

# KENVI JEWELS LIMITED

14, Nav Durga Complex, Opp. Nav Durga Society, Ambicanagar, Odhav,  
Ahmedabad – 382415, Gujarat

CIN: L52390GJ2013PLC075720

E-Mail: [compliance.kjl@gmail.com](mailto:compliance.kjl@gmail.com)

Website: [www.kenvijewels.com](http://www.kenvijewels.com)

Ph.: 079-22973199, 22891099

To,

Date: 07-09-2021

The General Manager-Listing

Corporate Relations Department

BSE LIMITED

PJ Towers, 25th floor, Dalal Street,

Mumbai -400 001

Sub: Submission of Annual Report for the financial year 2020-21

Ref: Kenvi Jewels Limited (Script Code – 540953)

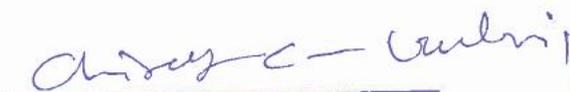
Dear Sir,

Pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we submit herewith the Annual Report of the Company for the financial year 2020-21 alongwith the Notice convening the Annual General Meeting scheduled to be held on Thursday, 30th September, 2021 at 3:00 P.M. The above is also available on the website of the Company at [www.kenvijewels.com](http://www.kenvijewels.com).

Thanking you,

Yours faithfully,

FOR, KENVI JEWELS LIMITED



CHIRAG CHAMPAKLAL VALANI

Managing Director

(DIN: 06605257)





# KENVI JEWELS LIMITED

## Corporate Information

### BOARD OF DIRECTORS

|                                    |  |
|------------------------------------|--|
| Mr. Chirag Champaklal Valani       | Managing Director                                      |
| Mrs. Hetalben Chiragkumar Valani   | Whole-Time Director                                    |
| Mr. Amitkumar Bharatbhai Prajapati | Non-Executive Independent Director                     |
| Mr. Sanni Shaileshbhai Shah        | Non-Executive Independent Director                     |
| Mr. Krunal Dilipbhai Shah          | Non-Executive Independent Director (w.e.f. 06/07/2021) |
| Mr. Vidhutkumar Shankarlal Shah    | Non-Executive Independent Director (upto 06/07/2021)   |

### CHIEF FINANCIAL OFFICER

Mr. Mayur Satyanarayan Sharma

### COMPANY SECRETARY & COMPLIANCE OFFICER

Mrs. Nikita Sharma

### STATUTORY AUDITORS

**M/s. Parth Shah and Associates**  
Chartered Accountants

### BANKERS TO THE COMPANY

**Axis Bank Limited**  
Ground Floor, Mangalam Complex  
Opp. Odhav Talav BRTS, Odhav  
Ahmedabad - 382415  
Gujarat, India

### REGISTERED OFFICE

14, Nav Durga Complex  
Opp. Nav Durga Society  
Ambicanagar, Odhav  
Ahmedabad - 382415  
Gujarat, India

### REGISTRAR & TRANSFER AGENT

**KFin Technologies Private Limited**  
Karvy Selenium Tower B  
Plot 31-32, Gachibowli  
Financial District, Nanakramguda  
Hyderabad - 500032



# KENVI JEWELS LIMITED

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# KENVI JEWELS LIMITED

## Managing Director's Message to Stakeholders



It gives me immense pleasure to share with you an update on the performance of your Company for the F.Y. 2020-21. As compared to last year, the Company has made more profits. While year 2021 was a year of extreme economic challenges for the world, a situation aggravated almost beyond measure by the unprecedented COVID-19 pandemic, your Company continued to play on its strengths and posted stable financial performance.

I would like to extend my sincere gratitude to each and every team member of Kenvi Jewels Limited for their relentless efforts, who have responded beyond their call of duty during this tough time. Our teams have demonstrated a strong sense of responsibility and have ensured that we continue with business as usual, despite the hardship.

**Warm Regards**  
**Chirag Valani**  
**Managing Director**



# KENVI JEWELS LIMITED

**NOTICE** is hereby given that the **8<sup>th</sup> ANNUAL GENERAL MEETING** of the members of **KENVI JEWELS LIMITED** ("the Company") will be held as scheduled below:

Date: 30<sup>th</sup> September 2021

Day: Thursday

Time: 3:00 p.m.

Place: At the Registered Office of the Company situated at 14, Nav Durga Complex, Opp. Nav Durga Society, Ambicanagar, Odhav, Ahmedabad - 382415, Gujarat

to transact the following business:

## **ORDINARY BUSINESS:**

1. To receive, consider and adopt the Standalone Audited Financial Statements for the year ended 31<sup>st</sup> March 2021, together with the Reports of the Board of Directors and the Auditors thereon.
2. To Appoint a Director in place of Mr. Chirag Champaklal Valani (DIN: 06605257), who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 and, being eligible, offers himself for re-appointment.

## **SPECIAL BUSINESS:**

3. Appointment of Mr. Krunal Dilipbhai Shah as a Director (Non-Executive Independent) of the Company.

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

RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with the Rules made thereunder and Schedule IV to the said Act, Mr. Krunal Dilipbhai Shah (DIN: 09225831) who was appointed as an Additional Director (Non-Executive Independent) of the Company w.e.f. 6<sup>th</sup> July 2021 and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Act to propose him as a candidate for the office of the Director of the Company, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, for a period of five consecutive years.

RESOLVED FURTHER THAT any one of the Directors of the Company be and is hereby authorised to file necessary e-forms with the Registrar of Companies and to do all such acts, deeds and things as may be necessary to give effect to the above resolution.

4. Revision in remuneration payable to Mr. Chirag Champaklal Valani, Managing 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 pursuant to the provisions of Section 196, 197, 198 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 ("the Act"), the Consent of the Members be and is hereby accorded for revision in remuneration payable to Mr. Chirag



# KENVI JEWELS LIMITED

Champaklal Valani (DIN: 06605257), Managing Director, with effect from April 1, 2021 till the remaining period of his tenure ending on August 15, 2022.

RESOLVED FURTHER THAT the remuneration payable to Mr. Chirag Champaklal Valani shall not exceed Rs. 12,00,000/- per annum inclusive of all perquisites.

RESOLVED FURTHER THAT the consent and ratification of the Members of the Company be and is hereby accorded that Mr. Chirag Champaklal Valani, Managing Director of the Company, be paid remuneration by way of Salary, Perquisites and Allowances not exceeding Rs. 12,00,000/- (Rupees Twelve Lakhs only) per annum, till the remaining period of his tenure, in case the Company has no profits or its profits are inadequate.

RESOLVED FURTHER THAT the above remuneration shall be subject to modification, as may be deemed fit by the Board from time to time and subject to the limits and stipulations prescribed by the Companies Act, 2013 read with Schedule V thereto, and/or any guidelines prescribed by the Government from time to time.

RESOLVED FURTHER THAT where in any financial year, during the currency of the tenure of Mr. Chirag Champaklal Valani, the Company has no profits or its profits are inadequate, the Company will pay remuneration by way of salary, perquisites and allowances as specified above, subject to the limits and conditions prescribed under Schedule V of the Companies Act, 2013, as may be amended from time to time.

RESOLVED FURTHER THAT except for the aforesaid revision in remuneration, all other terms and conditions of his appointment as Managing Director of the Company shall remain unchanged.

RESOLVED FURTHER THAT the Board of Directors be and are hereby authorized to do all such acts, deeds and things, to enter into such agreement(s), deed(s) of amendment(s) or any such document(s), as the Board may, in its absolute discretion, consider necessary, expedient or desirable including power to sub-delegate, in order to give effect to this resolution.

Place: Ahmedabad  
Date: 7<sup>th</sup> September 2021

BY ORDER OF THE BOARD OF DIRECTORS OF  
KENVI JEWELS LIMITED

Registered Office:  
14, Nav Durga Complex  
Opp. Nav Durga Society  
Ambicanagar, Odhav  
Ahmedabad - 382415, Gujarat

Chirag C. Valani  
Managing Director  
DIN: 06605257



# KENVI JEWELS LIMITED

## NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT PROXY OR PROXIES TO ATTEND AND, VOTE INSTEAD OF HIMSELF/HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. A PERSON CAN ACT AS PROXY ON BEHALF OF MEMBERS NOT EXCEEDING 50 (FIFTY) AND HOLDING IN THE AGGREGATE NOT MORE THAN 10% OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. A MEMBER HOLDING MORE THAN 10% OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS A PROXY FOR ANY OTHER SHAREHOLDER.

The instrument of Proxy in order to be effective, must be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting. A Proxy form is sent herewith. Proxy form submitted on behalf of the Companies, Societies, etc. must be supported by an appropriate resolution/authority, as applicable.

2. Corporate members intending to send their authorised representatives to attend the Meeting are requested to send to the Company, a certified copy of Board Resolution/Authorisation document authorising their representative to attend and vote on their behalf at the AGM.
3. Members/Proxies/Authorised Representatives are requested to bring their Attendance Slip, which is enclosed herewith. Members, who hold shares in electronic form, are requested to write their DP ID and Client ID number/s and those who hold shares in physical form, are requested to write their Folio Number/s in the Attendance Slip for attending the AGM to facilitate identification of Membership at the AGM.
4. The Register of Members and Share Transfer Books shall remain closed from 24<sup>th</sup> September 2021 to 30<sup>th</sup> September 2021 (both days inclusive) for the purpose of Annual General Meeting (AGM).
5. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit PAN to their DPs with whom they are maintaining their demat accounts and members holding shares in physical form to the Company/ RTA.
6. Members seeking any information with regard to accounts are requested to write to the Company at least 10 days before the meeting so as to enable the management to keep the information ready.
7. The Shareholders holding Shares in Physical form are advised to seek their shareholding changed to dematerialized form since in terms of SEBI and Stock Exchange guidelines, no physical shares can be traded in the Stock Exchanges.
8. This is to bring to the notice of the Shareholders that the request for effecting transfer of securities held in Physical form (except in case of transmission or transposition) would not be entertained and shall not be processed by the Company / RTA of the Company w.e.f. 1<sup>st</sup> April 2019 pursuant to SEBI Press Release No. 12/2019 dated 27<sup>th</sup> March 2019.



# KENVI JEWELS LIMITED

9. Pursuant to Section 72 of the Companies Act, 2013, members holding shares in physical form may file nomination in the prescribed Form SH-13 and for cancellation / variation in nomination in the prescribed Form SH-14 with the Company's RTA. In respect of shares held in electronic/ demat form, the nomination form may be filed with the respective Depository Participant.
10. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
11. The members are requested to intimate to the Company, queries, if any, at least 10 days before the date of the meeting to enable the management to keep the required information available at the meeting.
12. Members are requested to notify immediately any change in their addresses and/or the Bank Mandate details to the Company's Registrars and Share Transfer Agents, KFin Technologies Private Limited for shares held in physical form and to their respective Depository Participants (DPs) for shares held in electronic form.
13. The Ministry of Corporate Affairs (vide circular nos. 17/2011 and 18/2011 dated April 21, 2011 and April 29, 2011 respectively) has undertaken a "Green Initiative in Corporate Governance" and allowed companies to share documents with its shareholders through an electronic mode. Stock Exchanges permit companies to send soft copies of the Annual Report to all those shareholders who have registered their email address for the said purpose. Members are requested to support this Green Initiative by registering / updating their email address for receiving electronic communication. The Annual Report of the Company will also be available on the Company's website [www.kenvijewels.com](http://www.kenvijewels.com).
14. All the Documents referred to in the notice are open for inspection at the registered office of the Company between 11:00 a.m. to 5:00 p.m. on any working day prior to the day of meeting and will also be available at the meeting venue on the date of meeting.
15. The Company being listed on SME Exchange and in view of provisions of Rule 20 of the Companies (Management and Administration) Rules, 2014, Company is not required to provide remote e-voting facility to its members.
16. **BRIEF PROFILE OF THE DIRECTOR/S SEEKING APPOINTMENT / REAPPOINTMENT AT ANNUAL GENERAL MEETING**

Details as required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard 2 issued by The Institute of Company Secretaries of India in respect of Directors seeking re-appointment/appointment/confirmation at the ensuing Annual General Meeting are as follows:

| Particulars                           | Mr. Chirag C. Valani   | Mr. Krunal D. Shah  |
|---------------------------------------|--|---|
| Date of Birth                         | 26/08/1982   | 04/09/1991  |
| Date of Appointment                   | 24/06/2013   | 06/07/2021  |
| Qualification                         | Matriculation  | Graduate  |
| Brief Profile and Nature of Expertise | Mr. Chirag C. Valani is the Promoter, Founder Director and Managing Director of the Company. He has 20 years of experience in jewellery industry. His in-depth | Mr. Krunal Shah is a Commerce Graduate having extensive knowledge in the areas of Preparation of Accounts and Finalising of |



# KENVI JEWELS LIMITED

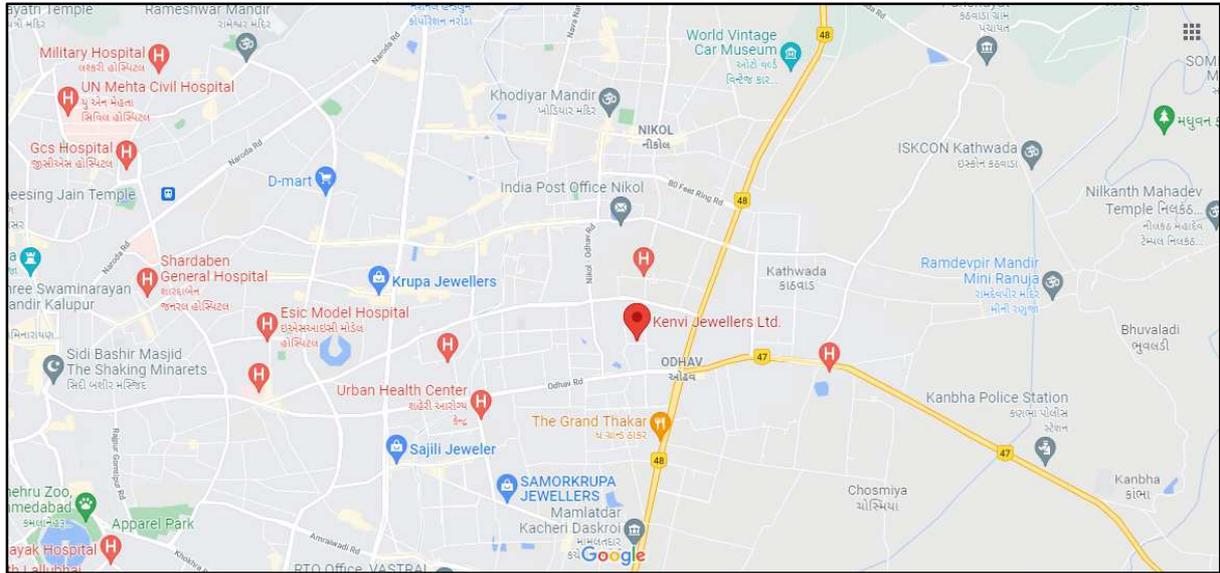
|   |  |   |
|---|--|---|
|   | knowledge of jewellery industry has contributed immensely to the growth of the Company. Currently, he is looking after the business development and the overall operations of the Company. He also responsible in strengthening the sales and marketing strategy of the Company. | Balance Sheets and Profit & Loss Accounts.  |
| Terms & Conditions of Appointment / Re-appointment      | Subject to such terms and conditions of appointment as Managing Director   | For a period of five years commencing from 6 <sup>th</sup> July 2021 and on such terms and conditions of appointment as an Independent Director |
| Remuneration last drawn                                 | Rs. 3,60,000   | N.A.  |
| Relationships between Directors inter-se                | Mr. Chirag C. Valani is Husband of Mrs. Hetalben C. Valani   | --  |
| Directorship held in other companies                    | --   | --  |
| Membership/Chairmanship of Committee in other Companies | --   | --  |
| No. of shares held in the Company                       | 56,55,790  | --  |
| No. of Board Meetings attended during the Year          | 5 out of 5   | N.A.  |



# KENVI JEWELS LIMITED

## Route Map to the Venue of Annual General Meeting

Kenvi Jewels Limited, 14, Nav Durga Complex Opp. Nav Durga Society, Ambicanagar, Odhav, Ahmedabad - 382415





# KENVI JEWELS LIMITED

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

### ITEM NO. 3:

Mr. Krunal Shah (DIN: 09225831) was appointed as an Additional Director under the category of Non-Executive Independent of the Company w.e.f. 6<sup>th</sup> July 2021. As per the provisions of Section 161 of the Companies Act, 2013, Mr. Krunal Shah holds office up to the date of ensuing Annual General Meeting. Due notice under Section 160 of the Companies Act, 2013 has been received to propose him as a candidate for the office of Director of the Company.

The Board is also of the opinion that based on the declarations submitted by Mr. Krunal Shah, he fulfills the criteria relating to his independence as specified in Section 149(6) of the Companies Act, 2013 and Regulation 16 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Mr. Krunal Shah does not hold any equity share of the Company. The period of office of Mr. Krunal Shah shall not be liable to determination by retirement of Directors by rotation. Brief profile of Mr. Krunal Shah in terms of Regulation 36(3) of the Listing Regulations is forming part of this notice. Mr. Krunal Shah is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013.

The Board recommends passing of the resolution as set out in Item No. 3 of this Notice. None of the Director of the Company except Mr. Krunal Shah is concerned or interested in this resolution.

### ITEM NO. 4:

Mr. Chirag Champaklal Valani (DIN: 06605257), is the Promoter and Managing Director of the Company. He has been appointed as the Director since June' 2013 and designated as Managing Director of the Company with effect from August 16, 2017.

Mr. Chirag Champaklal Valani has successfully managed various phases of expansion and growth of our business and operations. He has vast experience in Jewellery Industry and has been instrumental in formulating growth strategy of our Company.

Taking into consideration the increased business activities of the Company coupled with higher responsibilities cast on Mr. Chirag Champaklal Valani, the Board of Directors, on recommendation of the Nomination and Remuneration Committee of the Company has approved the proposal to increase the salary of Mr. Chirag Champaklal Valani, Managing Director, subject to the approval of shareholders, as set out in the resolution being item no. 4 of the accompanying notice with effect from April 1, 2021 till the remaining period of his tenure ending on August 15, 2022.

Where in any financial year, during the currency of the tenure of Mr. Chirag Champaklal Valani as Managing Director, the Company has no profits or its profits are inadequate, the Company will pay remuneration to him by way of salary, perquisites and allowances as specified in the resolution being item no. 4 of the accompanying notice, subject to the limits and conditions as prescribed under Schedule V of the Companies Act, 2013, as may be amended from time to time.

Out of abundant caution and in view of the relevant extant provisions of law relating to managerial remuneration, the Company is complying with the provisions of Section II of Part II of Schedule V of the Companies Act, 2013 which prescribes that in case of no profits or inadequate profit, the remuneration can be paid by the Company to its managerial personnel within the limits arrived at in accordance with the requirements of the said section II, subject to the following:



# KENVI JEWELS LIMITED

(i) The payment of remuneration is approved by a resolution passed by the Board and also by the Nomination and Remuneration Committee of Directors.

(ii) There is no default in repayment of any of its debts or interest payable thereon.

The Nomination and Remuneration Committee at its meeting has already approved the above remuneration payable to Mr. Chirag Champaklal Valani, Managing Director of the Company. Further, the Company has not made any default in repayment of any of its debts or interest payable thereon.

The proposed revision in remuneration above is well in conformity with the relevant provisions of the Companies Act, 2013, read with Schedule V to the said Act and hence approval of Central Government is not required for the above revision in remuneration.

Except for the aforesaid revision in salary, all other terms and conditions of his appointment as Managing Director of the Company shall remain unchanged.

Considering Mr. Chirag Champaklal Valani's experience in Jewellery Industry and the trend in the industry, the terms of his remuneration are considered to be fair, just and reasonable and are commended for your approval.

Accordingly, Special Resolution is submitted to the meeting for the consideration and approval of Members.

None of the Directors, Key Managerial Personnel and their relatives, except Mr. Chirag Champaklal Valani, are in any way, concerned or interested in the said resolution.

The Board commends the Special Resolution set out at Item No. 4 of the accompanying Notice for the approval by the Members.

Statement containing the information as required under Section-II, Part-II of Schedule V to the Companies Act, 2013:

| <b>I. General Information</b> |   |   |   |
|-------------------------------|---|---|---|
| 1                             | Nature of Industry  | The Company is engaged in the business of manufacturing and retailing of jewellery. |   |
| 2                             | Date or expected date of Commencement of Commercial production  | Commercial operations commenced in the year 2013.                                   |   |
| 3                             | In case of new Companies, expected date of commencement of activities as per project approved by Financial Institutions appearing in the prospectus | Not applicable  |   |
| 4                             | Financial performance based on given indicators   | <b>Particulars</b>  | <b>2020-21 (as per Audited Financial Report) (Rs. in Lakhs)</b> |
|                               |   | Paid up Capital   | 1,011.04  |
|                               |   | Reserves and Surplus  | 263.88  |
|                               |   | Total Revenue from  | 3,986.35  |



# KENVI JEWELS LIMITED

|  |   |  |          |
|--|---|--|----------|
|  |   | Operations   |          |
|  |   | Total Expenses   | 3,948.90 |
|  |   | Profit before Tax  | 37.46    |
|  |   | Tax Expenses including Deferred Tax  | 9.13     |
|  |   | Profit after Tax   | 28.33    |
| 5  | Foreign investments or collaborators, if any  | Not applicable   |          |
| <b>II. Information about the Appointee</b> |   |  |          |
| 1  | Background detail   | Mr. Chirag Champaklal Valani has been on the board of the Company since 2013. He is having valuable experience in Jewellery Industry and has been instrumental in formulating growth strategy of the Company.  |          |
| 2  | Past Remuneration (per annum)   | Rs. 3,60,000/-   |          |
| 3  | Job profile and his suitability   | <p>As a Managing Director, Mr. Chirag Champaklal Valani, is entrusted with to perform such duties and exercise such powers as have been or may from time to time be entrusted or conferred upon them by the Board.</p> <p>Mr. Chirag Champaklal Valani is of proven calibre and skill and having wide ranging experience in the industry.</p> <p>Mr. Chirag Champaklal Valani shall have all powers and duties as the Board may determine from time to time.</p> |          |
| 4  | Remuneration proposed   | Not exceeding Rs. 12,00,000/- (Rupees Twelve Lakhs only) per annum.  |          |
| 5  | Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case expatriates the relevant details would be w.r.t. the country of his origin) | Taking into consideration the size of the Company, profile of Mr. Chirag Champaklal Valani, responsibility shouldered by him and the industry standard, the remuneration paid is commensurate with the remuneration packages paid to Managerial Personnel in similar other companies.  |          |
| 6  | Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any   | <p>Besides the remuneration, Mr. Chirag Champaklal Valani does not have any pecuniary relationship with the Company.</p> <p>Mr. Chirag Champaklal Valani is husband of Mrs. Hetalben Chiragkumar Valani, Whole-Time Director of the Company.</p> <p>Mr. Chirag Champaklal Valani is promoter of the Company and his shareholding as on March 31, 2021 is 56,55,790 shares in the share capital of the Company.</p>   |          |
| <b>III. Other Information</b>              |   |  |          |
| 1  | Reasons of loss or inadequate profits   | At present the Company is earning profits which may be deemed inadequate for the purpose of limits of managerial   |          |



# KENVI JEWELS LIMITED

|   |   |  |
|---|---|--|
|   |   | remuneration.  |
| 2 | Steps taken or proposed to be taken for improvement               | The Company is always looking forward to take all such steps and measures including expansion, diversification, restructuring which are in the best interest of the Company. Though, the prices of raw materials and products are influenced by external factors, the Company is making all possible efforts to improve the margins. |
| 3 | Expected increase in productivity and profits in measurable terms | The Company is very conscious about improvement in productivity and undertakes constant measures to improve it. However, it is extremely difficult in the present scenario to predict profit in measurable terms.  |





## DIRECTORS' REPORT

To  
The Members

Your Directors have pleasure in presenting their Report on the business and operations of the Company and the accounts for the Financial Year ended March 31, 2021.

### **1. FINANCIAL SUMMARY OR HIGHLIGHTS/PERFORMANCE OF THE COMPANY**

The Board's Report is prepared based on the standalone financial statements of the Company.

| (Rs. in lakhs except per share data)        |          |          |
|---|----------|----------|
| Particulars                                 | 2020-21  | 2019-20  |
| Total Income for the year                   | 3,986.36 | 3,469.92 |
| Operating & Administrative expenses         | 3,939.67 | 3,431.38 |
| Profit/(Loss) before Depreciation and Taxes | 46.69    | 38.54    |
| Less: Depreciation                          | 9.23     | 8.90     |
| Net Profit/(Loss) before Tax                | 37.46    | 29.64    |
| Less: Provision for Tax                     | 9.20     | 7.25     |
| Deferred Tax                                | (0.07)   | (0.84)   |
| Profit/(Loss) after Tax                     | 28.33    | 23.23    |
| Earnings Per Share                          | 0.28     | 0.23     |

### **2. OPERATION & REVIEW**

Total revenue from operations of the Company is Rs. 3,986.35 lakhs and the net Profit after tax is Rs. 28.33 lakhs for the Financial Year 2020-21.

### **3. DIVIDEND**

The Board of Directors of your Company has not recommended any dividend for the Financial Year ended on 31<sup>st</sup> March 2021.

### **4. TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND**

Since there was no unpaid/unclaimed dividend, the provisions of Section 125 of the Companies Act, 2013 does not apply.

### **5. TRANSFER TO RESERVES**

The Board of Directors of your Company has decided not to transfer any amount to the Reserves for the year under review.

### **6. CHANGE IN THE NATURE OF THE BUSINESS**

During the year, there is no change in the nature of the business of the Company.



# KENVI JEWELS LIMITED

## 7. DIRECTORS & KEY MANAGERIAL PERSONNEL

The Directors and Key Managerial Personnel of the Company are as follows:

| Sr. No. | Name of Directors/KMPs         | Designation                        |
|---------|--------------------------------|------------------------------------|
| 1       | Chirag Champaklal Valani       | Managing Director                  |
| 2       | Hetalben Chiragkumar Valani    | Whole-Time Director                |
| 3       | Sanni Shaileshbhai Shah        | Non-Executive Independent Director |
| 4       | Amitkumar Bharatbhai Prajapati | Non-Executive Independent Director |
| 5       | Krunal Dilipbhai Shah          | Non-Executive Independent Director |
| 6       | Mayur Satyanarayan Sharma      | Chief Financial Officer            |
| 7       | Nikita Sharma                  | Company Secretary                  |

Mr. Chirag C. Valani (DIN: 06605257), is liable to retire by rotation at the forthcoming Annual General Meeting and being eligible, offer himself for re-appointment. The relevant details of him are given in the Explanatory Statement to the Notice convening the Meeting.

The Company has appointed Mr. Krunal Shah as an Additional Director (Non-Executive Independent) on the Board of the Company w.e.f. 6<sup>th</sup> July 2021. The Board hereby recommends his appointment as an Independent Director. The relevant details of him are given in the Explanatory Statement to the Notice convening the Meeting.

Mr. Vidhulkumar Shah (DIN: 08473509) has tendered his resignation as an Independent Director of the Company w.e.f. 6<sup>th</sup> July 2021. The Board places on record its appreciation for the guidance and support provided by him during his tenure as a Director of the Company.

All the Independent Directors of the Company have given their declarations to the Company under Section 149(7) of the Act that they meet the criteria of independence as provided under Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations. In the opinion of the Board, they fulfil the conditions of independence as specified in the Act and the Listing Regulations and are independent of the management.

## 8. NUMBER OF BOARD MEETINGS

The Board of Directors met five (5) times on 16<sup>th</sup> April 2020, 31<sup>st</sup> July 2020, 3<sup>rd</sup> September 2020, 10<sup>th</sup> November 2020 and 6<sup>th</sup> March 2021 and in respect of said meetings, proper notices were given and proceedings were properly recorded and signed in the Minute Book maintained for the purpose.

The gap between two Board Meetings was within the maximum time gap prescribed under the Act and the Listing Regulations. The requisite quorum was present in all the meetings.

## 9. COMPLIANCE WITH SECRETARIAL STANDARDS

During the year under review, the Company has complied with the provisions of Secretarial Standard 1 (relating to meetings of the Board of Directors) and Secretarial Standard 2 (relating to General Meetings) issued by the Institute of Company Secretaries of India.



## **10. BOARD EVALUATION**

Pursuant to the provisions of the Companies Act, 2013 and SEBI (LODR) Regulation, 2015, the Board evaluated the effectiveness of its functioning and that of the Committees and of individual directors by seeking their inputs on various aspects of Board/Committee. The evaluation covered functioning and composition of the Board and its committees, understanding of the roles and responsibilities, experience, competencies, participation at the Board and Committee meetings, corporate governance practices etc.

Evaluation of the Board and its compositions was carried out through a defined process covering the areas of the Boards functioning viz. composition of the Board and Committees, understanding of roles and responsibilities, experience and competencies, contribution at the meetings etc.

## **11. DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to the requirement under Section 134(5) of the Companies Act, 2013, with respect to Directors' Responsibility Statement, it is hereby confirmed that:

- (a) In the preparation of the annual accounts, the applicable accounting standards have been followed along with 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/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;
- (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; and
- (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.

## **12. ADEQUACY OF INTERNAL FINANCIAL CONTROLS**

The Company has in place adequate internal financial Controls with reference to Financial Statements. The Board has inter-alia reviewed the adequacy and effectiveness of the Company's internal financial controls relating to its financial statements.

During the year, such Controls were tested and no reportable material weakness was observed.

## **13. CHANGE IN CAPITAL STRUCTURE OF COMPANY**

During the year under review, the Company has not issued any shares.



# KENVI JEWELS LIMITED

## **14. MATERIAL CHANGES AND COMMITMENTS, IF ANY**

There have been no material changes and commitments, which affect the financial position of the Company which have occurred between the end of the Financial Year to which the Financial Statements relate and the date of this Report.

## **15. ANNUAL RETURN**

In terms of Section 92(3) of the Act and Rule 12 of the Companies (Management and Administration) Rules, 2014, the Annual Return of the Company is available on the website of the Company at [www.kenvijewels.com](http://www.kenvijewels.com).

## **16. AUDITORS**

### **STATUTORY AUDITORS:**

The Company has appointed M/s. Parth Shah and Associates, Chartered Accountants, Ahmedabad (FRN: 144251W), as Statutory Auditors of the Company as per the Provisions of Section 139 of Companies Act, 2013 for the Period of Five Years till the 10<sup>th</sup> AGM to be held in 2023 with no further need for ratification at every Annual General Meeting to be held during the said period.

The Company has received a confirmation from the said Auditors that they are not disqualified to act as the Auditors and are eligible to hold the office as Auditors of the Company.

The Auditors' Report does not contain any qualification. Notes to Accounts and Auditors remarks in their report are self-explanatory and do not call for any further comments.

### **COST AUDITORS:**

The Company was not required to maintain cost records and appoint Cost Auditor as required under Section 148 of the Act read with the Companies (Cost Records and Audit) Amendment Rules, 2014.

### **SECRETARIAL AUDITORS:**

In terms of Section 204 of the Act and Rules made thereunder, Ms. Shikha Patel, Practicing Company Secretary, Ahmedabad, was appointed as Secretarial Auditor of the Company. The report of the Secretarial Auditor for the year ended 31<sup>st</sup> March 2021 is enclosed to this report as "**Annexure A**".

The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

## **17. DEPOSITS**

The Company has not accepted or renewed any amount falling within the purview of provisions of Section 73 of the Act read with the Companies (Acceptance of Deposit) Rules, 2014 during the period under review.



## **18. INTERNAL AUDIT & CONTROLS**

The Company has appointed external firm as its Internal Auditors. During the year, the Company continued to implement their suggestions and recommendations to improve the control environment. Their scope of work includes review of processes for safeguarding the assets of the Company, review of operational efficiency, effectiveness of systems and processes, and assessing the internal control strengths in all areas. Findings of Internal Auditors are discussed with the process owners and suitable corrective actions were taken as per the directions of Audit Committee on an ongoing basis to improve efficiency in operations.

## **19. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES**

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

## **20. CORPORATE SOCIAL RESPONSIBILITY INITIATIVES**

In terms of the provisions of Section 135 of the Act and Rule 9 of the Companies (Accounts) Rules, 2014, the Company has not formulated and implemented any Corporate Social Responsibility Initiatives as the said provisions are not applicable to the Company.

## **21. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013**

During the year under review, the Company has not given any loan, made investment, provided guarantee or security to any entity falling under the provisions of Section 186 of the Act.

## **22. RELATED PARTY TRANSACTIONS**

The related party transactions entered during the year were in accordance with the provisions of section 188 of the Companies Act, 2013 and rules made thereunder and were on arm's length basis and in the normal course of business. Details of the transactions are covered in the Balance Sheet for the financial year 2019-20.

## **23. SIGNIFICANT AND MATERIAL ORDERS PASSED BY REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE**

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

## **24. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO**

Disclosures pertaining to conservation of energy, technology absorption and foreign exchange earnings & outgo, were not applicable to the Company during the year under review.

## **25. PARTICULARS REGARDING EMPLOYEES**

During the year under review, none of the employees were in receipt of remuneration exceeding the limit prescribed under Section 197 of the Act and Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.



# KENVI JEWELS LIMITED

## 26. DETAILS OF COMMITTEES OF THE BOARD

### Audit Committee:

The Company has formed the Audit Committee as per the applicable provisions of Section 177 of the Act read with the Companies (Meetings of Board and its Powers) Rules, 2014 (as amended) and also to comply with Regulation 18 of SEBI Listing Regulations.

All the recommendations / submissions made by the Committee during the year were accepted by the Board.

The composition of the Committee and details of meetings attended by the members are given below:

| Name                       | Designation | Category                           | No. of Meetings held during the Period |          |
|----------------------------|-------------|------------------------------------|--|----------|
|                            |             |                                    | Held                                   | Attended |
| Mr. Amitkumar B. Prajapati | Chairman    | Non-Executive Independent Director | 5                                      | 5        |
| Mr. Sanni S. Shah          | Member      | Non-Executive Independent Director | 5                                      | 5        |
| Mr. Vidhutkumar S. Shah*   | Member      | Non-Executive Independent Director | 5                                      | 5        |
| Mrs. Hetalben C. Valani    | Member      | Whole-Time Director                | 5                                      | 5        |
| Mr. Krunal D. Shah**       | Member      | Non-Executive Independent Director | N.A.                                   | N.A.     |

\* Mr. Vidhutkumar S. Shah has resigned as an Independent Director of the Company w.e.f. 6<sup>th</sup> July 2021.

\*\*Mr. Krunal D. Shah was appointed as an Independent Director of the Company w.e.f. 6<sup>th</sup> July 2021.

### Terms of reference:

The broad terms of reference of the Committee are as under:

- Reviewing of the Company's financial reporting process and the disclosure of its financial information
- To ensure that the financial statement is correct, sufficient and credible
- Recommending the appointment, remuneration and terms of appointment of external Auditors
- Review and monitor the Auditor's independence and performance and effectiveness of audit process
- Approval or any subsequent modification of transactions of the Company with related parties
- Scrutiny of inter-corporate loans and investments
- Valuation of undertakings or assets of the Company, wherever it is necessary
- Monitoring the end use of funds raised through public offers and related matters
- Reviewing with management the Annual Financial Statements and half yearly and quarterly Financial Results before submission to the Board



# KENVI JEWELS LIMITED

- Reviewing periodically the adequacy of the Internal Control System
- Discussions with Internal Auditors on any significant findings and follow up there on

## Nomination and Remuneration Committee:

The Company has constituted the Nomination and Remuneration Committee as per Section 178 and other applicable provisions of the Act read with the Companies (Meetings of Board and its Powers) Rules, 2014 (as amended) and also to comply with Regulation 19 of SEBI Listing Regulations.

All the recommendations / submissions made by the Committee during the year were accepted by the Board.

The composition of the Committee and details of meetings attended by the members are given below:

| Name                       | Designation | Category                           | No. of Meetings held during the Period |          |
|----------------------------|-------------|------------------------------------|--|----------|
|                            |             |                                    | Held                                   | Attended |
| Mr. Amitkumar B. Prajapati | Chairman    | Non-Executive Independent Director | 1                                      | 1        |
| Mr. Sanni S. Shah          | Member      | Non-Executive Independent Director | 1                                      | 1        |
| Mr. Vidhutkumar S. Shah*   | Member      | Non-Executive Independent Director | 1                                      | 1        |
| Mr. Krunal D. Shah**       | Member      | Non-Executive Independent Director | N.A.                                   | N.A.     |

\* Mr. Vidhutkumar S. Shah has resigned as an Independent Director of the Company w.e.f. 6<sup>th</sup> July 2021.

\*\*Mr. Krunal D. Shah was appointed as an Independent Director of the Company w.e.f. 6<sup>th</sup> July 2021.

## Terms of reference:

The broad terms of reference of the Committee are as under:

- Formulation of the criteria for determining the qualifications, positive attributes and independence of Director
- Devising a policy on Board Diversity
- Formulation of Remuneration Policy
- Review the structure, size and composition of the Board
- Identifying and selection of candidates for appointment as Directors
- Identifying potential individuals for appointment as Key Managerial Personnel and Senior Management
- Formulation of criteria for evaluation of Independent Directors and the Board

The Policy of Nomination and Remuneration Committee has been placed on the website of the Company at [www.kenvijewels.com](http://www.kenvijewels.com) and the salient features of the same have been enclosed as "Annexure B".



# KENVI JEWELS LIMITED

## Stakeholders' Relationship Committee:

The Company has formed the Stakeholders' Relationship Committee as per Section 178 and other applicable provisions of the Act read with the Companies (Meetings of Board and its Powers) Rules, 2014 (as amended) and also to comply with Regulation 20 of SEBI Listing Regulations.

The composition of the Committee and details of meetings attended by the members are given below:

| Name                       | Designation | Category                           | No. of Meetings held during the Period |          |
|----------------------------|-------------|------------------------------------|--|----------|
|                            |             |                                    | Held                                   | Attended |
| Mr. Sanni S. Shah          | Chairman    | Non-Executive Independent Director | 1                                      | 1        |
| Mr. Amitkumar B. Prajapati | Member      | Non-Executive Independent Director | 1                                      | 1        |
| Mr. Vidhutkumar S. Shah*   | Member      | Non-Executive Independent Director | 1                                      | 1        |
| Mrs. Hetalben C. Valani    | Member      | Whole-Time Director                | 1                                      | 1        |
| Mr. Krunal D. Shah**       | Member      | Non-Executive Independent Director | N.A.                                   | N.A.     |

\* Mr. Vidhutkumar S. Shah has resigned as an Independent Director of the Company w.e.f. 6<sup>th</sup> July 2021.

\*\*Mr. Krunal D. Shah was appointed as an Independent Director of the Company w.e.f. 6<sup>th</sup> July 2021.

## Sexual Harassment Committee

The Sexual Harassment Committee was constituted in compliance with the Sexual Harassment of Women at Workplace (Prevention Prohibition and Redressal) Act, 2013.

| Name                       | Designation | Category                           | No. of Meetings held during the Period |          |
|----------------------------|-------------|------------------------------------|--|----------|
|                            |             |                                    | Held                                   | Attended |
| Mrs. Hetalben C. Valani    | Chairman    | Whole-Time Director                | 1                                      | 1        |
| Mr. Amitkumar B. Prajapati | Member      | Non-Executive Independent Director | 1                                      | 1        |
| Mr. Vidhutkumar S. Shah*   | Member      | Non-Executive Independent Director | 1                                      | 1        |
| Mr. Krunal D. Shah**       | Member      | Non-Executive Independent Director | N.A.                                   | N.A.     |

\* Mr. Vidhutkumar S. Shah has resigned as an Independent Director of the Company w.e.f. 6<sup>th</sup> July 2021.

\*\*Mr. Krunal D. Shah was appointed as an Independent Director of the Company w.e.f. 6<sup>th</sup> July 2021.



## **27. MEETING OF INDEPENDENT DIRECTORS**

During the year under review, a separate meeting of Independent Directors was held on 6<sup>th</sup> March 2021, inter-alia, to discuss:

1. Evaluation of performance of Non-Independent Directors and the Board of Directors as a whole
2. Evaluation of performance of the Chairman of the Company, taking into account the views of the Executive and Non-Executive Directors and
3. Evaluation of the quality, content and timelines of flow of information between the Management and the Board that is necessary to effectively and reasonably perform its duties.

All the Independent Directors were present at the meeting.

## **28. DISCLOSURE AS PER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

The Company has formulated and adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder.

The Company always endeavors to create and provide an environment to its employees and external individuals engaged with the Company that is free from discrimination and harassment including sexual harassment. The Company has in place a robust policy on prevention of sexual harassment at workplace. The policy aims at prevention of harassment of employees as well as contractors and lays down the guidelines for identification, reporting and prevention of sexual harassment.

During the year under review, there were no incidences of sexual harassment reported and received.

## **29. VIGIL MECHANISM**

The Company has established the vigil mechanism through Whistle Blower Policy for all the stakeholders of the Company, which also provides for direct access to the Chairperson of the Audit Committee in appropriate or exceptional cases as per the Policy. The details of the Whistle Blower Policy are available on the website of the Company i.e. [www.kenvijewels.com](http://www.kenvijewels.com).

## **30. RISK MANAGEMENT**

The Company recognizes that risk is an integral part of business and is committed to managing the risks in proactive and efficient manner. The Company periodically assesses risk in the internal and external environment, along with the cost of treating risks and incorporates risk treatment plans in its strategy, business and operational plans.

The Company, through its risk management process, strives to contain impact and likelihood of the risk within the risk appetite as agreed from time to time with the Board of Directors.



# KENVI JEWELS LIMITED

Management Discussion and Analysis Report of the Annual Report identifies key risks, which can affect the performance of the Company.

The Company has adopted a Risk Management Policy for a systematic approach to control risks. The Risk Management Policy of the Company developed in line with the business strategy lays down procedures for risk identification, evaluation, monitoring, review and reporting.

## **31. MANAGEMENT DISCUSSION AND ANALYSIS**

Management Discussion and Analysis Report as required under Regulation 34 and Schedule V of SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015 forms an integral part of this Report, and provides the companies' current working and future outlook.

The Management Discussion and Analysis Report is enclosed as "**Annexure C**".

## **32. CORPORATE GOVERNANCE**

As per Regulation 15(2) of the Listing Regulations, the compliance with the corporate governance provisions as specified in Regulations 17, 17A, 18, 19, 20, 21, 22, 23, 24, 24A, 25, 26, 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 and para C, D and E of Schedule V shall not apply, in respect of:

- A listed entity which has listed its specified securities on the SME Exchange.

Since the Company's Securities are listed on SME Exchange, the provisions relating to Corporate Governance are not applicable to the Company.

## **33. ACKNOWLEDGEMENTS**

Your Directors wish to place on record their appreciation for the continuous support received from the Members, customers, suppliers, bankers, various statutory bodies of the Government of India and the Company's employees at all levels.

Place: Ahmedabad  
Date: 7<sup>th</sup> September 2021

BY ORDER OF THE BOARD OF DIRECTORS OF  
KENVI JEWELSLIMITED

Registered Office:  
14, Nav Durga Complex  
Opp. Nav Durga Society  
Ambicanagar, Odhav  
Ahmedabad - 382415, Gujarat

|                   |                     |
|-------------------|---------------------|
| Chirag C. Valani  | Hetalben C. Valani  |
| Managing Director | Whole-Time Director |
| DIN: 06605257     | DIN: 06605369       |



# KENVI JEWELS LIMITED

## Annexure A

### Form No. MR-3

#### 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,**

**KENVI JEWELS LIMITED**

CIN: L52390GJ2013PLC075720

14, Nav Durga Complex, Opp. Nav Durga Society

Ambicanagar, Odhav, Ahmedabad - 382415

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **KENVI JEWELS LIMITED** (hereinafter called the "Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my 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 March 31, 2021 complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined (*physical as well as online verification and examination of records was conducted as facilitated by the Company due to Covid 19 pandemic for the purpose of issuing this report*) the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2021, according to the provisions of:

- (i) The Companies Act, 2013 ("the Act") and the Rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ("SCRA") and the Rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (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; - **Not Applicable during the Reporting Period**
- (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, 2009; - **Not Applicable during the Reporting Period**
  - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; - **Not Applicable during the Reporting Period**
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; - **Not Applicable during the Reporting Period**



# KENVI JEWELS LIMITED

- (f) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; - **Not Applicable during the Reporting Period**
- (h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; - **Not Applicable during the Reporting Period** and
- (i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998. - **Not Applicable during the Reporting Period**

(vi) During the period under report, no specific law was applicable to the Company.

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

I further report that compliance by the Company of applicable financial laws, like direct and indirect tax laws, has not been reviewed in this Audit since the same have been subject to review by Tax Auditor/Other designated professionals.

I further report that during the year under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

#### **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.

Adequate notices were given to all the 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. There were no dissenting views on any matter.

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 all the applicable laws, rules, regulations and guidelines, standards etc.

I further report that during the audit period, the Company has not conducted any actions/ events which could have a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

**For, Shikha Patel & Associates  
Company Secretary in Practice**

**Shikha Patel  
(Proprietor)  
Membership No: 43955  
COP No: 16201  
UDIN: A043955C000903541**

**Date: 06/09/2021  
Place: Ahmedabad**



# KENVI JEWELS LIMITED

**To,  
The Members,  
KENVI JEWELS LIMITED**

CIN: L52390GJ2013PLC075720

14, Nav Durga Complex, Opp. Nav Durga Society  
Ambicanagar, Odhav, Ahmedabad - 382415

My report of even date provided in Form MR-3 is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my 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. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices I follow, provide a reasonable basis for my opinion.
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 happening of events etc.
5. The compliance of provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of Management. My examination was limited to the verification of procedure on test basis, for the purpose of issuing Secretarial Audit Report.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

**For, Shikha Patel & Associates  
Company Secretary in Practice**

**Shikha Patel  
(Proprietor)  
Membership No: 43955  
COP No: 16201  
UDIN: A043955C000903541**

**Date: 06/09/2021  
Place: Ahmedabad**



# KENVI JEWELS LIMITED

## Annexure B

### Policy of Nomination and Remuneration Committee of the Company

#### Policy for Identification of Persons for Appointment and Removal as Director and Senior Managerial Personnel

The Committee shall:

1. Identify and ascertain the honesty, reliability, qualification, expertise and experience of the person for appointment as Director or Senior Managerial Personnel and recommend the Board accordingly.
2. The committee must ensure itself regarding the capabilities and eligibilities of the proposed appointee(s) and must ensure that the proposed appointee shall be able to devote the required time as may be necessary.
3. The Committee shall be at discretion to decide whether qualification, expertise and experience possessed by the person is adequate for the proposed position.
4. Any other assessment as may be required must be carried out by the Committee and on being satisfied with the overall eligibility of the person, the committee shall recommend his/her appointment to the Board accordingly.
5. With respect to Independent Directors of the Company, the committee shall additionally ensure the independence of the Director as per the applicable provisions of Companies Act, 2013 and the Rules made thereunder.
6. The Committee may recommend to the Board with the reasons recorded in writing, the removal of Director or Senior Managerial Personnel based on any disqualification that may be applicable as per the provisions of the Companies Act, 2013 and the rules made thereunder or for any other reasons as may be justified by the Committee.

#### Terms of Appointment

The terms of Appointment of Managing Director/Whole-Time Directors and Independent Directors of the Company shall be as per the provisions of the Companies Act, 2013 and the Rules made thereunder.

#### Retirement

The Managing Director/ Whole-Time Directors and Independent Directors of the Company shall be subject to retirement as per the applicable provisions of the Companies Act, 2013 and the Rules made there under. The Committee will be at its discretion to recommend retention of Directors even after they have attained the retirement age for the benefit of the Company subject to fulfillment of the requirements as mentioned in the Companies Act, 2013.



# KENVI JEWELS LIMITED

## **Policy for Evaluation of Performance of Board, its Committees and Individual Directors**

1. Evaluation of performance of Board and Individual Directors:
  - a. Achievement of financial/ business targets as fixed by the Board
  - b. Proper development, management and execution of business plans
  - c. Display of leadership qualities i.e. correctly anticipating business trends and opportunities
  - d. Establishment of an effective organization structure
  - e. Participation in the Board/Committee Meetings
  - f. Integrity and maintenance of confidentiality
  - g. Any other criteria that may be considered necessary for the evaluation of the performance of the Board as may be considered by the Committee
  
2. Evaluation of performance of Committee:
  - a. Discharge of its functions and duties as per its terms of reference
  - b. Effectiveness of the suggestions and recommendations received
  - c. Conduct of its meeting and procedures followed in this regard

3. Review of the Implementation of this policy:

The Committee shall review the implementation and compliance of this policy at least once a year.

## **Policy for Remuneration to Directors and Key Managerial Personnel**

The remuneration of the Directors and Key Managerial Personnel must be in accordance with the provisions of the Companies Act, 2013 and the Rules made there under.

The committee must ensure that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully.



# KENVI JEWELS LIMITED

## Annexure C

### MANAGEMENT DISCUSSION AND ANALYSIS REPORT

#### Business Overview

Our Company was originally incorporated as Suvarnkrupa Ornaments Private Limited on June 24, 2013 under the Companies Act, 1956 vide certificate of incorporation issued by the Registrar of Companies, Gujarat, Dadra and Nagar Haveli. Subsequently, the name of the Company was changed to “Kenvi Jewels Private Limited” on August 14, 2017 under the Companies Act, 2013 pursuant to a special resolution passed by our shareholders at the EGM held on August 5, 2017 and vide certificate of incorporation issued by the Registrar of Companies, Gujarat, Dadra and Nagar Haveli. Thereafter, our Company was converted into a public limited company pursuant to a special resolution passed by our shareholders at the EGM held on August 17, 2017 and consequently name was changed to “Kenvi Jewels Limited” (KJL) vide fresh certificate of incorporation dated August 24, 2017 issued by Registrar of Companies, Gujarat, Dadra and Nagar Haveli. The CIN of the Company is L52390GJ2013PLC075720.

We are primarily into the business of manufacturing and retailing of jewellery. Besides this, we are also into wholesaling and trading of gold jewellery. The designing of our jewellery is done in house which is manufactured at our manufacturing unit situated at Manek Chowk, Ahmedabad. Further, we also get our jewellery designed by third party designers as and when required. We sell gold jewellery made with or without studded diamonds, precious and semi-precious stones. Our product portfolio includes Wedding Jewellery, Festive Jewellery, Rings, Chain, Earrings, Ear Chain, Nose-rings/Nose pins, Waist belts, Mangalsutra, Anklet, Zuda, Toe Ring, Pendant Set/Pendant, Bracelet and Bangles.

Our retail business is done through our showroom situated at Odhav, Ahmedabad. We sell our jewellery under the brand name of “Suvarnkrupa” which is well known among our customers and in the local jewellery market. We have created a diversified portfolio for our jewellery in order to cater to our customers taste, preference, choice and the ever changing trends in the jewellery designs. Our portfolio offers our customers a wide variety of traditional, Indo-western and modern jewellery. We also customize jewellery according to the individual needs.

#### Our Competitive Strengths

- Established brand name
- Quality Products
- Strategic Location of our Showroom
- Well established relationship with our supplier
- Strong in-house designing capabilities
- Wide Range of our Jewellery
- Experience of our Promoters
- Experienced management team and efficient work force
- Strong and long-term relationship with our clients

#### Our Business Strategies

- Focusing on increasing showroom sales
- Innovation in designing
- Enhancing Operating Effectiveness and efficiency



# KENVI JEWELS LIMITED

- Continue to maintain strong relation with existing customers
- Marketing

## Opportunities

Increasing middle class population is expected to drive growth in the future and is expected to lead to an increase in demand for gold. Also, India's population is increasingly becoming urbanised, which is expected to boost household income, thereby leading to higher demand for gold and other jewellery. The jewellery demand is also increasing steadily due to changes in its role from just being an item of adornment and as a store of value to a lifestyle and fashion accessory. Rising quality awareness of customers has provided a fillip to the organized retail segment, which is banking on its 'reliability' and 'quality' to compete against the highly fragmented unorganized jewellers. The Gems and Jewellery sector is witnessing changes in consumer preferences due to adoption of western lifestyle.

The Government of India has also launched the Sovereign Gold Bond Scheme to reduce the country's reliance on physical gold imports to meet the investment demand for gold by retail investors.

## Threats

Some of the key challenges facing the retail jewellery industry are as follows:

- (a) Adapting to fast changing consumer preferences and buying patterns
- (b) Volatility in the market prices of gold and diamonds
- (c) Limited availability of high end retail space
- (d) The retail jewellery is a working capital intensive business and currently there are increasing restrictions by banks over lending in this sector

## Human Resources and Industrial Relations

The Company recognizes human resources as its biggest strength which has resulted in getting acknowledgement that the Company is the right destination where with the growth of the organization, value addition of individual employees is assured.

## Internal Control

The Company has an adequate internal control system for safeguarding the assets and financial transactions of the Company. The strong internal control systems have been designed in such a way that, not only it prevent fraud and misuse of the Company's resources but also protect shareholders' interest.

The Company has an effective internal control system, which ensures that all the assets of the Company are safeguarded and protected against any loss from unauthorized use or disposition. The Company has also put in place adequate internal financial controls with reference to the financial statements commensurate with the size and nature of operations of the Company. Based on the assessment carried out by the management and the evaluation of the results of the assessment, the Board of Directors are of the opinion that the Company has adequate Internal



# KENVI JEWELS LIMITED

Financial Controls systems that are operating effectively as of March 31, 2021. There were no instances of fraud which necessitates reporting in the financial statements. Further, there have been no communications from regulatory agencies concerning non-compliance with or deficiencies in financial reporting practices.





# KENVI JEWELS LIMITED

Registered Office: 14, Nav Durga Complex, Opp. Nav Durga Society, Ambicanagar, Odhav,  
Ahmedabad - 382415, Gujarat, India.

Tele. No.: 079-22973199

Email: [compliance.kjl@gmail.com](mailto:compliance.kjl@gmail.com) Website: [www.kenvijewels.com](http://www.kenvijewels.com)

**8<sup>th</sup> Annual General Meeting - Thursday, September 30, 2021**

## **ATTENDANCE SLIP**

Folio No. / DP ID & Client ID:

Name of Shareholder:

Address of Shareholder:

I, hereby record my presence at the 8<sup>th</sup> Annual General Meeting of the Company to be held on Thursday, September 30, 2021 at 3:00 p.m. at 14, Nav Durga Complex, Opp. Nav Durga Society, Ambicanagar, Odhav, Ahmedabad - 382415, Gujarat, India.

\_\_\_\_\_  
**Signature of the Member/Proxy**

### **Notes:**

- A. Only Member/Proxy can attend the meeting. No minors would be allowed at the meeting.
- B. Member/Proxy who wish to attend the meeting, must bring this attendance slip to the meeting and hand over at the entrance duly filled in and signed.
- C. Member/Proxy should bring his/her copy of the Notice of the Meeting for reference at the meeting.



# KENVI JEWELS LIMITED

Registered Office: 14, Nav Durga Complex, Opp. Nav Durga Society, Ambicanagar, Odhav,  
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Email: [compliance.kjl@gmail.com](mailto:compliance.kjl@gmail.com) Website: [www.kenvijewels.com](http://www.kenvijewels.com)

## Form MGT-11 PROXY FORM

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

**8<sup>th</sup> Annual General Meeting - Thursday, September 30, 2021**

Name of the shareholder(s):

Registered Address:

E-mail ID:

Folio No. / DP ID and Client ID:

I/We, being member(s) of Kenvi Jewels Limited, holding \_\_\_\_\_ share(s) of the Company,  
hereby appoint

(A) Name: \_\_\_\_\_

Address: \_\_\_\_\_

E-mail ID: \_\_\_\_\_

Signature: \_\_\_\_\_ or failing him/her

(B) Name: \_\_\_\_\_

Address: \_\_\_\_\_

E-mail ID: \_\_\_\_\_

Signature: \_\_\_\_\_ or failing him/her

(C) Name: \_\_\_\_\_

Address: \_\_\_\_\_

E-mail ID: \_\_\_\_\_

Signature: \_\_\_\_\_



# KENVI JEWELS LIMITED

As my/our proxy to attend and vote for me/us, on my/our behalf at the 8<sup>th</sup> Annual General Meeting of the Company to be held on Thursday, September 30, 2021 at 3:00 p.m. at 14, Nav Durga Complex, Opp. Nav Durga Society, Ambicanagar, Odhav, Ahmedabad - 382415, Gujarat, India and/or at any adjournment thereof in respect of such resolutions as are indicated below:

| Sr. No.                  | Resolution  | Voting |         |
|--------------------------|---|--------|---------|
|                          |   | For    | Against |
| <b>Ordinary Business</b> |   |        |         |
| 1                        | To receive, consider and adopt the Standalone Audited Financial Statements for the year ended 31 <sup>st</sup> March 2021, together with the Reports of the Board of Directors and the Auditors thereon.              |        |         |
| 2                        | To Appoint a Director in place of Mr. Chirag Champaklal Valani (DIN: 06605257), who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 and, being eligible, offers himself for re-appointment. |        |         |
| <b>Special Business</b>  |   |        |         |
| 3                        | Appointment of Mr. Krunal Dilipbhai Shah as a Director (Non-Executive Independent) of the Company.  |        |         |
| 4                        | Revision in remuneration payable to Mr. Chirag Champaklal Valani, Managing Director of the Company.   |        |         |

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2021

\_\_\_\_\_  
**Signature of Shareholder(s)/Proxy holder(s)**

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

# **Kenvi Jewels Limited**

## ***Statutory Audit Report*** ***F.Y. 2020-21***

--: Auditors :--

**PARTH SHAH AND ASSOCIATES**

**(Chartered Accountants)**

**GF – 9, Ankur Complex, B/h. Town Hall,**

**Ellisbridge, Ahmedabad – 380006**

**Email – [psa010217@gmail.com](mailto:psa010217@gmail.com)**

**M. 9687364546**



## **Independent Auditor's Report**

**To the Members of Kenvi Jewels Limited.**

### **Report on the Standalone Financial Statements**

#### **Opinion**

We have audited the accompanying standalone financial statements of **Kenvi Jewels Limited**. ('the Company'), which comprise the balance sheet as at **31<sup>st</sup> March 2021**, the Statement of Profit and Loss and the Cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us , the aforesaid standalone financial statement 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 principles generally accepted in India, of state of affairs of the company as at **31<sup>st</sup> March 2021** and its profit and its cash flow for the year ended on that date.

#### **Basis for Opinion**

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing ("SA"s) 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 Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the 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 that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

#### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone 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 Financial Statements and Auditor's Report Thereon**

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone 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 standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone 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.

## **Management's Responsibility for the Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the 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 do so.

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

## **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the 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 of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, 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 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the 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 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 cause the Company to cease to continue as a going concern.
- 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 fair presentation.

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 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 such communication.

## **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we have given in the **Annexure A**, a statement on the matters specified in the paragraph 3 and 4 of the order.
2. As required by Section 143 (3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - (c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
  - (e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March 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 Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**".
  - (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the Company has paid remuneration to its directors during the year is in accordance with the provisions of section 197 of the Act.
  - (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company does not have any pending litigation which would impact its financial position.
    - ii. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
    - iii. There were no amounts which are required to be transferred to the Investor Education and Protection Fund by the company.

**For, Parth Shah and Associates**  
**Chartered Accountants**  
**FRN No. 144251W**

**Sd/-**  
**Parth N. Shah**  
**(Proprietor)**  
**Mem. No: 173468**  
**UDIN : 21173468AAAAIV4807**

**Date: 30/06/2021**  
**Place: Ahmedabad**

## “Annexure - A “to” the Auditors’ Report

The Annexure referred to in Independent Auditors’ Report to the members of the Company on the standalone financial statements for the year ended **31<sup>st</sup> March 2021**, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets
- (b) The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of three years. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are not held in the name of the Company. As the company has, taken immovable property on rent from the directors.
- (ii) The Company is regular in maintaining physical inventory in accordance with paragraph 3(ii) of the Order applicable to the Company.
- (iii) The Company has not granted any loans to bodies corporate covered in the register maintained under section 189 of the Companies Act, 2013 (‘the Act’).
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.
- (v) The Company has not accepted any deposits from the public.
- (vi) The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered by the Company.
- (vii)
  - (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/accrued in the book of account in respect of undisputed statutory dues including provident fund, income-tax, sales tax, value added tax, duty of customs, service tax, cess and other material statutory dues have been regularly deposited during the year by the company with the appropriate authorities. As explained to us, the Company did not have any dues on account of employees’ state insurance and duty of excise.
  - (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, sales tax, value added tax, duty of customs, service tax, cess and other material statutory dues were in arrears as at 31<sup>st</sup> March 2021 for a period of more than six months from the date they became payable.
- (viii) The Company has taken loan from Canara Bank & AU Small Bank for Business purpose. The Company has not make any default in repayment of Loan.
- (ix) The Company has not raised fund during year through further public offer. Accordingly paragraph 3(vii) of the order is not applicable.

- (x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or report during the course of our audit.
- (xi) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- (xii) In our opinion and according to the information and explanations given to us, the company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

**For, Parth Shah and Associates**  
**Chartered Accountants**  
**FRN No. 144251W**

**Sd/-**  
**Parth N. Shah**  
**(Proprietor)**  
**Mem. No: 173468**  
**UDIN : 21173468AAAAIV4807**

**Date: 30/06/2021**  
**Place: Ahmedabad**

## **ANNEXURE B TO THE AUDITOR'S REPORT**

### **Report on the Internal Financial Controls under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')**

We have audited the internal financial controls over financial reporting of **Kenvi Jewels Limited** ('the Company') as of **31<sup>st</sup> March 2021** in conjunction with our audit of the financial statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditors' Responsibility**

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

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 auditors' 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 the 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 **31<sup>st</sup> March 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 Institute of Chartered Accountants of India.

**For, Parth Shah and Associates**  
**Chartered Accountants**  
**FRN No. 144251W**

**Sd/-**  
**Parth N. Shah**  
**(Proprietor)**  
**Mem. No: 173468**  
**UDIN : 21173468AAAAIV4807**

**Date: 30/06/2021**  
**Place: Ahmedaba**

# KENVI JEWELS LIMITED

BALANCE SHEET AS AT 31<sup>st</sup> MARCH, 2021

| Particulars   | Note No. | 2021                | 2020                |
|---|----------|---------------------|---------------------|
| <b>I. EQUITY AND LIABILITIES</b>  |          |                     |                     |
| <b><u>(1) Shareholder's Funds</u></b>                                     |          |                     |                     |
| (a) Share Capital   | 1        | 10,11,03,780        | 10,11,03,780        |
| (b) Reserves and Surplus  | 2        | 2,64,02,629         | 2,36,21,765         |
| (c) Money received against share warrants                                 |          | -                   | -                   |
| <b><u>(2) Share Application money pending allotment</u></b>               |          |                     |                     |
| <b><u>(3) Non-Current Liabilities</u></b>                                 |          |                     |                     |
| (a) Long-Term Borrowings  |          | -                   | -                   |
| (b) Deferred Tax Liabilities (Net)  |          | -                   | -                   |
| (c) Other Long Term Liabilities   |          | -                   | -                   |
| (d) Long Term Provisions  |          | -                   | -                   |
| <b><u>(4) Current Liabilities</u></b>                                     |          |                     |                     |
| (a) Short-Term Borrowings   | 3        | 1,19,13,384         | 63,74,112           |
| (b) Trade Payables  | 4        |                     |                     |
| (i) Total outstanding dues of Micro , Small , & Medium Enterprise         |          | -                   | -                   |
| (i) Total outstanding dues other than Micro , Small , & Medium Enterprise |          | 7,54,283            | 5,30,676            |
| (c) Other Current Liabilities   | 5        | 59,35,604           | 22,42,597           |
| (d) Short-Term Provisions   | 6        | 13,32,218           | 12,38,847           |
| <b>Total Equity &amp; Liabilities</b>                                     |          | <b>14,74,41,900</b> | <b>13,51,11,777</b> |
| <b>II. ASSETS</b>   |          |                     |                     |
| <b><u>(1) Non-Current Assets</u></b>                                      |          |                     |                     |
| (a) Fixed Assets  |          |                     |                     |
| (i) Property, Plant and Equipment   | 7        | 68,39,235           | 23,68,408           |
| (ii) Intangible Assets  |          |                     |                     |
| (iii) Capital work in progress  |          |                     |                     |
| (iv) Intangible Assets under development                                  |          |                     |                     |
| (b) Non-current investments   |          | -                   | -                   |
| (c) Deferred tax assets (net)   |          | 2,01,439            | 1,94,162            |
| (d) Long term loans and advances  |          | -                   | -                   |
| (e) Other non-current assets  |          | -                   | -                   |
| <b><u>(2) Current Assets</u></b>  |          |                     |                     |
| (a) Current investments   |          | -                   | -                   |
| (b) Inventories   |          | 12,82,08,535        | 9,58,76,650         |
| (c) Trade receivables   | 8        | 67,09,514           | 3,06,41,014         |
| (d) Cash and cash equivalents   | 9        | 6,44,923            | 8,78,985            |
| (e) Short-term loans and advances   | 10       | -                   | 7,05,880            |
| (f) Other current assets  | 11       | 48,38,254           | 44,46,678           |
| <b>Total Assets</b>   |          | <b>14,74,41,900</b> | <b>13,51,11,777</b> |

**NOTES TO ACCOUNTS**

19

Notes referred to above and notes attached there to form an integral part of Balance Sheet

This is the Balance Sheet referred to in our Report of even date.

**For, Parth Shah and Associates**

**Chartered Accountants**

**Firm Regi.No.:-144251W**

Sd/-

**Parth N. Shah**

**(Proprietor)**

**Membership No.:173468**

**UDIN : 21173468AAAIV4807**

**Date : 30/06/2021**

**Place : Ahmedabad**

**For, Kenvi Jewels Limited**

Sd/-

**Chirag C. Valani**

**(Managing Director)**

**DIN : 06605257**

Sd/-

**Nikita Sharma**  
**(Company Secretary)**

Sd/-

**Hetalben C. Valani**

**(Whole -Time Director)**

**DIN : 06605369**

Sd/-

**Mayur S. Sharma**  
**(CFO)**

# KENVI JEWELS LIMITED

## PROFIT & LOSS STATEMENT FOR THE PERIOD ENDED ON 31<sup>st</sup> MARCH, 2021

| Sr. No. | Note No.  | 2021                | 2020                |
|---------|---|---------------------|---------------------|
| I       | Revenue from operations   | 39,86,34,708        | 34,69,91,716        |
| II      | Other Income  | 1,021               | 925                 |
| III     | <b>III. Total Revenue (I +II)</b>   | <b>39,86,35,729</b> | <b>34,69,92,641</b> |
| IV      | <b>Expenses:</b>  |                     |                     |
|         | Cost of materials consumed  | 41,44,99,643        | 32,14,72,563        |
|         | Changes in inventories of finished goods, work-in-progress and Stock-in-Trade | (3,23,31,885)       | 91,37,112           |
|         | Employee Benefit Expense  | 52,75,555           | 51,72,821           |
|         | Financial Costs   | 9,11,445            | 11,27,330           |
|         | Depreciation and Amortization Expense   | 9,23,405            | 8,89,672            |
|         | Other Administrative Expenses   | 56,11,404           | 62,27,654           |
|         | <b>Total Expenses (IV)</b>  | <b>39,48,89,567</b> | <b>34,40,27,152</b> |
| V       | Profit before exceptional and extraordinary items and tax                     | <b>37,46,162</b>    | <b>29,65,489</b>    |
| VI      | Exceptional Items   | -                   | -                   |
| VII     | Profit before extraordinary items and tax (V - VI)                            | <b>37,46,162</b>    | <b>29,65,489</b>    |
| VIII    | Extraordinary Items   | -                   | -                   |
| IX      | Profit before tax (VII - VIII)  | <b>37,46,162</b>    | <b>29,65,489</b>    |
| X       | <b>Tax expense:</b>   |                     |                     |
|         | (1) Current tax   | 9,20,000            | 7,25,000            |
|         | (2) Defferd tax   | (7,277)             | (83,620)            |
| XI      | Profit(Loss) from the perid from continuing operations                        | <b>28,33,439</b>    | <b>23,24,109</b>    |
| XII     | Profit/(Loss) from discontinuing operations                                   | -                   | -                   |
| XIII    | Tax expense of discounting operations   | -                   | -                   |
| XIV     | Profit/(Loss) from Discontinuing operations (XII - XIII)                      | -                   | -                   |
| XV      | Profit/(Loss) for the period (XI + XIV)                                       | <b>28,33,439</b>    | <b>23,24,109</b>    |
|         | Less: Proposed Dividend   | -                   | -                   |
|         | Less: Tax on Dividend   | -                   | -                   |
|         | <b>Balance Carried Forward to Balance Sheet</b>                               | <b>28,33,439</b>    | <b>23,24,109</b>    |
| XVI     | Earning per equity share:   |                     |                     |
|         | (1) Basic   | 0.28                | 0.23                |
|         | (2) Diluted   | 0.28                | 0.23                |

### NOTES TO ACCOUNTS

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*Schedules referred to above and notes attached there to form an integral part of Profit & Loss Statement*

*This is the Profit & Loss Statement referred to in our Report of even date.*

For, Parth Shah and Associates

For, Kenvi Jewels Limited

Chartered Accountants

Firm Regi.No.:144251W

Sd/-

Parth N. Shah

(Proprietor)

Membership No.:173468

UDIN : 21173468AAAIV4807

Sd/-

Chirag C. Valani

(Managing Director)

DIN : 06605257

Sd/-

Hetalben C. Valani

(Whole -Time Director)

DIN : 06605369

Sd/-

Nikita Sharma

(Company Secretary)

Sd/-

Mayur S. Sharma

(CFO)

Date : 30/06/2021

Place : Ahmedabad

# KENVI JEWELS LIMITED

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2021

| PARTICULARS   | AS AT 31.03.21<br>Rs. | AS AT 31.03.20<br>Rs. |
|---|-----------------------|-----------------------|
| <b>A. Cash Flow from Operating Activity</b>                     |                       |                       |
| Profit before Taxation and Extra Ordinary Items                 | 37,46,162             | 29,65,489             |
| Add : Non Cash & Non Operating Expenses                         |                       |                       |
| Depreciation  | 4,73,405              | 4,39,672              |
| Interest Expenses   | 9,11,445              | 11,27,330             |
| Operating Profit before Working Capital Changes                 | 51,31,012             | 45,32,491             |
| Adjustment for;   |                       |                       |
| (Increase) / Decrease in Inventory                              | (3,23,31,885)         | 91,37,112             |
| (Increase) / Decrease in Trade Receivable                       | 2,39,31,500           | (81,85,426)           |
| (Increase) / Decrease in Other Current Assets                   | (3,91,576)            | 1,79,403              |
| (Increase) / Decrease in Loans & Advances                       | 7,05,880              | 83,89,344             |
| Increase / (Decrease) in Short Term Borrowings                  | 55,39,272             | (64,13,766)           |
| Increase / (Decrease) in Current Liabilities & Provisions       | 37,86,378             | (23,07,597)           |
| (Increase) / Decrease in Trade Payable                          | 2,23,607              | (53,416)              |
| Cash Generated from Operation                                   | 65,94,188             | 52,78,145             |
| Taxes Paid  | 9,20,000              | 7,25,000              |
| Net Cash Flow from Operating Activities                         | 56,74,188             | 45,53,145             |
| <b>B. Cash Flow from Investing Activity</b>                     |                       |                       |
| (Increase) / Decrease in Fixed Assets (net)                     | (49,44,231)           | (2,25,616)            |
| (Increase) / Decrease in Investments & Accrued Interest Thereon | -                     | -                     |
| Net Cash Flow from Investing Activities                         | (49,44,231)           | (2,25,616)            |
| <b>C. Cash Flow from Financing Activity</b>                     |                       |                       |
| Proceeds from Issue of Shares                                   | -                     | 5,40,78,780           |
| Proceeds from Securities Premium                                | -                     | (5,40,78,780)         |
| Increase / (Decrease) in Long term Borrowings                   | -                     | (27,63,178)           |
| Interest Expenses   | (9,11,445)            | (11,27,330)           |
| Adjustment in Reserves & Surpluse                               | (52,580)              | 17,753                |
| Net Cash Flow from Financing Activities                         | (9,64,025)            | (38,72,755)           |
| <b>Net Increase / (Decrease) in Cash &amp; Cash Equivalents</b> | <b>(2,34,062)</b>     | <b>4,54,781</b>       |
| Opening Balance of Cash & Cash Equivalents                      | 8,78,985              | 4,24,204              |
| Closing Balance of Cash & Cash Equivalents                      | 6,44,923              | 8,78,985              |
| <b>Net Increase / (Decrease) in Cash &amp; Cash Equivalents</b> | <b>(2,34,062)</b>     | <b>4,54,781</b>       |

**NOTES :**

1. The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Accounting Standard-3 . "Cash Flow Statement" issued by ICAI.

2. The previous year figures have been regrouped/restated wherever necessary to confirm to this year's classification.

**For, Parth Shah and Associates**  
Chartered Accountants  
Firm Regi.No.:144251W

**For, Kenvi Jewels Limited**

Sd/-  
**Parth N. Shah**  
(Proprietor)  
Membership No.:173468  
UDIN : 21173468AAAIV4807

Sd/-  
**Chirag C. Valani**  
(Managing Director)  
DIN : 06605257

Sd/-  
**Hetalben C. Valani**  
(Whole -Time Director)  
DIN : 06605369

Date : 30/06/2021  
Place : Ahmedabad

Sd/-  
**Nikita Sharma**  
(Company Secretary)

Sd/-  
**Mayur S. Sharma**  
(CFO)

# KENVI JEWELS LIMITED

*Notes Forming Integral Part of the Balance Sheet as at 31<sup>st</sup> March, 2021*

## **Note : 1 Share Capital**

| Sr. No. | Particulars   | 2021                | 2020                |
|---------|---|---------------------|---------------------|
| 1       | <b>AUTHORIZED CAPITAL</b><br>10111000 Equity Shares of Rs. 10/- each.   | 10,11,10,000        | 10,11,10,000        |
|         |   | <b>10,11,10,000</b> | <b>10,11,10,000</b> |
| 2       | <b>ISSUED , SUBSCRIBED &amp; PAID UP CAPITAL</b><br><i>To the Subscribers of the Memorandum</i><br>10110378 Equity Shares of Rs. 10/- each. | 10,11,03,780        | 10,11,03,780        |
|         | <b>Total in `</b>   | <b>10,11,03,780</b> | <b>10,11,03,780</b> |

Following Shareholders hold equity shares more than 5% of the total equity shares of the Company.

| Sr. No. | SHARE HOLDER'S NAME      | 2021                | 2020                |
|---------|--------------------------|---------------------|---------------------|
| 1       | Chirag Champaklal Valani | 56,55,790<br>55.94% | 56,55,790<br>55.94% |
| 2       | Vivid Mercantile Ltd.    | 22,77,065<br>22.52% | 22,77,065<br>22.52% |

## **Note : 2 Reserve & Surplus**

| Sr. No. | Particulars                                | 2021               | 2020               |
|---------|--|--------------------|--------------------|
| 1       | Capital Reserve                            | -                  | -                  |
| 2       | Capital Redemption Reserve                 | -                  | -                  |
| 3       | Securities Premium reserve                 | 1,90,06,220        | 1,90,06,220        |
| 4       | Debenture Redemption Reserve               | -                  | -                  |
| 5       | Revaluation Reserve                        | -                  | -                  |
| 6       | Shares Option Outstanding Account          | -                  | -                  |
| 7       | Other Reserve (Special Reserve)            | -                  | -                  |
| 8       | Surplus (Profit & Loss Account)            | 74,48,989          | 46,15,545          |
|         | Balance brought forward from previous year | 46,15,545          | 22,73,678          |
|         | Less: Adjustment others                    | 52,580             | -                  |
|         | Add: Transfer to Profit and Loss A/c       | -                  | 17,753             |
|         | Add: Profit for the period                 | 28,33,439          | 23,24,109          |
|         | <b>Total in `</b>                          | <b>2,64,02,629</b> | <b>2,36,21,765</b> |

## **Note : 3 Short Term Borrowings**

| Sr. No. | Particulars       | 2021               | 2020             |
|---------|-------------------|--------------------|------------------|
| 1       | Canara Bank (CC)  | 55,23,588          | 63,74,112        |
| 2       | Canara Bank 024   | 11,66,666          | -                |
| 3       | Canara Bank 038   | 16,00,000          | -                |
| 4       | AU Small Bank     | 36,23,130          | -                |
|         | <b>Total in `</b> | <b>1,19,13,384</b> | <b>63,74,112</b> |

## **Note : 4 Trades Payable**

| Sr. No. | Particulars                                    | 2021            | 2020            |
|---------|--|-----------------|-----------------|
| a)      | <b>Sundry Creditors for Materiel/Supplies:</b> |                 |                 |
| 1       | Other Creditors                                | 7,54,283        | 5,30,676        |
|         | <b>Total in `</b>                              | <b>7,54,283</b> | <b>5,30,676</b> |

# KENVI JEWELS LIMITED

Notes Forming Integral Part of the Balance Sheet as at 31<sup>st</sup> March, 2021

## Note : 5 Other Current Liabilities

| Sr. No. | Particulars                                     | 2021             | 2020             |
|---------|---|------------------|------------------|
| a) 1    | <u>Advance From Customers</u><br>Order Advances | 59,35,604        | 22,42,597        |
|         | <b>Total in `</b>                               | <b>59,35,604</b> | <b>22,42,597</b> |

## Note : 6 Short Term Provisions

| Sr. No. | Particulars                                  | 2021             | 2020             |
|---------|--|------------------|------------------|
| 1       | Rent Payable                                 | 76,500           | 72,765           |
| 2       | Audit Fees Payable                           | 22,500           | 20,000           |
| 3       | Salary Payble                                | 2,05,500         | 3,11,147         |
| 4       | Provision For Tax                            | 9,20,000         | 7,25,000         |
| 5       | Other Provisions including TDS & TCS Payable | 1,07,718         | 1,09,935         |
|         | <b>Total in `</b>                            | <b>13,32,218</b> | <b>12,38,847</b> |

## KENVI JEWELS LIMITED

Notes Forming Integral Part of the Balance Sheet as at 31<sup>st</sup> March, 2021

**Note : 7 Property , Plant & Equipments**

| Sr. No.  | Particulars                 | Gross Block            |                          |                           |                  | Depreciaton            |                          |                           |                  | Net Block            |                      |
|----------|-----------------------------|------------------------|--------------------------|---------------------------|------------------|------------------------|--------------------------|---------------------------|------------------|----------------------|----------------------|
|          |                             | Value at the beginning | Addition during the year | Deduction during the year | Value at the end | Value at the beginning | Addition during the year | Deduction during the year | Value at the end | WDV as on 31.03.2021 | WDV as on 31.03.2020 |
| <b>I</b> | <b>Tangible Assets</b>      |                        |                          |                           |                  |                        |                          |                           |                  |                      |                      |
| 1        | Furniture                   | 25,80,461              | 16,678                   | -                         | 25,97,139        | 9,37,908               | 1,26,459                 | -                         | 10,64,367        | 15,32,772            | 16,42,553            |
| 2        | Air Conditionar             | 2,61,094               | 1,17,292                 | -                         | 3,78,386         | 1,75,388               | 11,973                   | -                         | 1,87,361         | 1,91,025             | 85,706               |
| 3        | Bio Metric                  | 11,455                 | -                        | -                         | 11,455           | 7,051                  | 2,262                    | -                         | 9,313            | 2,142                | 4,404                |
| 4        | Car                         | 6,02,436               | -                        | -                         | 6,02,436         | 3,17,525               | 88,978                   | -                         | 4,06,503         | 1,95,933             | 2,84,911             |
| 5        | Chair                       | 12,750                 | -                        | -                         | 12,750           | 2,420                  | 1,032                    | -                         | 3,452            | 9,298                | 10,330               |
| 6        | Scale                       | 1,72,713               | 27,825                   | -                         | 2,00,538         | 1,21,134               | 18,580                   | -                         | 1,39,714         | 60,824               | 51,579               |
| 7        | Television                  | 1,223                  | -                        | -                         | 1,223            | 1,223                  | -                        | -                         | 1,223            | -                    | -                    |
| 8        | Bike                        | 12,126                 | -                        | -                         | 12,126           | 10,091                 | 138                      | -                         | 10,229           | 1,897                | 2,035                |
| 9        | Mobile                      | 54,248                 | 1,79,138                 | -                         | 2,33,386         | 31,594                 | 40,187                   | -                         | 71,781           | 1,61,605             | 22,654               |
| 10       | Computer & Software         | 2,21,274               | 2,02,266                 | -                         | 4,23,540         | 1,00,639               | 63,160                   | -                         | 1,63,799         | 2,59,741             | 1,20,635             |
| 11       | GPS                         | 17,377                 | 4,174                    | -                         | 21,551           | 13,266                 | 3,183                    | -                         | 16,449           | 5,102                | 4,111                |
| 12       | Safe (Tizori)               | 36,094                 | -                        | -                         | 36,094           | 14,858                 | 1,650                    | -                         | 16,508           | 19,586               | 21,236               |
| 13       | Laptop                      | 41,403                 | -                        | -                         | 41,403           | 41,387                 | -                        | -                         | 41,387           | 16                   | 16                   |
| 14       | Currency Counting Machinery | 20,003                 | 12,003                   | -                         | 32,006           | 12,983                 | 1,829                    | -                         | 14,812           | 17,194               | 7,020                |
| 15       | Attandance System           | 10,000                 | -                        | -                         | 10,000           | 9,521                  | 21                       | -                         | 9,542            | 458                  | 479                  |
| 16       | Barcode Scanner             | 23,368                 | 1,050                    | -                         | 24,418           | 7,576                  | 1,829                    | -                         | 9,405            | 15,013               | 15,792               |
| 17       | CC TV CAMERA                | 1,86,866               | -                        | -                         | 1,86,866         | 1,39,233               | 19,387                   | -                         | 1,58,620         | 28,246               | 47,633               |
| 18       | Generator                   | 78,000                 | -                        | -                         | 78,000           | 54,810                 | 2,987                    | -                         | 57,797           | 20,203               | 23,190               |
| 19       | Printer                     | 46,332                 | 42,907                   | -                         | 89,239           | 44,627                 | 9,369                    | -                         | 53,996           | 35,243               | 1,705                |
| 20       | Rolling Shutter             | 52,000                 | -                        | -                         | 52,000           | 37,604                 | 1,598                    | -                         | 39,202           | 12,798               | 14,396               |
| 21       | Dye & Other Machinery       | -                      | 4,12,304                 | -                         | 4,12,304         | -                      | 58,485                   | -                         | 58,485           | 3,53,819             | -                    |
| 22       | Freez                       | -                      | 37,912                   | -                         | 37,912           | -                      | 5,378                    | -                         | 5,378            | 32,534               | -                    |
| 23       | Shop No. 8 Gota             | -                      | 19,15,800                | -                         | 19,15,800        | -                      | -                        | -                         | -                | 19,15,800            | -                    |
| 24       | Shop No. 9 Gota             | -                      | 19,15,800                | -                         | 19,15,800        | -                      | -                        | -                         | -                | 19,15,800            | -                    |
| 25       | Vacume Cleaner              | -                      | 14,127                   | -                         | 14,127           | -                      | 541                      | -                         | 541              | 13,586               | -                    |
| 26       | Washing Machine             | -                      | 11,195                   | -                         | 11,195           | -                      | 1,588                    | -                         | 1,588            | 9,607                | -                    |
| 27       | R O Plant                   | 33,915                 | 33,760                   | -                         | 67,675           | 25,891                 | 12,791                   | -                         | 38,682           | 28,993               | 8,024                |
|          | <b>Total</b>                | <b>44,75,138</b>       | <b>49,44,231</b>         | <b>-</b>                  | <b>94,19,369</b> | <b>21,06,729</b>       | <b>4,73,405</b>          | <b>-</b>                  | <b>25,80,134</b> | <b>68,39,235</b>     | <b>23,68,408</b>     |

# KENVI JEWELS LIMITED

*Notes Forming Integral Part of the Balance Sheet as at 31<sup>st</sup> March, 2021*

**Note : 8 Trade Receivables**

| Sr. No | Particulars   | 2021             | 2020               |
|--------|---|------------------|--------------------|
| (A)    | <b><u>Outstanding for Less than six months</u></b>                    |                  |                    |
| 1      | <b><u>Secured, Considered Good</u></b><br>Balance of Trade Receivable | 67,09,514        | 3,06,41,014        |
|        | <b>Total in `</b>   | <b>67,09,514</b> | <b>3,06,41,014</b> |

**Note : 9 Cash & Cash Equivalent**

| Sr. No | Particulars   | 2021              | 2020             |
|--------|---|-------------------|------------------|
| 1      | <b><u>Cash-in-Hand</u></b><br>Cash Balance                              | 3,35,616          | 8,02,900         |
|        | <b>Sub Total (A)</b>  | <b>3,35,616</b>   | <b>8,02,900</b>  |
| 2      | <b><u>Bank Balance</u></b><br>PAYTM / BHARAT PAY<br>Union Bank of India | 2,940<br>3,06,367 | 23,712<br>52,373 |
|        | <b>Sub Total (B)</b>  | <b>3,09,307</b>   | <b>76,085</b>    |
|        | <b>Total [ A + B ]</b>  | <b>6,44,923</b>   | <b>8,78,985</b>  |

**Note : 10 Short Term Loans & Advances**

| Sr. No | Particulars            | 2021     | 2020            |
|--------|------------------------|----------|-----------------|
| 1      | Other Loans & Advances | -        | 7,05,880        |
|        | <b>Total in `</b>      | <b>-</b> | <b>7,05,880</b> |

**Note : 11 Other Current Assets**

| Sr. No | Particulars          | 2021             | 2020             |
|--------|----------------------|------------------|------------------|
| 1      | Advance Income Tax   | 7,00,000         | 7,00,000         |
| 2      | GST Receivable       | 23,20,417        | 16,19,534        |
| 3      | Deposits             | 4,51,892         | 3,38,232         |
| 4      | TCS Receivable       | 1,70,281         | -                |
| 5      | Misc. Assets         | 9,00,212         | 13,50,212        |
| 6      | Advance to Suppliers | -                | 4,38,700         |
| 7      | Others               | 2,95,452         | -                |
|        | <b>Total in `</b>    | <b>48,38,254</b> | <b>44,46,678</b> |

# KENVI JEWELS LIMITED

*Notes Forming Part of the Profit & Loss Accounts as at 31<sup>st</sup> March, 2021*

**Note : 12 Revenue from Operations**

| Sr. No. | Particulars       | 2021                | 2020                |
|---------|-------------------|---------------------|---------------------|
| 1       | Sales             | 39,86,34,708        | 34,69,91,716        |
|         | <b>Total in `</b> | <b>39,86,34,708</b> | <b>34,69,91,716</b> |

**Note : 13 Cost of Material Consumed**

| Sr. No. | Particulars                                  | 2021                | 2020                |
|---------|--|---------------------|---------------------|
| (a)     | <b>PURCHASES OF RAW MATERIALS AND STORES</b> |                     |                     |
| 1       | Purchases                                    | 41,15,64,020        | 31,95,52,254        |
|         | <b>Sub-total (a)</b>                         | <b>41,15,64,020</b> | <b>31,95,52,254</b> |
| (b)     | <b>DIRECT/PRODUCTIONS EXPENSES</b>           |                     |                     |
| 1       | Processing Labour & Other Charges            | 25,05,592           | 10,47,313           |
| 2       | Packing , Material & Other Expenses          | 4,30,031            | 8,72,996            |
|         | <b>Sub-total (b)</b>                         | <b>29,35,623</b>    | <b>19,20,309</b>    |
|         | <b>Total in `</b>                            | <b>41,44,99,643</b> | <b>32,14,72,563</b> |

**Note : 14 Change in Inventories**

| Sr. No. | Particulars       | 2021                 | 2020             |
|---------|-------------------|----------------------|------------------|
| 1       | Opening Stock     | 9,58,76,650          | 10,50,13,762     |
| 2       | Closing Stock     | 12,82,08,535         | 9,58,76,650      |
|         | <b>Total in `</b> | <b>- 3,23,31,885</b> | <b>91,37,112</b> |

**Note : 15 Employment Benefit Expenses**

| Sr. No. | Particulars                | 2021             | 2020             |
|---------|----------------------------|------------------|------------------|
| 1       | Salaries, Bonus, PF & ESIC | 46,75,555        | 45,72,821        |
| 2       | Directors Remuneration     | 6,00,000         | 6,00,000         |
|         | <b>Total in `</b>          | <b>52,75,555</b> | <b>51,72,821</b> |

# KENVI JEWELS LIMITED

*Notes Forming Part of the Profit & Loss Accounts as at 31<sup>st</sup> March, 2021*

## **Note :16 Financial Cost**

| Sr.<br>No. | Particulars             | 2021            | 2020             |
|------------|-------------------------|-----------------|------------------|
| 1          | Bank Charges            | 2,06,314        | 76,138           |
| 2          | Bank Interest           | 7,04,265        | 10,50,904        |
| 3          | Other Interest Expenses | 866             | 288              |
|            | <b>Total in `</b>       | <b>9,11,445</b> | <b>11,27,330</b> |

## **Note : 17 Depreciation & Amortised Cost**

| Sr.<br>No. | Particulars          | 2021            | 2020            |
|------------|----------------------|-----------------|-----------------|
| 1          | Depreciation         | 4,73,405        | 4,39,672        |
| 2          | Amortisation Expense | 4,50,000        | 4,50,000        |
|            | <b>Total in `</b>    | <b>9,23,405</b> | <b>8,89,672</b> |

## **Note : 18 Other Administrative Expenses**

| Sr.<br>No. | Particulars                    | 2021             | 2020             |
|------------|--------------------------------|------------------|------------------|
| 1          | Advertisement Expenses         | 1,08,784         | 1,67,338         |
| 2          | Accounting Fees                | 1,13,000         | -                |
| 3          | Audit fees                     | 22,500           | 20,000           |
| 4          | Business Promotion             | 16,27,196        | 5,44,246         |
| 5          | Computer Expenses              | 1,07,467         | 39,625           |
| 6          | Donation Expenses              | 18,600           | -                |
| 7          | Electric Expenses              | 2,37,684         | 4,65,624         |
| 8          | Exhibition Expense             | -                | 9,16,964         |
| 9          | Legal & Professional Fees      | 85,746           | 98,500           |
| 10         | Municipal Tax                  | 1,52,786         | 1,70,634         |
| 11         | Office Expenses                | 5,82,650         | 5,15,937         |
| 12         | Office Rent                    | 16,11,700        | 11,46,350        |
| 13         | Petrol Expenses                | 1,53,078         | 2,65,660         |
| 14         | Annual Filling Fees            | 1,20,940         | 11,40,055        |
| 15         | Shop Insurance Expenses        | 97,568           | 77,228           |
| 16         | Stationary & Printing Expenses | 29,159           | 96,896           |
| 17         | Telephone Expenses             | 22,136           | 20,246           |
| 18         | Tea & Refreshment Expenses     | 2,38,580         | -                |
| 19         | Travelling Expenses            | 16,883           | 3,24,561         |
| 20         | Misc. Expenses                 | 2,64,947         | 2,17,790         |
|            | <b>Total in `</b>              | <b>56,11,404</b> | <b>62,27,654</b> |



## **Significant Accounting Policies**

### **A. Basis of preparation of Financial Statements**

The Financial statements are prepared under the historical cost convention and on accrual basis in accordance with applicable accounting standards referred to in section 133 read with rule 7 of the Companies (Accounts) rules, 2014.

Accounting policies not specifically referred to otherwise are consistent and in accordance with the generally accepted accounting principles

### **B. Revenue Recognition**

Sales are recorded exclusive of Taxes.

### **C. Fixed Assets**

Fixed assets are stated at cost of acquisition or construction less accumulated depreciation, including financial cost till such assets are ready for its intended use.

### **D. Depreciation**

Depreciation is charged on written down value method as per Companies Act 2013.

### **E. Impairment of Assets**

Impairment of assets if any is ordinarily assessed by comparing recoverable value of individual assets with its carrying cost.

### **F. Inventories**

Inventories are valued at cost or net realizable value whichever is lower. Cost in respect of inventories is ascertained on Weighted Average Method.

### **G. Investments**

Long Term Investments are stated at cost. Provision for diminution if any in value of assets is only made when the same is of permanent nature.

### **H. Retirement Benefits**

- i As certified by the management, the company has no liability under the Provident Fund & Super Annuation Fund as the said acts do not apply to the company.

- ii It is explained to us that the company does not provide for any leave encashment and any liability arising thereon shall be paid and dealt with in the books of accounts at the actual time of payment.

#### **I. Prior Period Items**

Significant items of Income or Expenditure, which relates to the prior accounting periods, are accounted in the Profit and Loss Account under the head “prior year Adjustments” other than those occasioned by the events occurring during or after the close of the year and which are treated as relatable to the current year.

#### **J. Borrowing Cost**

Borrowing cost on working capital is charged against the profit & loss account in which it is incurred.

Borrowing costs that are attributable to the acquisition or construction or manufacture of qualifying assets are capitalized as a part of the cost of such assets till the date of acquisition or completion of such assets. In respect of suspended project for extended period, borrowing costs are not capitalized for such period.

#### **K. Taxes on Income**

Taxes on income of the current period are determined on the basis of taxable income and credits computed in accordance with the provisions of the Income tax Act, 1961.

Deferred tax is recognized on timing differences between the accounting income and the taxable income for the year, and quantified using the tax rates and laws enacted or substantively enacted as on the Balance Sheet date.

Deferred tax assets are recognized and carried forward to the extent that there is a reasonable and virtual certainty as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

#### **L. Provision, Contingent liabilities and contingent assets**

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past event and it is probable that there will be an outflow of resources. Contingent liabilities are not recognized but the same is disclosed in the financial statements. Contingent assets are neither recognized nor disclosed in the financial statements.

#### **M. Applicability of AS-18**

In accordance with the requirements of Accounting Standard-18 (AS-18) “Related Party Transaction” issued by the Institute of Chartered Accountants of India, the following persons are considered as related party:-

| <b>Sr. No.</b> | <b>Name</b>        | <b>2020-21</b> | <b>Relationship</b> | <b>Nature of transaction</b> |
|----------------|--------------------|----------------|---------------------|------------------------------|
| 1.             | Chirag C. Valani   | 3,60,000/-     | Director            | Remuneration paid            |
| 2.             | Chirag C. Valani   | 6,00,000/-     | Director            | Rent paid                    |
| 3.             | Hetalben C. Valani | 2,40,000/-     | Director            | Remuneration paid            |

