tangible and Intangible Assets

Property, plant and equipment and intangible assets with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, there coverable amount is determined for the cash generating unit(CGU)to which the asset belongs.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognized in the statement of profit and loss.

Other Assets

As at each Balance Sheet date, the carrying amount of Assets is tested for impairment so as to determine:

i. The provision for impairment loss, if any; and

ii. The reversal of impairment loss recognised in previous periods, if any,

Impairment loss is recognized when the carrying amount of an asset exceeds its recoverable amount.

Recoverable amount is determined:

i. In the case of an individual asset, at the higher of the net selling price and the value in use;

ii. In the case of a cash generating unit (a group of Assets that generates identified, independent cash flows), at the higher of the cash generating unit's net selling price and the value in use.

11. FinancialInstruments

A Financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets and liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument.

a) Financial Assets

Initial recognition and measurement:

Financial assets are classified, at initial recognition, as subsequently measured at amortized cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. With the exception of trade

receivables that do not contain a significant financing component or for which the Company has applied the practical expedient, the Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of financial asset and financial liabilities. Trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient are measured at the transaction price determined under Ind AS 115. Refer to the accounting policies in section (g) Revenue from contracts with customers.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in three categories:

(i) Financial Assets at amortized cost
(ii) Financial Assets at fair value through other comprehensive income (FVTOCI)
(iii) Financial Assets at fair value through profit or loss (FVTPL)

i. Financial assets at amortizedcost

A financial asset is measured at the amortized cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

ii. Financial assets at fair value through other comprehensive income (FVTOCI)

A financial asset shall be classified and measured at fair value through other comprehensive income if both of the following conditions are met:

a) The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and,
b) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

iii. Financial assets at fair value through profit or loss (FVTPL)

FVTPL is a residual category for financial assets. Any financial asset, which does not meet the criteria for categorization as at amortized cost or as FVTOCI at initial recognition, is classified as at FVTPL. The transaction costs directly attributable totheacquisitionoffinancialassetsandliabilitiesatfairvaluethroughprofitorlossareimmediatelyrecognized in profit orloss.

Impairment of Financial Assets

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at the end of each

reporting period. The Company recognizes a loss allowance for expected credit losses on financial asset. In case of trade receivables, the Company follows the simplified approach permitted by Ind AS 109 – Financial Instruments for recognition of impairment loss allowance. The application of simplified approach does not require the Company to track changes in credit risk. The Company calculates the expected credit losses on trade receivables using a provision matrix on the basis of its historical credit loss experience.

De-recognition of Financial Assets

A financial asset is de-recognized when and only when:

i. The contractual rights to the cash flows from the financial asset expire;
ii. It transfers the financial Assets and the transfer qualifies for de-recognition.

b) Financial liabilities

Financial Liabilities are subsequently carried at amortized cost using the effective interest method for trade and other payables, maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

c) Offsetting

Financial Assets and Financial Liabilities are offset and the net amount is presented in the balance sheet when, and only when, the Company has a legally enforceable right to set off the amount and it intends, either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

12. Inventories

Inventories comprise of raw materials and finished goods are carried at the lower of cost or net realizable value. Cost of Finished Goods (Gold and Diamond Jewellery) and Raw Material (Gold and Other Precious Metal) are determined on weighted average basis bytakingaverageofborrowed gold and self-purchased goldseparately for.

Other Finished Goods are valued at cost or net realizable value whichever is lower. Raw material of Loose diamonds are valued specifically at weighted average costmethod.

Cost of inventories comprises all costs of purchase and, other duties and taxes (other than those subsequently recoverable from tax authorities), costs of conversion and all other costs incurred in bringing the inventory to their present location and condition. In respect of purchase of goods at prices that are yet to be fixed at the year end, adjustments to the provisional amounts are recognized based on the year end closing gold rate.

Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale. Raw materials and other supplies held for use in the production of finished products are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realizable value.

13. Cash and cash equivalents

TheCompanyconsidersallhighlyliquidfinancialinstruments,whicharereadilyconvertibleintoknownamounts ofcashthataresubjecttoaninsignificantriskofchangeinvalueandhavingoriginalmaturitiesofthreemonths or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal andusage.

14. Bank balances other than cash and cash equivalents

The company considers all financial instruments, which are convertible into known amounts of cash that are subject to an insignificant risk of change in value and have original maturities of more than three but not more than twelve months from date of purchase, to be bank balances other than cash and cash equivalents. These balances consist of deposits with banks which are restricted for withdrawal or usage before the original maturity barring a few exceptions where they can be withdrawn or used subject to modified contractual terms such as decreased rates of interest or payment of applicable fines/penalties.

15. Share Capital

Ordinary Shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares options are recognized as a deduction from equity, net of any tax effects.

16. Gold Loan:

i. Transactions of purchase of gold under Gold Loan Scheme of the banks where the final rate of gold is settledonthesubsequentdatetothedateoftransactionsarenormallyrecordedattheprevailingrateofgold andexchangerateonthedateoftransactionasperproformainvoiceprovidedbythesuppliersofthegold.

ii. Difference arise in the value of purchases as compared to the value as per proforma invoice on the date of settlement of transaction is transferred to the purchase cost as plus or minus as the case maybe.

iii. Monetaryitemofgoldloandenominatedinforeigncurrencyattheyear-endaretranslatedattheyear-endrate ofexchangeoftheforeigncurrencyandtheyear-endrateofgoldontheLondonMetalExchangeas certified by the seller bank of the gold and difference so arrived is taken to the cost of purchase ofgoods.

17. Incometaxes

Income tax expense comprises current tax and deferred tax. It is recognized in the Statement of profit or loss except to the extent that it relates to an item recognized directly in equity or in other comprehensive income.

i. Current income taxes

The Income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences. Income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to

compute the amount are those that are enacted or substantively enacted at the reporting date in India. Advance taxes and provisions for current income taxes are presented in the Balance sheet without off-setting advance tax paid and income tax provision arising in the same tax jurisdiction.

ii. **Deferred Income Taxes**

DeferredincometaxisrecognizedusingtheBalanceSheetapproach.Deferredincometaxassetsandliabilities are recognized for deductible and taxable temporary differences arising between the tax base of assets and liabilitiesandtheircarryingamount,exceptwhenthedeferredincometaxarisesfromtheinitialrecognitionofa n asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of thetransaction

Deferred income tax asset are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused taxlosses can be utilized. Thecarryingamountofdeferredincometaxassetsisreviewedateachreportingdateandreducedtotheextent thatitis nolongerprobablethatsufficienttaxableprofitwillbeavailabletoallowallorpartofthedeferredincome tax asset to beutilized.

Deferred tax assets and liabilities are measured using substantively enacted tax rates expected to apply to taxable income in the years in which the temporary differences are expected to be received or settled. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Transaction or event which is recognised outside the statement of Income and Expenditure, either in other comprehensive income or in equity, if any is recorded along with the tax as applicable.

18. Revenuerecognition as per IND AS 115

The Company earns revenue primarily from manufacturing and trading of gold Jewellery. In appropriate circumstances, revenue is recognized when no significant uncertainty as to determination or realization exists. Revenue is reported net of discounts, indirect taxes**.**

Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services, excluding amounts collected on behalf of third parties (for example taxes and duties collected on behalf of the government). Consideration is generally due upon satisfaction of performance obligations and a receivable is recognized when it becomes unconditional.

i. **Revenue from operations**

The Company earns its prime revenue from Export of jewellery, cutting & polishing of diamonds, Job work charges. The revenue from such transactions is reported in the period in which it occurred.

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

ii. **Revenue from other Income**

Other income of Company includes income from Interest on Fixed Deposits and Unsecured Loan, Rental Income, and Interest on Late Payments. These amounts are reported in the period in which they accrue.

Interest income is recognized on a time proportion basis, taking into account the amount outstanding and at an effective interest rate, as applicable.

19. Costrecognition

CostsandExpensesarerecognizedon an accrual basis as and when they become payable, andhavebeenclarifiedaccordingtotheirnature.Thecosts oftheCompanyarebroadlycategorizedincostofmaterialconsumed,employeebenefitexpenses, finance costs,depreciation and amortization and other operating expenses. Employee benefit expenses include employee compensation, allowances paid, contribution to various funds, staff welfare expenses and Gratuity Expense. Other operating expenses mainly include fees to external consultants, cost of running its facilities, travel expenses, exhibition charges, freight charges, export expenses, communication costs, allowances for delinquent receivables and advances and other expenses. Other expenses is an aggregation of costs which are individually not material such as commission and brokerage, recruitment and training, entertainmentetc.

20. Employee Benefits

i. **Short term Employee Benefits**

All employee benefits payable wholly within a period of twelve months of receiving employee services are classified as short-term employee benefits. Benefits such as salaries, allowances, advances and similar payments paid to the employees of the Company are recognized during the period in which the employee renders such related services.

The undiscounted amount of short term employee benefits to be paid in exchange for employee services are recognized as an expense as the related service is rendered by employees.

ii. **Post-employment Benefits**

Defined contribution plans

The employee benefits payable after twelve months or more of rendering the service are classified as long term employee benefits. A defined contribution plan is a post-employment benefit plan under which the Company pays specified contribution to a Government administered scheme and has no obligation to pay any further amounts. The Company makes specified monthly contributions towards provident fund and employee state insurance, which are defined contribution plans, at the prescribed rates. The Company's contribution is recognized as an expense in the Statement of profit and loss during the period in which the employee renders the related service.

Defined Benefit Plans

Gratuity

The Company's liabilities under the Payment of Gratuity Act are determined on the basis of actuarial valuation carried out by an independent actuary, made at the end of each financial year using the projected unit credit method. Obligation is measured at the present value of estimated future cash flows using a discounted rate that is determined by reference to market yields at the Balance Sheet date on Government bonds, where the terms of the Government bonds are consistent with the estimated terms of the defined benefit obligation. These benefits are settled at the time of cessation of service by the employee due to retirement etc.

The **company has recognized a liability for payment of post employment benefits to employees amounting to Rs. 39.62 Lakhs**. The summarized position of gratuity benefits is recognized in the Profit and Loss Account and Balance Sheet are as under:

Net Asset/(Liability) recognized in Balance Sheet	**31 March 2021**	**31 March 2020**
Present Value of Obligation	39.62	55.52
Fair Value of Plan Assets	-	-
Funded Status - (Surplus) /Deficit	-	-
Net Asset /(Liability) recognised in the Balance Sheet	39.62	55.52
Amount recognised in the Statement of Income and Expenditure Account	**31 March 2021**	**31 March 2020**
Current Service Cost	13.71	55.52
Interest Cost	2.52	-
Expected Return on Plan Asset	-	-
Total Expense / (Income) charged to Income and Expenditure Account	(16.23)	55.52
Reconciliation of amounts in Balance Sheet	**31 March 2021**	**31 March 2020**
Opening Net Defined Benefit Liability /(Asset)	55.52	-
Total Expense (Income) recognised in Income and Expenditure	16.23	55.52
Actual Employer Contribution Paid		
Total Re-measurements recognised in Other Comprehensive Income/(Loss)	(32.13)	-
Liability / (Asset) recognised in the Balance sheet	39.62	55.52
Change in Present Value of Obligation during the Period	**31 March 2021**	**31 March 2020**

Present Value of Obligation at the beginning of the Year	55.52	-
Current Service Cost	13.71	55.52
Interest Cost	2.52	-
Actuarial (Gain)/Loss on Obligation	(32.13)	-
Benefits Paid	-	-
Present Value of Obligation at the end of the Year	39.62	55.52
Change in Fair Value of Plan Assets during the Period	**31 March 2021**	**31 March 2020**
Fair Value of Plan Assets at the Beginning of the Year	-	-
Expected Return on Plan Assets	-	-
Contributions Made	-	-
Benefits Paid	-	-
Actuarial Gain/(Loss) on Plan Assets	-	-
Fair value of plan Assets at the end of the year	-	-
Amount recognised in other comprehensive income	**31 March 2021**	**31 March 2020**
Opening amount recognised in OCI	-	-
Re-measurements due to :		
Effect of Change in Financial Assumption	0.49	-
Effect of Change in Demographic Assumption	-	-
Effect of Experience Adjustments	(32.63)	-
Actuarial (Gain)/Loses	(32.13)	-
Return on Plan Assets (excluding Interest)	-	-
Total Re-measurements recognised in OCI	(32.13)	-
Amount recognised in OCI at the end of the period	(32.13)	-

Actuarial assumptions	**31 March 2021**	**31 March 2020**
Discount Rate	4.90% p.a.	5.45% p.a.
Expected Rate of Return on Assets	-	-
Withdrawal Rates	40% p.a. across all ages	40% p.a. across all ages
Future Salary Increases considering Inflation, Seniority, Promotion	5% p.a.	0% for next 2 year and 5% p.a. thereafter

c) A quantitative sensitivity analysis for significant assumption as at March 31, 2021 is shown below:		
Assumption	**Discount Rate**	**Salary Growth Rate**

Sensitivity Level	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease
March 31, 2021.				
Impact on defined benefit obligation	(39,17,036)	40,08,390	40,06,956	(39,17,525)
% Impact	-1.14%	1.17%	1.13%	-1.13%
March 31, 2020				
Impact on defined benefit obligation	(54,91,415)	56,13,305	56,13,442	(54,90,454)
% Impact	-1.08%	1.11%	1.11%	-1.10%

d) The following payments are expected contributions to the defined benefit plan in future years:

Particular	**As at 31st March, 2021**
Expected Payout Year one	11,73,802
Expected Payout Year two	9,74,566
Expected Payout Year three	8,42,548
Expected Payout Year four	5,47,331
Expected Payout Year five	3,45,642
Expected Payout Year six to ten	5,29,998
Total expected payments	**44,13,887**

21. ForeignCurrency

Foreign currency transactions are recorded at the exchange rates prevailing on the dates of the transactions. Exchange differences arising on foreign currency transactions settled during the period are recognized in the Statement of profit and loss.

Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated into functional currency at the exchange rates at the reporting date. The functional currency of the Company is Indian rupee. The resultant exchange differences (gainsandlosses)arisingonsettlementandrestatementare recognized in the Statement of profit and loss.

Non-monetary assets and liabilities that are measured in terms of historical cost in foreign currencies are not retranslated.

22. Earnings pershare

Basic earnings per equity share are computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares outstanding at the end of the reporting period.

For the purpose of calculating diluted earnings per share, the net profit for the period attributable to equity shareholders and the weighted average number of shares outstanding during the year is adjusted for the effects of all dilutive potential equity shares. However the company did not have any potentially dilutive securities in any of the year's presented.

23. Statement of Cash flow

Statement of Cash flow is prepared segregating the cash flows from operating, investing and financing activities. Cash flow from operating activities is reported using indirect method. Under the indirect method, the net surplus is adjusted for the effects of changes during the period in inventories, operating receivables and payables transactions of a non-cash nature

i. Non-cash items such as depreciation, provisions, deferred taxes, unrealised foreign currency gains and losses, and undistributed profits of associates; and
ii. All other items for which the cash effects are investing or financing cash flows.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF SWARNSARITA GEMS LTD

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of SWARNSARITA GEMS LTD ("the holding Company") and its subsidiary SWARNSARITA TRADING PVT. LTD. (the Company and its subsidiary together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2021, the Consolidated Statement of Profit and Loss (including other comprehensive income), consolidated statement of changes in equity and Consolidated Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Accounting Standards specified under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014 and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2021, the consolidated profit and its consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing 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 Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the consolidated 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 ICAI's 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 consolidated financial statements.

Key Audit Matters

Key audit matters ('KAM') are those matters that, in our professional judgment, were of the most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined that there are no key audit matters to be communicated in our report.

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

The Company's Board of Directors is responsible for the preparation of the other information. The other

information comprises the information included in the Annual report, but does not include the consolidated financial statements and our auditor's report thereon.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our 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.

Responsibilities of the Management for the Consolidated Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated profit and other comprehensive income,, consolidated statement of changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. The Holding Company's Board of Directors is also responsible for ensuring accuracy of records including financial information considered necessary for preparation of consolidated financial statements. Further, in terms of provisions of the Act the respective Board of Directors of the companies included in the Group are responsible for maintenance of the adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

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

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a

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

As part of an audit in accordance with Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls 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 the internal financial controls with reference to the consolidated financial statements and the operating effectiveness of such controls based on our audit.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group 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 consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated 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 thought 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 consolidated financial statements of the current period and are therefore

the key audit matters. We describe these matters in our auditor's 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

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

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

   b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.

   c) Theconsolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

   d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

   e) On the basis of the written representations received from the directors of the Company as on March 31, 2021 taken on record by the Board of Directors of the Holding Company and its subsidiary incorporated in India and the reports of the statutory auditors of its subsidiary company incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.

   f) With respect to the adequacy of the internal financial controls over financial reporting of the holding company and its subsidiaries covered under the Act and the operating effectiveness of such controls, refer to our separate report in '**Annexure A**'. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

2. 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 has disclosed the impact of pending litigations on its financial position in its financial
   statements. Refer note 35 of Notes to the financial statements

   ii. The Company did not have any long – term contracts including derivative contracts for which there were any material foreseeable loses.

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

3. With respect to the matter to be included in the Auditors' Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

For **Banshi Jain and Associates**
Chartered Accountants
(Firm Registration Number – 100990W)

Sd/-

Place: MUMBAI
Date: 23rd June 2021

R. B. Golecha
Partner
Membership No. 035348
UDIN:21035348AAAAFK4172

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

In conjunction with our audit of the consolidated financial statements of Swarnsarita Gems Limited as of and for the year ended March 31, 2021, we have audited the internal financial controls over financial reporting of **SWARNSARITA GEMS LTD** (hereinafter referred to as "Holding Company") and its subsidiary company, covered under the act, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the holding Company and its subsidiary companies, covered under the act, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the 'Guidance Note) issued by the Institute of Chartered Accountants of India (" the 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 the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Holding Company and its subsidiary companies, covered under the act, based on our audit. We conducted our audit in accordance with the Guidance Note by the Institute of Chartered Accountants of India 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 judgement, 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 internal financial controls system over financial reporting of the Holding Company and its subsidiary companies, covered under the act.

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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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 and to the best of our information and according to the explanations given to us, the Company and its subsidiary companies, covered under the act, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Banshi Jain and Associates**
Chartered Accountants
(Firm Registration Number – 100990W)

Place: MUMBAI
Date: 23rd June 2021

R. B. Golecha
Partner
Membership No. **035348**
UDIN:21035348AAAAFK4172

SWARNSARITA GEMS LIMITED
CONSOLIDATED BALANCE SHEET AS ON 31ST MARCH 2021 (Rs. in lakhs)
CIN: L36911MH1992PLC068283

Particular	Note	As at 31.03.2021	As at 31.03.2020
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	1	510.94	160.81
Right to Use Assets	2	10.72	143.41
Intangible Assets	3	2.00	2.02
Financial Assets			
Investments	4	-	-
Other Financial Assets	5	1.60	57.55
Other Non-Current Assets	6	947.10	1,117.99
Total Non-Current Assets		**1,472.36**	**1,481.79**
Current Assets			
Inventories	7	8,694.43	10,267.80
Financial Assets			
Investments	4	12.73	10.02
Trade Receivables	8	8,916.19	6,868.86
Cash and Cash Equivelants	9	375.81	240.41
Bank Balances Other than Cash and Cash Equivelants	10	2,814.01	1,681.01
Loans and Advances	11	26.66	24.26
Other Financial Assets	5	1.42	4.39
Other Current Assets	12	266.93	254.70
Total Current Assets		**21,108.18**	**19,351.46**
Total Assets		**22,580.54**	**20,833.24**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	13	2,083.76	2,083.76
Other Equity		8,310.17	7,730.51
Total Equity		**10,393.93**	**9,814.27**
Liabilities			
Non -Current Liabilities			
Long Term Provisions	14	27.88	37.11
Deferred Tax Liabilities	15	1.31	(10.82)
Financial liabilities			
Other Financial Liabilities	16	32.07	160.95
Total Non-Current Liabilities		**61.26**	**187.25**
Current liabilities			
Financial liabilities			
Borrowings	17	11,677.25	10,116.81
Trade Payables Due to:			
Micro and Small Enterprise		-	0.16
Other than Micro and Small Enterprise	18	149.64	222.29
Other Financial Liabilities	16	163.74	248.78
Other Current Liabilities	19	93.06	214.71
Short Term Provisions	20	11.74	18.40
Current Tax Liabilities (Net)	21	29.94	10.57
Total Current Liabilities		**12,125.37**	**10,831.72**
Total Equity and Liabilities		**22,580.55**	**20,833.24**

As per our report of even date

For Banshi Jain and Associates
Chartered Accountants
Firm Regn. No.- 100990W

Sd/-

R. B. Golecha
Partner
Membership No. 035348

Place: Mumbai
Date: 23-06-2021

For and On behalf of the Board of Directors of Swarnasraita Gems Limited

Sd/-
Mahendra M. Chordia
Managing Director
DIN: 00175686

Sd/-
Rajul Chordia
Director
DIN: 08827725

Sd/-
Umang Mitul Mehta
Director
DIN: 07974230

Sd/-
Sunny Mahendra Chordia
Director
DIN: 06664041

Sd/-
Dhruvin Bharat Shah
Director
DIN: 07528387

Sd/-
Deep Shailesh Lakhani
Director
DIN: 08018001

Sanket Dangi
Chief Financial Officer

Deepak Suthar
Company Secretary

Swarnsarita Gems Limited
Consolidated Statement of Profit and loss for the year ended 31ST MARCH 2021
CIN: L36911MH1992PLC068283

(Rs. in lakhs)

Particulars	Note	Year Ended 31 March 2021	Year Ended 31 March 2020
Revenue from operation	22	57,566.63	55,913.86
Other Income	23	411.66	683.77
Total Income		**57,978.29**	**56,597.63**
Expenses			
Cost of material consumed	24	53,899.03	53,121.57
Changes in Inventories of Finished Goods, Stock - In - Trade and Work in progress	25	1,837.19	1,031.25
Employee Benefit Expenses	26	390.99	682.43
Financial Costs	27	638.67	537.09
Depreciation and Amortization Expenses	28	41.69	87.79
Other Expenses	29	379.05	447.43
Total Expenses		**57,186.62**	**55,907.56**
Profit before tax		**791.67**	**690.07**
Tax Expense			
Current Tax		232.03	222.83
Tax for Earlier Year		-	30.66
Deferred Tax		12.12	(16.06)
Profit for the period		**547.52**	**452.64**
Other comprehensive income			
(A) Items that will not be reclassified to profit or loss			
Income tax relating to items that will not be reclassified to profit or loss		-	-
Actuarial Gains/Losses on Gratuity Provision		(32.13)	
(B) Items that will be reclassified to profit or loss			
Income tax relating to items that will be reclassified to profit or loss		-	-
Total other comprehensive Income		**(32.13)**	**-**
Total Comprehensive Income for the period		**579.66**	**452.64**
Earning per equity share			
Basic		2.62	2.17
Diluted		2.62	2.17

The accompaying notes form an integral part of the standalone financial statements.

As per our report of even date

For Banshi Jain and Associates
Chartered Accountants
Firm Regn. No.- 100990W

R. B. Golecha
Partner
Membership No. 035348

Place: Mumbai
Date: 23-06-2021

For and On behalf of the Board of Directors of Swarnasraita Gems Limited

Mahendra M. Chordia
Managing Director
DIN: 00175686

Rajul Chordia
Director
DIN: 08827725

Umang Mitul Mehta
Director
DIN: 07974230

Sunny Mahendra Chordia
Director
DIN: 06664041

Dhruvin Bharat Shah
Director
DIN: 07528387

Deep Shailesh Lakhani
Director
DIN: 08018001

Sanket Dangi
Chief Financial Officer

Deepak Suthar
Company Secretary

Swarnsarita Gems Limited
Consolidated Statement of Cash Flow for the year ended 31ST MARCH 2021
CIN: L36911MH1992PLC068283

(Rs. in lakhs)

Particulars	2021	2020
Net Cash Flow From Operating Activities		
Profit before tax	791.63	690.07
Adjustment for :		
Depreciation and amourtization of expenses	41.69	87.79
Gain/Loss on Investments	(2.69)	0.42
Profit on Sale of Fixed Assets	(5.54)	(1.87)
Fixed Assets w/off	-	0.24
Actuarial Gain or Loss on post employement benefit	32.13	-
Remeasurement of Financial Instruments	18.10	-
Loss on revaluation financial hedge at fair value	40.63	-
Interest Expenses (Net)	450.67	239.30
Operating Profit Before Working Capital Changes	**1,366.63**	**1,015.98**
Inventories	1,573.37	989.31
Trade Receivables	(2,065.44)	(488.75)
Loans	114.59	(2.61)
Other Financial Assets - Current	58.93	(4.39)
Other Financial Assets - Non Current	-	1.18
Other Current Assets	27.68	78.46
Other Non Current Assets	170.89	-
Trade and other payable	(66.15)	(173.27)
Other financial liabilities	(213.97)	(9.74)
Short term Provision	(6.66)	18.40
Long Term Provision	(9.23)	37.11
Change in Current Tax Liabilities	-	(36.61)
Other Current Liabilities	(168.77)	162.88
Right to use assets	110.31	(25.97)
Cash Generated From Operations	**892.17**	**1,561.98**
Income Tax Paid	(253.83)	(253.49)
Net Cash From Operating Activities	**638.34**	**1,308**
Cash Flow From Investing Activities		
Payment for purchase of property, plant and equipment	(420.88)	(237.23)
Purchase of Investments (net)	57.00	-
Proceeds from disposal/redemption of investments	-	6.80
Interest received	287.78	297.79
Net Cash Used In Investment Activities	**(76.11)**	**67.36**
Cash Flow From Financing Activities		
Short Term Borrowings	1,443.45	(2,977.09)
Interest paid	(737.28)	(537.09)
Net Cash Used In Financing Activities	**706.16**	**(3,514.15)**
Net change in cash and cash equivalents	**1,268.40**	**(2,138.30)**
Cash And Cash Equivalents As At The Commencement of the Year (Opening Balance)	240.41	90.49
Bank Balances Other than Cash and Cash Equivelants of the Year (Opening Balance)	1,681.01	3,969.22
Cash And Cash Equivalents As At The End of the Year	375.81	240.40
Bank Balances Other than Cash and Cash Equivelants of the Year (Closing Balance)	2,814.01	1,681.01
Net Increase / (Decrease) As Disclosed Above	**1,268.40**	**(2,138.30)**

Note :
The above Statement of Cash Flows has been prepared under indirect method as set out in Ind AS 7, 'Statement of Cash Flows', as specified under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standard) Rules, 2015 (as amended).

All figures in brackets are outflows
The previous year figures have been regrouped and rearranged wherever necessary

As per our report of even date

For Banshi Jain and Associates
Chartered Accountants
Firm Regn. No.- 100990W

Sd/-

R. B. Golecha
Partner
Membership No. 035348

Place: Mumbai
Date: 23-06-2021

For and On behalf of the Board of Director of Swarnsarita Gems Ltd.

Sd/-
Mahendra M. Chordia
Managing Director
DIN: 00175686

Sd/-
Rajul Chordia
Director
DIN: 08827725

Sd/-
Umang Mitul Mehta
Director
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Sd/-
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Sd/-
Dhruvin Bharat Shah
Director
DIN: 07528387

Sd/-
Deep Shailesh Lakhani
Director
DIN: 08018001

Sd/-
Sanket Dangi
Chief Financial Officer

Sd/-
Deepak Suthar
Company Secretary

Swarnsarita Gems Limited
Consolidated Statement of Change in Equity
CIN: L36911MH1992PLC068283

A. Equity Share Capital (Rs. in lakhs)

Particulars	Balance at the Beginning of the year	Changes in Equity share capital during the year	Balance at the end of the year
March 31, 2020			
Numbers	22,000,000	-	**22,000,000**
Amount	2,083.76	-	**2,083.76**
March 31, 2021			
Numbers	22,000,000	-	**22,000,000**
Amount	2,083.76	-	**2,083.76**

Statement of Change in Equity as on 31st March, 2021

Particulars	Other equity					Total
	Capital reserve	Securities premium reser	General reserve	Retained earnings	Other items of other comprehensive income	
Balance as of April 1, 2020	**67.50**	**1,368.10**	**49.46**	6,245.45	-	7,730.51
Increase in share capital	-	-	-	-	-	-
Profit for the period	-	-	-	547.52	32.13	579.66
Balance as of March 31, 2021	**67.50**	**1,368.10**	**49.46**	**6,792.97**	**32.13**	**8,310.17**

Statement of Change in Equity as on 31st March, 2020

Particulars	Other equity					Total
	Capital reserve	Securities premium Reserve	General reserve	Retained Earnings	Other items of other comprehensive	
Balance as of April 1, 2019	67.50	1,368.10	49.46	5,792.80	-	7,277.86
Increase in share capital	-	-	-	-	-	-
Profit for the period	-	-	-	452.64	-	452.64
Balance as of March 31, 2020	**67.50**	**1,368.10**	**49.46**	**6,245.45**	**-**	**7,730.51**

The accompaying notes form an integral part of the standalone financial statements.

As per our report of even date

For Banshi Jain and Associates
Chartered Accountants
Firm Regn. No.- 100990W

Sd/-

R. B. Golecha
Partner
Membership No. 035348

Place: Mumbai
Date: 23-06-2021

For and On behalf of the Board of Directors of Swarnasraita Gems Limited

Sd/-
Mahendra M. Chordia
Managing Director
DIN: 00175686

Sd/-
Sunny Mahendra Chordia
Director
DIN: 06664041

Sd/-
Rajul Chordia
Director
DIN: 08827725

Sd/-
Sanket Dangi
Chief Financial Officer

Sd/-
Deep Shailesh Lakhani
Director
DIN: 08018001

Sd/-
Dhruvin B. Shah
Director
DIN: 07528387

Sd/-
Umang Mitul Mehta
Director
DIN: 07974230

Sd/-
Deepak Suthar
Company Secretary

Swarnsarita Gems Limited
Notes to Consolidated Financial Statement for the Year Ended 31st March, 2021

1. Property plant and equipment
Following are the changes in the carrying value of property, plant and equipment for the year ended 31st March, 2021

(Rs. in lakhs)

	Cost				Depreciation				Carring Value	
Name of Assets	**As On 01.04.2020**	**Addition during the year**	**Deduction/ Written off During the Year**	**As On 31.03.2021**	**As On 01.04.2020**	**Depreciation during the year**	**Depreciation Reversal**	**Total As On 31.03.2021**	**As On 31.03.2021**	**As On 31.03.2020**
Mettler Balances	7.16	-	-	7.16	6.47	0.16	-	6.63	0.53	0.68
Motor Cars	89.56	-	14.67	74.89	50.78	6.23	11.97	45.04	29.85	38.78
Office Equipments	26.07	5.10	-	31.17	16.87	2.89	-	19.76	11.41	9.20
Computers	12.61	0.60	-	13.20	11.49	0.54	-	12.03	1.17	1.12
Furniture & Fixtures	32.52	0.57	-	33.09	9.85	3.26		13.12	19.97	22.67
Plant & Machinery	53.00	-	-	53.00	14.25	3.48	-	17.73	35.27	38.75
Office Building	53.52	414.42	53.52	414.42	3.91	2.53	4.76	1.68	412.74	49.61
Total	**274.43**	**420.68**	**68.19**	**626.93**	**113.63**	**19.09**	**16.73**	**115.99**	**510.94**	**160.81**

Following are the changes in the carrying value of property, plant and equipment for the Year ended 31st March, 2020

	Cost				Depreciation				Carring Value	
Name of Assets	**As On 01.04.2019**	**Addition during the year**	**Deduction/ Written off During the Year**	**As On 31.03.2020**	**As On 01.04.2019**	**Depreciation during the year**	**Depreciation Reversal**	**Total As On 31.03.2020**	**As On 31.03.2020**	**As On 31.03.2019**
Mettler Balances	7.16	-	-	7.16	5.87	0.61	-	6.47	0.68	1.29
Motor Cars	108.17	18.53	37.14	89.56	74.40	8.59	32.21	50.78	38.78	33.78
Office Equipments	20.51	5.55	-	26.07	12.79	4.08	-	16.87	9.20	7.77
Computers	16.39	-	3.78	12.61	14.36	0.65	3.53	11.49	1.12	2.03
Furniture & Fixtures	31.99	0.52	-	32.52	6.66	3.19		9.85	22.67	25.34
Plant & Machinery	51.85	1.15	-	53.00	10.80	3.45	-	14.25	38.75	41.05
Office Building	53.52	-	-	53.52	3.06	0.85	-	3.91	49.61	50.46
Total	**289.60**	**25.76**	**40.92**	**274.43**	**127.94**	**21.43**	**35.74**	**113.63**	**160.81**	**161.71**

2. Right to Use Assets
Following are the changes in the carrying value of Right to Use Assets for the Year ended 31st March, 2021

	Cost				Depericiation				Carring Value	
Name of Assets	**As On 01.04.2020**	**Addition during the year**	**Deduction/ Written off During the Year**	**As On 31.03.2021**	**As On 01.04.2020**	**Depreciation during the year**	**Depreciation Reversal**	**Total As On 31.03.2021**	**As On 31.03.2021**	**As On 31.03.2020**
Right to Use Assets	209.64	-	182.74	26.91	66.24	22.37	72.43	16.18	10.72	143.41
Total	**209.64**	**-**	**182.74**	**26.91**	**66.24**	**22.37**	**72.43**	**16.18**	**10.72**	**143.41**

Following are the changes in the carrying value of Right to Use Assets for the Year ended 31st March, 2020

	Cost				Depericiation				Carring Value	
Name of Assets	**As On 01.04.2019**	**Addition during the year**	**Deduction/ Written off During the Year**	**As On 31.03.2020**	**As On 01.04.2019**	**Depreciation during the year**	**Depreciation Reversal**	**Total As On 31.03.2020**	**As On 31.03.2020**	**As On 31.03.2019**
Right to Use Assets	-	209.64	-	209.64	-	66.24	-	66.24	143.41	-
Total	**-**	**209.64**	**-**	**209.64**	**-**	**66.24**	**-**	**66.24**	**143.41**	**-**

3. Intangible Assets
Following are the changes in the carrying value of Intangible Assets for the Year ended 31st March, 2021

	Cost				Depericiation				Carring Value	
Name of Assets	**As On 01.04.2020**	**Addition during the year**	**Deduction/ Written off During the Year**	**As On 31.03.2021**	**As On 01.04.2020**	**Depreciation during the year**	**Depreciation Reversal**	**Total As On 31.03.2021**	**As On 31.03.2021**	**As On 31.03.2020**
Trademark	0.36	-	-	0.36	0.07	0.03	-	0.10	0.26	0.29
Software	1.82	0.20	-	2.02	0.09	0.19	-	0.28	1.74	1.73
Total	**2.18**	**0.20**	**-**	**2.38**	**0.16**	**0.22**	**-**	**0.38**	2.00	**2.02**

Following are the changes in the carrying value of Intangible Assets for the Year ended 31st March, 2020

	Cost				Depericiation				Carring Value	
Name of Assets	**As On 01.04.2019**	**Addition during the year**	**Deduction/ Written off During the Year**	**As On 31.03.2020**	**As On 01.04.2019**	**Depreciation during the year**	**Depreciation Reversal**	**Total As On 31.03.2020**	**As On 31.03.2020**	**As On 31.03.2019**
Trademark	0.36	-	-	0.36	0.04	0.04	-	0.07	0.29	0.32
Software	-	1.82	-	1.82	-	0.09	-	0.09	1.73	-
Total	**0.36**	**1.82**	**-**	**2.18**	**0.04**	**0.13**	**-**	**0.16**	**2.02**	**0.32**

Swarnsarita Gems Limited
Notes to Consolidated Financial Statement for the Year Ended 31st March, 2021

4. Investments

(Rs. in lakhs)

Particulars	As at 31.03.2021	As at 31.03.2020
Non-current investments		
Swarnsarita Realty Pvt Ltd	-	-
	-	**-**
Current investments		
(Investment Carried at Fair Value through Profit and Loss Account (FVTPL))		
Liquid Mutual Fund Units		
Union Mutual Fund	12.69	9.98
Equity Investments		
SJ Corporation Limited of Rs. 1 each	0.04	0.04
400 quity shares of Rs. 1 each, fully paid up		
Aggregated amount of Impairment	-	-
Aggregated amount of Quoted Investment	*12.73*	*10.02*
Market value of Quoted Investment	*12.73*	*10.02*
	12.73	**10.02**
Total carrying Value of Investment	**12.73**	**10.02**

5. Other Financial Assets

Particulars	As at 31.03.2021	As at 31.03.2020
Non-current		
Security Deposit	1.51	52.78
Unamortised Advance Rental	0.08	2.29
Deposits with Bank		
Original maturity more than 12 months with Banks	-	2.49
	1.60	**57.55**
Current		
Advance to Employees	0.85	0.85
Unamortised Advance Rental	0.07	**3.54**
Other receivable	0.50	**-**
	1.42	**4.39**

6. Other Non Current Assets

Particulars	As at 31.03.2021	As at 31.03.2020
Non - Current		
Advances for Immovable Property	947.10	1,117.99
	947.10	**1,117.99**

7. Inventories*

Particulars	As at 31.03.2021	As at 31.03.2020
(Valued at Lower of Ccost or Net Realisable Value)		
Raw Materials**	4,910.82	4,647.00
Finished Goods**	3,783.61	5,620.80
	8,694.43	**10,267.80**

**Working Capital Borrowing obtained by the Parent Company are secured by hypothecation of inventories of the Parent Company (refer note 17).*

8. Trade receivables (Rs. in lakhs)

Particulars	As at 31.03.2021	As at 31.03.2020
Unsecured , Considered Good*		
Considered Good Credit Impaired	8,934.29	6,943.01
Less: Impairment Allowance (Allowance for Bad & Doubtful Debts)	(18.10)	(74.15)
	8,916.19	**6,868.86**

**Working Capital Borrowing obtained by the Parent Company are secured by hypothecation of trade receivables of the Parent Company (refer note 17).*

No trade or other receivables are due from directors or other officers of the Comapany either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a parter, a director or a member.

Trade receivables are generally not interest-bearing.

9. Cash and cash equivlents

Particulars	As at 31.03.2021	As at 31.03.2020
Balances with banks		
In current accounts	373.48	235.29
Cash on hand	2.33	5.12
	375.81	**240.41**

10. Bank Balances Other than Cash and cash equivlents

Particulars	As at 31.03.2021	As at 31.03.2020
Deposits with Bank		
Original maturity more than 3 month but less than 12 months with Banks	2,814.01	1,681.01
	2,814.01	**1,681.01**

11. Loans & Advances

Particulars	As at 31.03.2021	As at 31.03.2020
Non - Current		
Unsecured, considered good		
- Loans To		
Related Parties	-	-
Other than Related Parties	26.66	24.26
	26.66	**24.26**

12. Other Current Assets

Particulars	As at 31.03.2021	As at 31.03.2020
Advance to Supplier	13.59	34.43
Balances with Government Authorities	241.65	216.77
Prepaid Expenses	11.69	3.50
	266.93	**254.70**

13. Equity share capital

Particulars	As at 31.03.2021	As at 31.03.2020
Authorised Share:		
2,20,00,000 Equity Shares of Rs. 10/- each	2,200.00	2,200.00
Issued, Subscribed and Paid up:		
2,08,76,800 Equity Shares of Rs. 10/- each Fully Paid-Up	2,087.68	2,087.68

Less : Call Money Due on Equity Shares	(3.92)	(3.92)
Total	**2,083.76**	**2,083.76**

Reconcilation of the Number of Equity Shares Outstanding at the beginning and at the end of the reporting period

(Rs. in lakhs)

Particulars	As at 31.03.2020	As at 31.03.2019
	No. of Shares	No. of Shares
Outstanding at the Beginning of the Reporting Year	20,876,800	20,876,800
Add: Issued During the year	-	-
Outstanding at the End of the Reporting Year	**20,876,800**	**20,876,800**

Terms / Right Attached to Equity Shares

The Company has only one class of equity shares having a face value of INR 10 each. Each holder of an equity share is entitled to one vote per share. The Company declares and pays dividends in Indian rupees, if any. The dividend proposed by the board of directors, if any is subject to the approval of the shareholders in the ensuing annual general meeting.

In the event of liquidation of the company, the holder of equity shares will be entitled to receive any of the remaining assets of the company, after distribution of all preferential amounts. However, no such preferential amounts exist currently. The distribution will be in the number of equity shares held by the shareholders at the time of liquidation

Details of Shareholders holding more than 5% share in the company

Equity Shares Fully Paid at Rs. 10/- each

No.	Name	As at 31st March, 2021		
		No. of Shares	% of Holding	% of Holding
1	Swarnsarita Jewellers Pvt. Ltd.	9,357,187	44.82	44.82

14. Long Term Provisions

Particulars	As at 31.03.2021	As at 31.03.2020
Provision for Gratuity	27.88	37.11
	27.88	**37.11**

15. Deferred Tax Assets (Liabilities)

Particulars	As at 31.03.2021	As at 31.03.2020
Deferred Tax Liability		
Property plant and equipment	11.72	5.64
Right to Use (Lease Asset)	2.70	35.86
Deferred Tax Asset		
Lease Liability	(3.14)	(38.34)
Gratuity Provision	(9.97)	(13.97)
	1.31	**(10.82)**

16. Other Financial Liabilities

Particulars	As at 31.03.2021	As at 31.03.2020
Non-Current		
Lease Liability	5.09	141.27
Security Deposit	22.90	15.74
Unamortised Advance Rentals	4.08	3.94
	32.07	**160.95**
Current		
Unamortised Advance Rentals	0.90	1.53
Expenses payables	114.84	235.19
Lease Liability	7.37	12.07
Fair value of Derivative liability	40.63	-
	163.74	**248.78**

17. Borrowing (Rs. in lakhs)

Particulars	As at 31.03.2021	As at 31.03.2020
Current		
Secured, Loans Repayable on Demand		
From Banks		
Union Bank of India (CC A/c) 1	2,763.18	980.79
Union Bank of India (Gold Loan)1	5,050.24	6,695.63
Yes Bank Bullion Account 2	365.80	365.80
State bank of India (Gold Loan) 3	2,005.76	-
Yes Bank CC 2	329.75	412.54
Yes Bank GECL 2	362.50	-
Yes Bank EPC	-	101.49
Yes Bank WCDL 2	800.00	1,385.00
Unsecured, Loans Repayable on Demand		
From Banks		
The Bank of Nova Scotia	-	175.55
	11,677.25	**10,116.81**

1	The Cash Credit facility and Gold Loan from the Union Bank of India is collaterally secured by way of the equitable mortgage of property being Shops at Kalyan bearing No. 3, 103, 4, 104, 15, 115, 16 and 116 and office no. 114, 115 at Panchratna, Opera House, Mumbai, Pledge of 62.63040 Lakhs shares of Swarnsarita Gems Limited held by Promoter group (Swarnsarita Jewellers Private Limited), personal guarantee given by the directors of the company and Corporate guarantee of Swarnsarita Realty Private Limited and hypothecation of Stock and book debt upto 90 days.
2	The Cash Credit facility from YES Bank is secured by exclusive charge by way of equitable/ registered mortgage on 2 residential properties situated i.e. 901, Silver Solitaire, Opp Axis Bank, Tilak Road Ghatkopar East, Mumbai and 1603, Panoroma, The Address, opp. R. City Mall, LBS Road Ghatkopar West Mumbai, Charge on all the present and future current assets and movable fixed assets, personal guarantee of directors of the company.
3	Gold Loan from the State Bank of India is secured against the bank guarantee provided by the Yes Bank worth Rs. 20 crores i.e. 4 BG's of Rs. 5 crores each

18. Trade Payable

Particulars	As at 31.03.2021	As at 31.03.2020
Trade Payable due to		
Micro and Small Enterprise	-	0.16
Other than Micro and Small Enterprise	149.64	222.29
	149.64	**222.45**

	[*] Disclosure in respect of Micro, Small and Medium Enterprises:	As at 31.03.2021	As at 31.03.2020
A	Principal amount remaining unpaid to any supplier as at the year end	-	0.16
B	Interest due thereon	-	-
C	Amount of interest paid by the Company in terms of section 16 of the MSMED Act, along with the amount of the payment made to the supplier beyond the	-	-
D	Amount of interest due and payable for the period of delay in making payment which have been paid but beyond the appointed day during the year but without adding the interest specified under the MSMED Act	-	-
E	Amount of interest accrued and remaining unpaid at the end of the accounting	-	-
F	Amount of further interest remaining due and payable in succeeding years	-	-

The above information has been compiled in respect of parties to the extent to which they could be identified as Micro, Small and Medium.

19. Other Current Liabilities

Particulars	As at 31.03.2021	As at 31.03.2020
Advance received from customer	64.51	191.48
Payable to Statutory Authorities	28.55	23.23
		-
	93.06	**214.71**

20. Short Term Provisions

Particulars	As at 31.03.2021	As at 31.03.2020
Provision for Gratuity	11.74	18.40
	11.74	**18.40**

21. Current Tax Liabilities

Particulars	As at 31.03.2021	As at 31.03.2020
Income tax liabilities	29.95	10.57
	29.95	**10.57**

Swarnsarita Gems Limited
Notes to Consolidated Financial Statement for the Year Ended 31st March, 2021

22. Revenue from operation (Rs. in lakhs)

Particulars	31 March 2021	31 March 2020
Sale of Goods	56,742.17	55,458.63
Rent Income	26.60	40.34
Labour Charges Received	797.86	414.88
	57,566.63	**55,913.86**

23. Other Income

Particulars	31 March 2021	31 March 2020
Interest Income		
Interest Income on Bank Deposits	107.84	224.04
Interest Income Lease (Security Deposit)	1.17	3.15
Other Interest Income	80.16	70.60
Other Non Operating Income		
Exchange difference	197.97	384.17
Gain/Loss on valuation of Shares and mutual fund at fair value	2.69	(0.42)
Profit on Sale of Property Plant and Equipment	5.54	1.87
Miscellaneous Income	16.29	0.37
Misc Receipt	15.86	-
Sundry Balances Written back	-	-
Bad Debts Receovery	-	(0.29)
Discount Rebate and Round off	0.43	0.66
	411.66	**683.77**

24. Cost of material consumed

Particulars	31 March 2021	31 March 2020
Purchase of Goods	53,491.17	52,737.98
Labour Charges & Other Charges	671.68	425.53
Add:- Opening Stock		
Raw Material	4,647.00	4,605.06
Less:- Closing Stock		
Raw Material	4,910.82	4,647.00
Raw Material Consumed	**53,899.03**	**53,121.57**

25. Changes in Inventories of Finished Goods, Stock - In - Trade and Work in progres

Particulars	31 March 2021	31 March 2020
Opening Balance of Inventory	5,620.80	6,652.05
Less: Closing Balance of Inventory	3,783.61	5,620.80
	1,837.19	**1,031.25**

26.Employee benefit expenses

Particulars	31 March 2021	31 March 2020
Salaries and Wages*	366.98	600.95
Contribution to Employee Benefits	0.85	7.11
Staff Welfare Expenses	6.92	18.85
Gratuity Expense	16.24	55.52
	390.99	**682.43**

*Salaries and wages includes director remuneration of Rs. 144 Lakhs.

27. Finance Costs

Particulars	31 March 2021	31 March 2020
Interest Expenses	638.67	537.09
	638.67	**537.09**

28. Depreciation and Amortisation Expenses (Rs. in lakhs)

Particulars	31 March 2021	31 March 2020
Depreciation on Tangible Assets (Note 1)	19.09	21.43
Depreciation on Intangible Assets (Note 3)	0.22	0.13
Depreciation on Right to use assets (Note 2)	22.37	66.24
	41.69	**87.79**

29. Other Expenses

Particulars	31 March 2021	31 March 2020
Auditor Remuneration	8.10	9.80
Bad Debts	86.55	80.49
ECL on Debtors	18.10	-
Brokerage and Commission	19.16	1.75
Certification Charges	6.01	17.79
Discount, Rebate & Round off	0.01	0.12
Donation	1.95	5.06
CSR Expenses	14.20	-
Exhibition Charges	-	54.11
Export Expenses	26.55	27.30
Freight Charges	13.31	35.58
Insurance Expenses	6.01	10.57
SEBI Penalty	-	-
Repairs and Maintenance	1.62	3.04
Business Promotion Expense	2.43	10.32
Office Expenses	50.58	111.22
Rental Expense	49.23	54.26
Factory Expenses	2.10	13.61
Loss on Forward Transaction	22.14	-
Loss on revaluation of financial hedge at fair value	40.63	-
Interest on Statutory Dues	1.52	5.41
Other Expenses	2.37	2.43
Listing Fees and Depository Charges	6.50	4.68
	379.05	**447.43**

Auditors Remuneration*

Particulars	31 March 2021	31 March 2020
Statutory Audit Fees	4.00	7.25
Audit Fees for Limited Review	1.00	1.00
GST Audit Fees	-	1.00
Stock Audit Fees	-	0.55
Total	**5.00**	**9.80**

30 Earning Per Share

Particulars	31 March 2021	31 March 2020
(a) Basic and diluted earnings per share (INR)	2.49	2.06
(b) Profit attributable to the equity holders of the company used in calculating basic	547.52	452.64
(c) Nominal Value per share (INR)	10.00	10.00
(d) Weighted average number of equity shares used as the denominator in calculating	22,000,000	22,000,000

Swarnsarita Gems Limited
Notes to Consolidated Financial Statement for the Year Ended 31st March, 2021

(Rs. in lakhs)

31. INCOME TAX

A) Deferred Tax

Particular	As at 31st March, 2021	As at 31st March, 2020
Deferred tax relates to the following:		
a) Temporary difference in carrying value of property, plant and equipment as per books and tax base	11.72	5.64
b)Right to Use	2.70	35.86
Lease Liability	(3.14)	(38.34)
c) Employee benefit obligation	(9.97)	(13.97)
Net Deferred Tax Assets / (Liabilities)	**1.31**	**(10.82)**

B) Movement in deferred tax liabilities/assets

Particular	As at 31st March, 2021	As at 31st March, 2020
Opening Balance		
Tax income/(expense) during the period recognised in profit or loss	232.03	222.83
Tax income/(expense) during the period recognised in OCI	-	-
Closing Balance	**232.03**	**222.83**

The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liablities relate to income taxes levied by the same tax authority.

C) Major Components of income tax expense for the years ended March 31, 2021 and March 31, 2020 are as follows:

1) Income Tax recognized in Profit & Loss A/c

	As at 31st March, 2021	As at 31st March, 2020
a) Current income tax charge	232.03	222.83
b) Deferred tax		
Relating to origination and reversal of temporary differences	12.12	(16.06)
c) Short/(Excess) Provision for tax of earlier years	-	30.66
Income tax expense recognised in Profit or Loss	**244.15**	**237.43**

2) Income Tax recognized in OCI

	As at 31st March, 2021	As at 31st March, 2020
a) Revaluation of FVTOCI investments to fair value	-	-
Income tax expense recognised in OCI	**-**	**-**

D) Reconciliation of tax expense and accounting profit multiplied by income tax rate for March 31, 2021 and March 31, 2020

	As at 31st March, 2021	As at 31st March, 2020
Profit before tax	791.67	690.07
Profit before tax from discontinuing operations	-	-
Accounting profit before income tax	791.67	690.07
Enacted tax rate in India	25.17%	25.17%
Income tax on accounting profits	**199.25**	**173.68**
Tax effect of		
Expenses not deductible for tax purpose	52.26	36.66
Expenses allowed in Income tax	(21.01)	(23.46)
Tax adjustment of previous years	-	30.66
Other Adjustments	13.66	19.90
Tax at effective income tax rate	**244.15**	**237.43**

SWARNSARITA GEMS LIMITED
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

32. FAIR VALUE MEASUREMENTS

The significant accounting policies, including the criteria for recognition, the basic of measurement and the basic on which income and expenses are recognized, in respect of each class of financial asset, financial liability and equity instrument are disclosed in notes to the financial statements.

i. Accounting classification and fair values
The following table showsthe carrying amount and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy:

The carrying value and fair value of financial instruments by categories as of 31 March 2020 are as follows:

(Rs. in lakhs)

Particulars	Carrying Amount				Fair Value			
March 31, 2020	FVPL	FVOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
FINANCIAL ASSETS								
Investments	10.02	-	-	10.02	10.02	-	-	10.02
Trade Receivables	-	-	6,868.86	6,868.55	-	-	-	-
Cash and Cash Equivalents	-	-	240.41	229.30	-	-	-	-
Bank Balance other than cash and cash equivalents	-	-	1,681.01	1,681.01	-	-	-	-
Loans and Advances	-	-	24.26	1,154.74	-	-	-	-
Other Financial Assets	-	-	61.94	61.94	-	-	-	-
Total	**10.02**	**-**	**8,876.48**	**10,005.57**	**10.02**	**-**	**-**	**10.02**
FINANCIAL LIABILITIES								
Borrowings	-	-	10,116.81	10,116.81	-	-	-	-
Trade Payables	-	-	222.45	222.45	-	-	-	-
Other financial liabilities	-	-	409.73	409.73	-	-	-	-
Total	**-**	**-**	**10,749.00**	**10,749.00**	**-**	**-**	**-**	**-**

The carrying value and fair value of financial instruments by categories as of 31 March 2021 are as follows:

Particulars	Carrying Amount				Fair Value			
March 31, 2021	FVPL	FVOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
FINANCIAL ASSETS								
Investments	12.73	-	-	1,012.73	12.73	-	-	12.73
Trade Receivables	-	-	8,916.19	8,915.26	-	-	-	-
Cash and Cash Equivalents	-	-	375.81	373.79	-	-	-	-
Bank Balance other than cash and cash equivalents	-	-	2,814.01	2,814.01	-	-	-	-
Loans and Advances	-	-	26.66		-	-	-	-
Other Financial Assets	-	-	3.01	2.51	-	-	-	-
Total	**12.73**	**-**	**12,135.69**	**13,118.31**	**12.73**	**-**	**-**	**12.73**
FINANCIAL LIABILITIES								
Borrowings	-	-	11,677.25	11,677.25	-	-	-	-
Trade Payables	-	-	149.64	149.64	-	-	-	-
Other financial liabilities	-	-	195.81	195.81	-	-	-	-
Total	**-**	**-**	**12,022.70**	**12,022.70**	**-**	**-**	**-**	**-**

The management assessed that the fair value of cash and cash equivalent, trade receivables, trade payables, and other current financial assets and liabilities approximate their carrying amounts largely due to the short term maturities of these instruments.

Level 1: The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and equity securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the group is the current bid price. These instruments are included in level 1.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities and investment in private equity funds, real estate funds.

ii. Valuation technique used to determine fair value
Specific Valuation techniques used to value financial instruments include:
- the use of quoted market prices or dealer quotes for similar instruments
- the fair value of the remaining financial instruments is determined using discounted cash flow analysis

iii. Valuation processes
The finance department of the company includes a team that performs the valuations of financial assets and liabilities required for financial reporting purposes, including level 3 fair values.

SWARNSARITA GEMS LIMITED
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

33. FINANCIAL RISK MANAGEMENT

(A) Market risk
Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Such changes in the values of financial instruments may result from changes in the foreign currency exchange rates, interest rates, credit, liquidity and other market changes.

(i) Foreign currency risk
The company is not significantly exposed to the fluctuation in foreign currency exchange rate. The company export goods outside India for which bills are issued in US $ and payment of the same will be received on letter date. The company carries the risk of fluctuation in foreign currency exchange rate on export transaction.

(ii) Interest rate risk
Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of change in market interest rates. The management is responsible for the monitoring of the Company' interest rate position. Various variables are considered by the management in structuring the Company's borrowings to achieve a reasonable and competitive cost of funding.

(B) Credit risk
Credit risk is the risk of financial loss arising from counter party failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risks. Credit risk is controlled by analyzing credit limits and creditworthiness of customers on a continuous basis to whom the credit has been granted after obtaining necessary approvals for credit.

Financial instruments that are subject to concentrations of credit risk principally consist of trade receivables, investments, cash and cash equivalents and other financial assets. None of the other financial instruments of the Company result in material concentration of credit risk.

(C) Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at reasonable price. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of credit facilities to meet obligations when due. The Company's finance team is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Company's liquidity position through rolling forecasts on the basis of expected cash flows.

The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. In the table below, borrowings include both interest and principal cash flows.

Contractual maturities of financial liabilities (Rs. in lakhs)

Particulars	Carrying Amount	Less than 1 year	1 to 5 years	More than 5 years
March 31, 2021				
Borrowings	11,677.25	11,677.25	-	-
Trade payables	149.64	149.64	-	-
Other financial liabilities	195.81	163.74	32.07	-
Total financial liabilities	**12,022.70**	**11,990.63**	**32.07**	**-**
March 31, 2020				
Borrowings	10,116.81	10,116.81	-	-
Trade payables	222.45	222.45	-	-
Other financial liabilities	409.73	248.78	160.95	-
Total financial liabilities	**10,749.00**	**10,588.04**	**160.95**	**-**

SWANSARITA GEMS LIMITED
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

34. RELATED PARTY TRANSACTIONS

(i) List of related parties as per the requirements of Ind-AS 24 - Related Party Disclosures

Name of Related Party

a) Details of Related Parties

-Key Managerial Personnel

Mahendra M Chordia, Sunny Choedia, Sanket Dangi, Rajul Chordia (appointed as KMP w.e.f. 10th November 2020), Deepak Suthar, Dhruvin Bharat Shah, Umang Mitul Mehta and Deep Shailesh Lakhani

-Relative of Key Managerial Personnel

Seema R Chordia (Ceased to be KMP on 11th November 2020), Rajendra Chordia, Nishita Chordia and Asha Chordia

-Enterprises owned or significantly influenced by KMP

Swarnsarita Trading Pvt. Ltd. (Earlier Known as Swarnsarita Realty Pvt. Ltd.)
Swarnsarita Jewellers Pvt. Ltd.
M/s Swarnsarita Jewellers

b) Compensation of key management personnel of the Company

Key management personnel are those individuals who have the authority and responsibility for planning and exercising power to directly or indirectly control the activities of the Company and its employees. The Company includes the members of the Board of Directors which include independent directors (and its sub-committees) and Executive Committee to be key management personnel for the purposes of Ind AS 24 Related Party Disclosures.

c) Transactions with key management personnel of the Company

The Company enters into transactions, arrangements and agreements involving directors, senior management and their business associates, or close family members, in the ordinary course of business under the same commercial and market terms, interest and commission rates that apply to non-related parties.

d) Transactions with related parties

The following transactions occurred with related parties (Rs. in lakhs)

Name	Nature of Relationship	Nature of Transaction	March 31, 2021	March 31, 2020
Mahendra M Chordia	Key Managerial Person	Director Remuneration	63.00	72.00
Sunny Chordia	Key Managerial Person	Director Remuneration	42.00	48.00
Seema R. Chordia	Relative of KMP	Director Remuneration/Salary	19.00	24.00
Sanket Dangi	Key Managerial Person	Director Remuneration	11.25	15.00
Rajendra Chordia	Relative of KMP	Salary	19.00	24.00
Nishita Chordia	Relative of KMP	Salary	18.00	24.00
Rajul Chordia	Key Managerial Person	Director Remuneration/Salary	21.60	28.80
Asha Chordia	Relative of KMP	Salary	18.00	24.00
Mahendra M Chordia	Key managerial person	Rent Expense	-	12.00
Asha Chordia	Relative of KMP	Rent Expense	-	3.00
Swarnsarita Jewellers	Significantly infulenced by KMP	Rent Expense	21.00	24.00

(iii) Outstanding balances arising from sales/purchases of goods and services

Name	Nature of Relationship	Nature of Transaction	March 31, 2021	March 31, 2020
Mahendra M Chordia	Key managerial person	*Rent payable*	-	-
Asha Chordia	Relative of KMP	*Rent payable*	-	-
Swarnsarita Jewellers	Significantly infulenced by KMP	*Rent payable*	5.84	5.40
Mahendra M Chordia	Key Managerial Person	*Salary Payable*	1.64	7.00
Sunny Chordia	Key Managerial Person	*Salary Payable*	0.60	6.13
Sanket Dangi	Key Managerial Person	*Salary Payable*	3.11	-
Rajul Chordia	Key Managerial Person	*Salary Payable*	6.57	0.76
Seema R. Chordia	Relative of KMP	*Salary Payable*	3.08	1.50
Rajendra Chordia	Relative of KMP	*Salary Payable*	3.60	0.58
Nishita Chordia	Relative of KMP	*Salary Payable*	10.22	-
Asha Chordia	Relative of KMP	*Salary Payable*	1.22	1.87

(iv) Terms and conditions of transactions with related parties

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables and payables. For the year ended March 31, 2020, the group has not recorded any impairment of receivables relating to amount owed by related parties. This assessment is undertaken each financial year through examining the financial position of the related party and market in which the related party operates.

35. SEGMENT REPORTING

The company is engaged in the business of Gold and diamnond jewellery. The company has only one reporting business segment, which is Gold and diamnond jewellerybusiness and only one reportable geographical segment. The company is also engaged in investment of shares and securities but it is not a business acivity. Accordingly, these financial statements are reflective of the information required as per Ind AS 108 "Operating Segments" notified under section 133 of the Companies Act, 2013, there are no reportable segment applicable to the company.

SWANSARITA GEMS LIMITED
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

36. CONTINGENT LIABILITY

(Rs. in lakhs)

Particulars	2021	2020
Contingent liability on account of Income Tax Demand	447.28	447.28
Contingent liability on account of WBVAT Demand	21.90	21.90
TOTAL	**469.18**	**469.18**

Details of the Case of Income tax
Liabilities in respect of Income tax matters for which the Company has gone in further appeal for AY 2012-13 & AY 2017-18 and exclusive of the effect of similar matter in respect of pending assessments.

Details of the Case of WBVAT
Sales tax matter in respect of which company filed appeal under section 84 for AY 2018-19

The Company is contesting the demands and the management, including its tax advisors, believe that its position will likely be upheld in the appellate process. No tax expenses has been accrued in the financial statements for the tax demand raised. The management believes that the ultimate outcome of this proceeding will not have a material adverse effect on the company's financial position and results of operations.

37 Contribution on CSR Activities

In accordance with the provisions of Section 135 of the Companies Act, 2013, the company was required to constitute a Corporate Social Responsibility Committee of the Board and an amount of Rs. 14.20 Lakhs was required to be spent by the Company during the year ended March 31, 2021, computed at 2% of its average net profit for the immediately preceding three financial years, on Corporate Social Responsibility (CSR).

SWANSARITA GEMS LIMITED
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

(Rs. in lakhs)

38. CAPITAL MANAGEMENT

For the purpose of the company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Company's capital management is to maximise the shareholder value.

The company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The company includes within debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents and other bank balances.

	March 31, 2021	March 31, 2020
Borrowings	11,677.25	10,116.81
Trade payables	149.64	222.29
Other payables	256.80	463.49
Less: cash and cash equivalents	375.81	240.41
Less: Other bank balances	2,814.01	1,681.01
Net Debt	**8,893.87**	**8,881.18**
Convertible preference shares		
Equity Share Capital	2,083.76	2,083.76
Other Equity	8,310.17	7,730.51
Total Capital	**10,393.93**	**9,814.27**
Capital and net debt	**19,287.79**	**18,695.45**
Net Debt to Equity ratio	**46.11**	**47.50**

In order to achieve this overall objective, the Company’s capital management, amongst other things, aims to ensure that it meets financial covenants attached to the borrowings that define capital structure requirements.

SWANSARITA GEMS LIMITED

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

39. Disclosure under regulation 34(3)of the SEBI (Listing and disclosure requirements) Regulations,2015 Amount of loans and advances in nature of loans outstanding from subsidiaries as at March 31,2021 and 31st March, 2020 is as follows.

(Rs. in lakhs)

Particulars	2021		2020	
	Outstanding as at March 31, 2021	Maximum amount outstanding during the year	Outstanding as at March 31, 2020	Maximum amount outstanding during the year
Swarnsarita Realty Private Limited	1013.48	1013.48	1130.48	1130.48

40. Other Notes

1. Sundry debtors,creditors,Loans & Advances are subject to confirmation & reconciliation,if any.In the opinion of the Board,the current Assets, Loans & Advances are approximately of the value stated,if realised in ordinary course of business. The Provision for depreciation & all known liabilities are adequate & not in exceess of amounts reasonably necessary. The Provision for depreciation & all known liabilities are adequate & not in exceess of amounts reasonably necessary.

2. Previous years Figures are regrouped and restated wherever required.

For and On behalf of the Board of Directors of Swarnasraita Gems Limited

As per our report of even date

For Banshi Jain and Associates
Chartered Accountants
Firm Regn. No.- 100990W

Sd/-

R. B. Golecha
Partner
Membership No. 035348

Place: Mumbai
Date: 23-06-2021

Sd/-
Mahendra M. Chordia
Managing Director
DIN: 00175686

Sd/-
Rajul Chordia
Director
DIN: 08827725

Sd/-
Umang Mitul Mehta
Director
DIN: 07974230

Sd/-
Sunny Mahendra Chordia
Director
DIN: 06664041

Sd/-
Dhruvin Bharat Shah
Director
DIN: 07528387

Sd/-
Deep Shailesh Lakhani
Director
DIN: 08018001

Sd/-
Sanket Dangi
Chief Financial Officer

Sd/-
Deepak Suthar
Company Secretary

Notes forming part of Consolidated Financial Statements

A. Company Overview

Swarnsarita Gems Limited ('the Company) is public company and a company limited by shares incorporated under the Companies Act, 1956. It was incorporated on 25th August, 1992. It is a Non-Government company. It is registered at Registrar of Companies, Mumbai, Allotted CIN L36911MH1992PLC068283 and its registration number is 68283.Swarnsarita Gems Ltd is involved in the business of Export & Import and Manufacturing & Trading of Polished Diamonds, Gems & Jewellery. It offers products such as diamond studded rings, bracelets, pendants, diamond necklaces, earrings, etc. in silver & gold. Swarnsarita Gems Ltd. is listed on the Bombay Stock exchange as a result of takeover of a profit making company Shyam Star Gems Ltd.

B. Statement of Compliance

The Consolidated financial statements of company have been prepared in accordance with Indian Accounting Standards as notified under the Companies (Indian Accounting Standards) Rules, 2015 read with Section 133 of the Companies Act, 2013 and Companies (Indian Accounting Standards) amendment rules, 2016 and other relevant provisions of the act.

The Consolidated financial statements were authorized for issue by the company's Board of Directors at their meeting held on 23rd June, 2021.

C. Significant Accounting Policies

1. Basis of Preparation& Presentation of Consolidated Financial Statement

The Consolidated financial statements are prepared and presented in the format prescribed in the Schedule III to the Companies Act, 2013 ("the Act"). The statement of Consolidated Cash Flows has been prepared and presented as per the requirements of IND-AS 7 "Statement of Cash flows". The Consolidated financial statements have been prepared in accordance with Indian Accounting Standards as notified under the Companies (Indian Accounting Standards) Rules, 2015 read with Section 133 of the Companies Act, 2013 and other relevant provisions of the act. These consolidated financial statements have been prepared under the historical cost convention except certain Financial Assets and liabilities, which have been measured at fair value. The accounting policy provides information on such Financial Assets and Liabilities measured at fair value. The Company follows the accrual basis of accounting.

These consolidated financial statements include the Balance Sheet, the Statement of Changes in Equity, the Statement of Profit and Loss (including other comprehensive income), the Statement of Cash flows and Notes, comprising a summary of significant accounting policies and other explanatory information and comparative information in respect of the preceding period.

The consolidated financial statements are presented in Indian Rupees in Lakh and all values are rounded off to the nearest lakh as permitted by Schedule III of the Companies Act 2013. Earnings per share data are presented in Indian Rupees up to two decimal places.

2. Use of Estimates andJudgments

The preparation of the consolidated financial statements in conformity Indian Accounting Standards requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets, liabilities, the accompanying disclosure and disclosure of contingent liabilities as at the date of the consolidatedfinancial statements and the reported amounts of income and expenses for the period presented.

Uncertainty about these assumptions and estimates could result in outcomes that require material adjustments to the carrying amount of assets and liabilities affected in future periods. Estimates and assumptions are reviewed on periodic basis. Revision to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

Critical Accounting Judgments and Key Sources of Estimation Certainty

The key assumptions concerning the future and other key sources of estimation, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities, within the next financial year, are described below. The Company has based its assumptions and estimates on parameters available when the consolidatedfinancial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Information about critical judgments in applying accounting policies, as well as estimates and assumptions that have the most significant effect to the carrying amounts of assets and liabilities within the next financial year, are included in the following notes:

i. Measurement of Defined Benefit Obligations

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation. The mortality rate is based on publicly available mortality tables for India. Future salary increases and gratuity increases are based on expected future inflation rates.

Further details about gratuity obligations are given in Note – 21 (ii) below. For the purpose of assessing the leave availment rate, the Company considered the past leave availment history of the employees.

ii. Provisions and Contingent Liabilities

A provision is recognized when the Company has a present obligation as a result of past event and it is probable that an outflow of resource will be required to settle the obligation, in respect of which are liable estimate can be made. Provisions (excluding retirement benefits and compensated absences) are measured at the best estimate of the expenditure required to settle the present obligation at the balance

sheet date and are discounted to its present value if the effect of time value of money is considered to be material.These are reviewed at each year end date and adjusted to reflect the best current estimate. The unwinding of the discount is recognized as finance cost. Expected future operating losses are not provided for.

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

Contingent assets are neither recognized nor disclosed in the consolidated financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognized in the period in which the change occurs.

iii. Valuation of Deferred Tax Assets / Liabilities

The Company reviews the carrying amount of deferred tax asset s at the end of each reporting period. The policy for the same has been explained under Note18 (ii)below.

iv. Useful lives of Property, Plant and Equipment

The Company reviews the estimated useful lives of property, plant and equipment and intangible assets at the end of each reporting period. During financial years ended 31 March 2021, there were no changes in useful lives of property plant and equipment and intangible assets. The Company at the end of each reporting period, based on external and internal sources of information, assesses indicators and mitigating factors of whether a property, plant or equipment and intangible assets may have suffered an impairment loss. If it is determined that an impairment loss has been suffered, it is recognized in profit or loss

v. Going concern:

During the current year ended March 31, 2021, management has performed an assessment of the entity's ability to continue as a going concern. Based on the assessment, management believe that there is no material uncertainty with respect to any events or conditions that may cast a significant doubt on the entity to continue as a going concern, hence the financial statements have been prepared on going concern basis.

vi. Impairment of Investments

The Company reviews its carrying value of investments carried at cost annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accountedfor.

vii. Provision for Inventory

The Company provides provision based on policy, past experience, current trend and future expectations of the inventory held by them.

3. Fair Value Measurement:

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, (regardless of whether that price is directly observable or estimated using another valuation technique). In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability, if market participants would take those characteristics into account when pricing the asset or liability, at the measurement date.

Fair value hierarchy:

For financial reporting purposes, fair value measurements are categorized into Level 1, 2, or 3 based on the degree to which inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 — Inputs are quoted prices (unadjusted) in active markets for identical assets orliabilities that entity can access at the measurement date.

- Level2—InputsareotherthanquotedpricesincludedwithinLevel1thatareobservablefortheassetor Liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

- Level3—Inputsarenotbasedonobservablemarketdata
- (unobservable inputs).Fair values are determined inwholeorinpartusingavaluationmodelbasedonassumptionsthatareneithersupportedbypricesfrom observablecurrentmarkettransactionsinthesameinstrumentnoraretheybasedonavailablemarketdata.

The investments included in Level 2 of fair value hierarchy have been valued using quotes available for similar assets and liabilities in the active market. The investments included in Level 3of fair value hierarchy have been valued using the cost approach to arrive at their fair value. The cost of unquoted investments approximate the fair value because there is a wide range of possible fair value measurements and the cost represents estimate of fair value within thatrange.

4. Current and Non-current classification:

All assets and liabilities are classified into current and non-current.

Assets

An asset is classified as current when it satisfies any of the following criteria:

a) It is expected to be realized in, or is intended for sale or consumption in, the Company's normal operating cycle;

b) It is held primarily for the purpose of being traded;

c) It is expected to be realized within 12 months after reporting date; or

d) It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability

for at least 12 months after the reporting date.

Current assets include the current portion of non-current financial assets.

All other assets are classified as non-current.

Liabilities

A liability is classified as current when it is satisfies any of the following criteria:

a) It is expected to be settled in the Company's normal operating cycle;

b) It is held primarily for the purpose of being traded;

c) It is due to be settled within 12 months after the reporting date; or

d) The Company does not have as unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instrument do not affect its classification.

Current liabilities include current portion of non-current financial liabilities.

All other liabilities are classified as non-current.

5. Operating Cycle :

Based on the nature of services and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current – non-current classification of assets and liabilities.

6. Property, plant andequipment

Property, Plant and Equipment (PPE) is recognized when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. PPE is stated at original cost, net of tax/duty credits availed, if any, less accumulated depreciation and cumulative impairment.

Cost comprises the purchase price and any attributable costs of bringing the asset to its working condition for its intended use as estimated by the management. Any trade discounts and rebates are deducted in arriving at the purchase price. Subsequent expenditure on property, plant and equipment after its purchase/completion is capitalized only if it is probable that future economic benefit associated with the expenditure will flow to the company.

PPE not ready for the intended use, on the date of the Balance Sheet are disclosed as “Capital Work-in-Progress”.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-current assets.

If significant parts of an item of property, plant and equipment have different lives, then they are accounted for as separate items (major components) of property, plant and equipment.

An item of property, plant and equipment and any significant part initially recognized is de-recognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the property, plant and equipment is de-recognized.

Depreciation is calculated on a Straight-Line Method on the basis of the useful life as specified in Schedule II to the Companies Act, 2013. Depreciation method is reviewed at each financial year end to reflect expected pattern of consumption of the future economic benefits embodied in the asset and adjusted if appropriate.

Depreciation for additions to/deductions from, owned Assets is calculated on pro rata basis.

Depreciation charged for impaired Assets is adjusted in future periods in such a manner that the revised carrying amount of the asset is allocated over its remaining useful life.

The estimated useful lives are as mentioned below:

Type of asset	Method	Useful lives
Mettler Balance	Straight line	5 years
Motor Cars	Straight line	8 Years
Office Equipment	Straight line	5years
Computers	Straight line	3 years
Furniture & Fixtures	Straight line	10 years
Plant & Machinery	Straight line	15 years
Office Building	Straight line	60 years

Depreciation is not recorded on capital work-in-progress until construction and installation is complete and the asset is ready for its intended use.

7. Intangible assets

Intangible Assets are stated at original cost net of tax/duty credits availed, if any, less accumulated amortization and cumulative impairment. Intangible Assets are recognized when it is probable that the future economic benefits that are attributable to the asset will flow to the enterprise and the cost of the asset can be measured reliably.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably.

Amortization method and useful lives are reviewed at each reporting date. If the useful life of an asset is estimated to be significantly different from previous estimates, the amortization period is changed accordingly. If there has been a significant change in the expected pattern of economic benefits from the asset, the amortization method is changed to reflect the changed pattern.

Amortization on impaired Assets is provided by adjusting the amortization charges in the remaining period so as to allocate the Asset's revised carrying amount over its remaining useful life.

Amortization is provided using the Straight-Line Method as per the following useful life as per Schedule II of the Companies Act 2013:

Sr. No.	Nature of Assets	Estimated useful life (In years)
1.	Trademark	10 years
2.	Software	10 years

8. Leases as per IND-AS 116

The company determines whether a contract is (or contains) a lease is based on the substance of the contract at the inception of the lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The company recognizes Right to Use and lease liability at the commencement of the lease period.

Subsequently the right to use is shown as at cost less any accumulated depreciation and any accumulated impairment losses; and adjusted for any re-measurement of the lease liability. The company applies depreciation requirements of IND-AS 16, Property, Plant and Equipment, in depreciating the right-of-use asset and the lease term mentioned in the contract is taken as useful life for calculating the depreciation.

The company measures the lease liability at the present value of the lease payments. The lease payments are discounted using incremental borrowing rate applicable to the company for a similar term. Subsequently the lease liability is increasing the carrying amount to reflect interest on the lease liability; reducing the carrying amount to reflect the lease payments made; and re-measuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments.

In the current year, the company has recognized Interest on Lease Liability and Amortization of Right to Use Asset as per Ind AS 116 "Lease" in the profit and loss statement as under.

i. Interest on lease liability of Rs. 4.75 Lakhs
ii. Amortization of Right to use Asset of Rs. 22.37 Lakhs
iii. Total Outstanding Cash Outflow for Lease as per the agreement is Rs. 13.52 Lakhs
iv. The Carrying amount of Right to use Asset as on 31st March, 2021 is Rs. 10.72 Lakhs

The Company has taken premises under leave and license agreement, the rent and escalation of which depends upon the lease by the Company. The Company has given refundable interest free security deposits

under certain agreements.

The disclosure requirement and maturity analysis of lease liability and asset as per IND-AS 116 are as follows:

i. The net carrying amount of Right to use Asset (Cost less Depreciation):

(Rs. In Lakhs)

Particulars	Opening as on 01st April, 2020	Addition	Deletion	Depreciation during the Year	Closing as on 31st March, 2021
Leasehold Premises	209.64	0	182.74	16.18	10.72
Total	**209.64**	**0**	**182.74**	**16.18**	**10.72**

ii. The Total Minimum Lease Payment as on 31st March, 2021 is Rs. 12.46 Lakhs, the maturity analysis of which as below:

Maturity Analysis of the Minimum lease payment for the following years as follow:

Particulars	As on 31st Match, 2021	As on 31st March, 2020
Within 1 year	8.24	12.07
Above 1 year	5.28	141.27

9. Investment in subsidiaries

The Company has elected to account for its equity investments in subsidiaries under Ind AS 27 on separate financial statements, at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed.

Investments in subsidiaries are measured at cost less impairment. On disposal of investments in subsidiaries, the difference between net disposal proceeds and the carrying amounts are recognized in the Statement of profit and loss.

10. Impairment of Non-Financial assets

Tangible and Intangible Assets

Property, plant and equipment and intangible assets with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individualassetbasisunlesstheassetdoesnotgeneratecashflowsthatarelargelyindependentofthosefrom other

assets. In such cases, there coverableamountisdeterminedforthecash generatingunit (CGU)to which the asset belongs.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognized in the statement of profit and loss.

Other Assets

As at each Balance Sheet date, the carrying amount of Assets is tested for impairment so as to determine:

i. The provision for impairment loss, if any; and

ii. The reversal of impairment loss recognised in previous periods, if any,
Impairment loss is recognized when the carrying amount of an asset exceeds its recoverable amount.

Recoverable amount is determined:

i. In the case of an individual asset, at the higher of the net selling price and the value in use;

ii. In the case of a cash generating unit (a group of Assets that generates identified, independent cash flows), at the higher of the cash generating unit's net selling price and the value in use.

11. Financial Instruments

A Financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument.

a) Financial Assets

Initial recognition and measurement:

Financial assets are classified, at initial recognition, as subsequently measured at amortized cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient, the Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of financial asset and financial liabilities. Trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient are measured at the transaction price determined under Ind AS 115. Refer to the accounting policies in section (g) Revenue from contracts with customers.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in three categories:

(i) Financial Assets at amortized cost
(ii) Financial Assets at fair value through other comprehensive income (FVTOCI)
(iii) Financial Assets at fair value through profit or loss (FVTPL)

i. Financial assets at amortizedcost

A financial asset is measured at the amortized cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

ii. Financial assets at fair value through other comprehensive income (FVTOCI)

A financial asset shall be classified and measured at fair value through other comprehensive income if both of the following conditions are met:

a) The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and,
b) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

iii. Financial assets at fair value through profit or loss (FVTPL)

FVTPL is a residual category for financial assets. Any financial asset, which does not meet the criteria for categorization as at amortized cost or as FVTOCI at initial recognition, is classified as at FVTPL. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognized in profit or loss.

Impairment of Financial Assets

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at the end of each reporting period. The Company recognizes a loss allowance for expected credit losses on financial asset. In case of trade receivables, the Company follows the simplified approach permitted by Ind AS 109 – Financial Instruments for recognition of impairment loss allowance. The application of simplified approach does not require the Company to track changes in credit risk. The Company calculates the expected credit losses on trade receivables using a provision matrix on the basis of its historical credit loss experience.

De-recognition of Financial Assets

A financial asset is de-recognized when and only when:

i. The contractual rights to the cash flows from the financial asset expire;
ii. It transfers the financial Assets and the transfer qualifies for de-recognition.

b) Financial liabilities

Financial Liabilities are subsequently carried at amortized cost using the effective interest method for trade and other payables, maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

c) Offsetting

Financial Assets and Financial Liabilities are offset and the net amount is presented in the balance sheet when, and only when, the Company has a legally enforceable right to set off the amount and it intends, either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

12. Inventories

Inventories comprise of raw materials and finished goods are carried at the lower of cost or net realizable value. Cost of Finished Goods (Gold and Diamond Jewellery) and Raw Material (Gold and Other Precious Metal) are determined on weighted average basis bytakingaverageofborrowed gold and self-purchased goldseparately for.

Other Finished Goods are valued at cost or net realizable value whichever is lower. Raw material of Loose diamonds are valued specifically at weighted average costmethod.

Cost of inventories comprises all costs of purchase and, other duties and taxes (other than those subsequently recoverable from tax authorities), costs of conversion and all other costs incurred in bringing the inventory to their present location and condition. In respect of purchase of goods at prices that are yet to be fixed at the year end, adjustments to the provisional amounts are recognized based on the year end closing gold rate.

Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale. Raw materials and other supplies held for use in the production of finished products are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realizable value.

13. Cash and cash equivalents

The company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an in significant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal andusage.

14. Bank balances other than cash and cash equivalents

The company considers all financial instruments, which are convertible into known amounts of cash that are subject to an insignificant risk of change in value and have original maturities of more than three but not more than twelve months from date of purchase, to be bank balances other than cash and cash equivalents. These balances consist of deposits with banks which are restricted for withdrawal or usage before the original maturity barring a few exceptions where they can be withdrawn or used subject to modified contractual terms such as decreased rates of interest or payment of applicable fines/penalties.

15. Share Capital

Ordinary Shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares options are recognized as a deduction from equity, net of any tax effects.

16. Gold Loan:

i. Transactions of purchase of gold under Gold Loan Scheme of the banks where the final rate of gold is settled on the subsequent date to the date of transactions are normally recorded at the prevailing rate of gold and exchange rate on the date of transaction as per Performa invoice provided by the suppliers of the gold.

ii. Difference arise in the value of purchases as compared to the value as per proforma invoice on the date of settlement of transaction is transferred to the purchase cost as plus or minus as the case maybe.

iii. Monetary item of gold loan denominated in foreign currency at the year-end are translated at the year-end rate of exchange of the foreign currency and the year-end rate of gold on the London Metal Exchange as certified by the seller bank of the gold and difference so arrived is taken to the cost of purchase ofgoods.

17. Incometaxes

Income tax expense comprises current tax and deferred tax. It is recognized in the Statement of profit or loss except to the extent that it relates to an item recognized directly in equity or in other comprehensive income.

i. **Current income taxes**

The Income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences. Income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date in India. Advance taxes and provisions for current income taxes are presented in the Balance sheet without off-setting advance tax paid and income tax provision arising in the same tax jurisdiction.

ii. **Deferred Income Taxes**

Deferred income tax is recognized using the Balance Sheet approach. Deferred income tax assets and

liabilities are recognized for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount, except when the deferred income tax arises from the initial recognition of an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of thetransaction

Deferred income tax asset are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused taxlosses can be utilized. The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

Deferred tax assets and liabilities are measured using substantively enacted tax rates expected to apply to taxable income in the years in which the temporary differences are expected to be received or settled. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Transaction or event which is recognised outside the statement of income and Expenditure, either in other comprehensive income or in equity, if any is recorded along with the tax as applicable.

18. Revenuerecognition as per IND AS 115

The Company earns revenue primarily from manufacturing and trading of gold Jewellery. In appropriate circumstances, revenue is recognized when no significant uncertainty as to determination or realization exists. Revenue is reported net of discounts, indirect taxes**.**

Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services, excluding amounts collected on behalf of third parties (for example taxes and duties collected on behalf of the government). Consideration is generally due upon satisfaction of performance obligations and a receivable is recognized when it becomes unconditional.

i. Revenue from operations

The Company earns its prime revenue from Export of jewellery, cutting & polishing of diamonds, Job work charges. The revenue from such transactions is reported in the period in which it occurred.

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

ii. Revenue from other Income

Other income of Company includes income from Interest on Fixed Deposits and Unsecured Loan, Rental Income, and Interest on Late Payments. These amounts are reported in the period in which they accrue.

Interest income is recognized on a time proportion basis, taking into account the amount outstanding and at an effective interest rate, as applicable.

19. Cost Recognition

Costs and Expenses are recognized on an accrual basis as and when they become payable, and have been clarified according to their nature. The costs of the Company are broadly categorized in cost of material consumed, employee benefit expenses, finance costs, depreciation and amortization and other operating expenses. Employee benefit expenses include employee compensation, allowances paid, contribution to various funds, staff welfare expenses and Gratuity Expense. Other operating expenses mainly include fees to external consultants, cost of running its facilities, travel expenses, exhibition charges, freight charges, export expenses, communication costs, allowances for delinquent receivables and advances and other expenses. Other expenses is an aggregation of costs which are individually not material such as commission and brokerage, recruitment and training, entertainmentetc.

20. Employee Benefits

i. Short term Employee Benefits

All employee benefits payable wholly within a period of twelve months of receiving employee services are classified as short-term employee benefits. Benefits such as salaries, allowances, advances and similar payments paid to the employees of the Company are recognized during the period in which the employee renders such related services.

The undiscounted amount of short term employee benefits to be paid in exchange for employee services are recognized as an expense as the related service is rendered by employees.

ii. Post-employment Benefits

Defined contribution plans

The employee benefits payable after twelve months or more of rendering the service are classified as long term employee benefits. A defined contribution plan is a post-employment benefit plan under which the Company pays specified contribution to a Government administered scheme and has no obligation to pay any further amounts. The Company makes specified monthly contributions towards provident fund and employee state insurance, which are defined contribution plans, at the prescribed rates. The Company's contribution is recognized as an expense in the Statement of profit and loss during the period in which the employee renders the related service.

Defined Benefit Plans

Gratuity

The Company’s liabilities under the Payment of Gratuity Act are determined on the basis of actuarial valuation carried out by an independent actuary, made at the end of each financial year using the projected unit credit method. Obligation is measured at the present value of estimated future cash flows using a discounted rate that is determined by reference to market yields at the Balance Sheet date on Government bonds, where the terms of the Government bonds are consistent with the estimated terms of the defined benefit obligation. These benefits are settled at the time of cessation of service by the employee due to retirement etc.

The **company has recognized a liability for payment of post employment benefits to employees**

amounting to Rs. 39.62 Lakhs. The summarized position of gratuity benefits is recognized in the Profit and Loss Account and Balance Sheet are as under:

Net Asset/(Liability) recognized in Balance Sheet	**31 March 2021**	**31 March 2020**
Present Value of Obligation	39.62	55.52
Fair Value of Plan Assets	-	-
Funded Status - (Surplus) /Deficit	-	-
Net Asset /(Liability) recognised in the Balance Sheet	39.62	55.52
Amount recognised in the Statement of Income and Expenditure Account	**31 March 2021**	**31 March 2020**
Current Service Cost	13.71	55.52
Interest Cost	2.52	-
Expected Return on Plan Asset	-	-
Total Expense / (Income) charged to Income and Expenditure Account	(16.23)	55.52
Reconciliation of amounts in Balance Sheet	**31 March 2021**	**31 March 2020**
Opening Net Defined Benefit Liability /(Asset)	55.52	-
Total Expense (Income) recognised in Income and Expenditure	16.23	55.52
Actual Employer Contribution Paid		
Total Re-measurements recognised in Other Comprehensive Income/(Loss)	(32.13)	-
Liability / (Asset) recognised in the Balance sheet	39.62	55.52
Change in Present Value of Obligation during the Period	**31 March 2021**	**31 March 2020**
Present Value of Obligation at the beginning of the Year	55.52	-
Current Service Cost	13.71	55.52
Interest Cost	2.52	-
Actuarial (Gain)/Loss on Obligation	(32.13)	-
Benefits Paid	-	-
Present Value of Obligation at the end of the Year	39.62	55.52
Change in Fair Value of Plan Assets during the Period	**31 March 2021**	**31 March 2020**
Fair Value of Plan Assets at the Beginning of the Year	-	-
Expected Return on Plan Assets	-	-
Contributions Made	-	-
Benefits Paid	-	-

Actuarial Gain/(Loss) on Plan Assets	-	-
Fair value of plan Assets at the end of the year	-	-
Amount recognised in other comprehensive income	**31 March 2021**	**31 March 2020**
Opening amount recognised in OCI	-	-
Re-measurements due to :		
Effect of Change in Financial Assumption	0.49	-
Effect of Change in Demographic Assumption	-	-
Effect of Experience Adjustments	(32.63)	-
Actuarial (Gain)/Loses	(32.13)	-
Return on Plan Assets (excluding Interest)	-	-
Total Re-measurements recognised in OCI	(32.13)	-
Amount recognised in OCI at the end of the period	(32.13)	-

Actuarial assumptions	**31 March 2021**	**31 March 2020**
Discount Rate	4.90% p.a.	5.45% p.a.
Expected Rate of Return on Assets	-	-
Withdrawal Rates	40% p.a. across all ages	40% p.a. across all ages
Future Salary Increases considering Inflation, Seniority, Promotion	5% p.a.	0% for next 2 year and 5% p.a. thereafter

c) A quantitative sensitivity analysis for significant assumption as at March 31, 2021 is shown below:

Assumption	**Discount Rate**		**Salary Growth Rate**	
Sensitivity Level	0.5% increase	0.5% decrease	0.5% increase	0.5% decrease
March 31, 2021.				
Impact on defined benefit obligation	(39,17,036)	40,08,390	40,06,956	(39,17,525)
% Impact	-1.14%	1.17%	1.13%	-1.13%
March 31, 2020				
Impact on defined benefit obligation	(54,91,415)	56,13,305	56,13,442	(54,90,454)

% Impact	-1.08%	1.11%	1.11%	-1.10%

d) The following payments are expected contributions to the defined benefit plan in future years:

Particular	**As at 31st March, 2021**
Expected Payout Year one	11,73,802
Expected Payout Year two	9,74,566
Expected Payout Year three	8,42,548
Expected Payout Year four	5,47,331
Expected Payout Year five	3,45,642
Expected Payout Year six to ten	5,29,998
Total expected payments	**44,13,887**

21. Foreign Currency

Foreign currency transactions are recorded at the exchange rates prevailing on the dates of the transactions. Exchange differences arising on foreign currency transactions settled during the period are recognized in the Statement of profit and loss.

Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated into functional currency at the exchange rates at the reporting date. The functional currency of the Company is Indian rupee. The resultant exchange differences (gains and losses)arising on settlement and restatement are recognized in the Statement of profit and loss.

Non-monetary assets and liabilities that are measured in terms of historical cost in foreign currencies are not retranslated.

22. Earnings per share

Basic earnings per equity share are computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares outstanding at the end of the reporting period.

For the purpose of calculating diluted earnings per share, the net profit for the period attributable to equity shareholders and the weighted average number of shares outstanding during the year is adjusted for the effects of all dilutive potential equity shares. However the company did not have any potentially dilutive securities in any of the year's presented.

23. Statement of ConsolidatedCash flow

Statement of consolidatedCash flow is prepared segregating the cash flows from operating, investing and financing activities. Cash flow from operating activities is reported using indirect method. Under the indirect method, the net surplus is adjusted for the effects of changes during the period in inventories, operating receivables and payables transactions of a non-cash nature

i. Non-cash items such as depreciation, provisions, deferred taxes, unrealised foreign currency gains and losses, and undistributed profits of associates; and
ii. All other items for which the cash effects are investing or financing cash flows.

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