



SEC/46/2023-2024

July 19, 2023

1. <b>National Stock Exchange of India Ltd.</b> Exchange Plaza Plot No. C/1, G Block Bandra -Kurla Complex Bandra (E), Mumbai 400 051 <b>Symbol: KALYANKJIL</b>	2. <b>BSE Limited</b> Corporate Relationship Dept. Phiroze Jeejeebhoy Towers, Dalal Street Mumbai 400001 Maharashtra, India <b>Scrip Code: 543278</b>
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Dear Sir/Madam,

**Sub: Annual Report and AGM Notice - 2023**

Please refer to our earlier letter dated July 06, 2023.

We would like to inform you that the 15th Annual General Meeting of the Company will be held on **Saturday, August 12, 2023, at 11:30 A.M.** (IST) through video conferencing (VC)/other approved audio visual means (OAVM).

In this connection, please find enclosed herewith the following:

- 1) The Notice convening the Annual General Meeting of the Company.
- 2) Annual Report 2022-2023

This information is being submitted pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

Further, this to inform you that in compliance with Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management & Administration) Rules, 2014, as amended, the Company has fixed Saturday, August 05, 2023, as the cut-off date for the purpose of offering remote e-voting facility to the Members in respect of resolutions to be transacted at the Annual General Meeting scheduled to be held on Saturday, August 12, 2023 through video conferencing (VC)/other approved audio visual means (OAVM).

Kindly take the same into your records.

Thanking You  
For Kalyan Jewellers India Limited

**Retnavilasam**  
**Gopinathan**  
**Nair Jishnu**

Digitally signed by  
Retnavilasam  
Gopinathan Nair Jishnu  
Date: 2023.07.19  
10:12:35 +05'30'

**Jishnu RG**  
Company Secretary & Compliance Officer

**Kalyan Jewellers India Limited**

Corporate Office -TC-32/204/2, Sitaram Mill Road, Punkunnam, Thrissur, Kerala – 680 002

CIN - L36911KL2009PLC024641

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WWW.KALYANJEWELLERS.NET



# SOARING TO NEW HEIGHTS

MARKET SHARE  
GROWTH

ASSET LIGHT  
EXPANSION

ENHANCED RETURN  
ON CAPITAL PROFILE

ANNUAL REPORT 2022-23



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## SOARING TO NEW HEIGHTS

In the dynamic world of jewellery, Kalyan Jewellers stands out as a radiant force, driven by our strong commitment to asset-light expansion, rapid market share growth, and enhanced capital return profile. Breaking away from traditional norms, we embrace innovative strategies that propel us into new markets, redefine industry standards, and captivate customers worldwide.

Our relentless pursuit of progress fuels our expeditious growth plan, serving as one of the catalysts of our success over the years. We continuously push boundaries, fostering a culture of innovation that sets new benchmarks. At the heart of our success lies the art of leveraging our iconic brand.

Through meticulous marketing efforts and strategic collaborations, we nurture a brand that embodies trust, impeccable craftsmanship, and timeless elegance. This brand power resonates with our customers, forging lasting connections and securing a prominent position in their hearts and minds.

With asset-light expansion, market share growth, and an enhanced capital return profile, we are poised to achieve new heights of success while shaping the jewellery industry with our unrivalled passion and innovation.



## Who We Are

# THREE DECADES OF CRAFTING EXCELLENCE

Established in 1993 by Mr. T.S. Kalyanaraman, Kalyan Jewellers has grown to become one of India's largest jewellery companies. We boast a strong foundation built upon our rich family legacy and decades' worth of industry expertise.



The success that we have had so far can be attributed to our commitment towards our core values, such as trust and transparency, which have earned us a reputation as a trusted jeweller in India.

With a wide range of gold, studded, and other jewellery products across various price points, we cater to diverse customer preferences. Our product basket encompasses offerings suitable for special occasions like weddings as well as pieces ideal for daily wear. This versatility ensures that customers can find jewellery for multiple use cases, making Kalyan Jewellers a one-stop destination for all their jewellery needs.

### Vision

To understand and delight the world, translating everyone's dream and personality into fine Indian jewellery, and spread the happiness from it to all.

### Our Mission

To give every customer much more than what he/she asks for in terms of quality, selection, value for money and customer service, by understanding local tastes and preferences and innovating constantly to eventually provide an unmatched experience in Indian jewellery shopping.

### Core Competitive Strengths

Leading brand in a large market with rapidly increasing organised share driven by significant growth tailwinds.

#### Established Brand Built on Core Values of Trust & Transparency

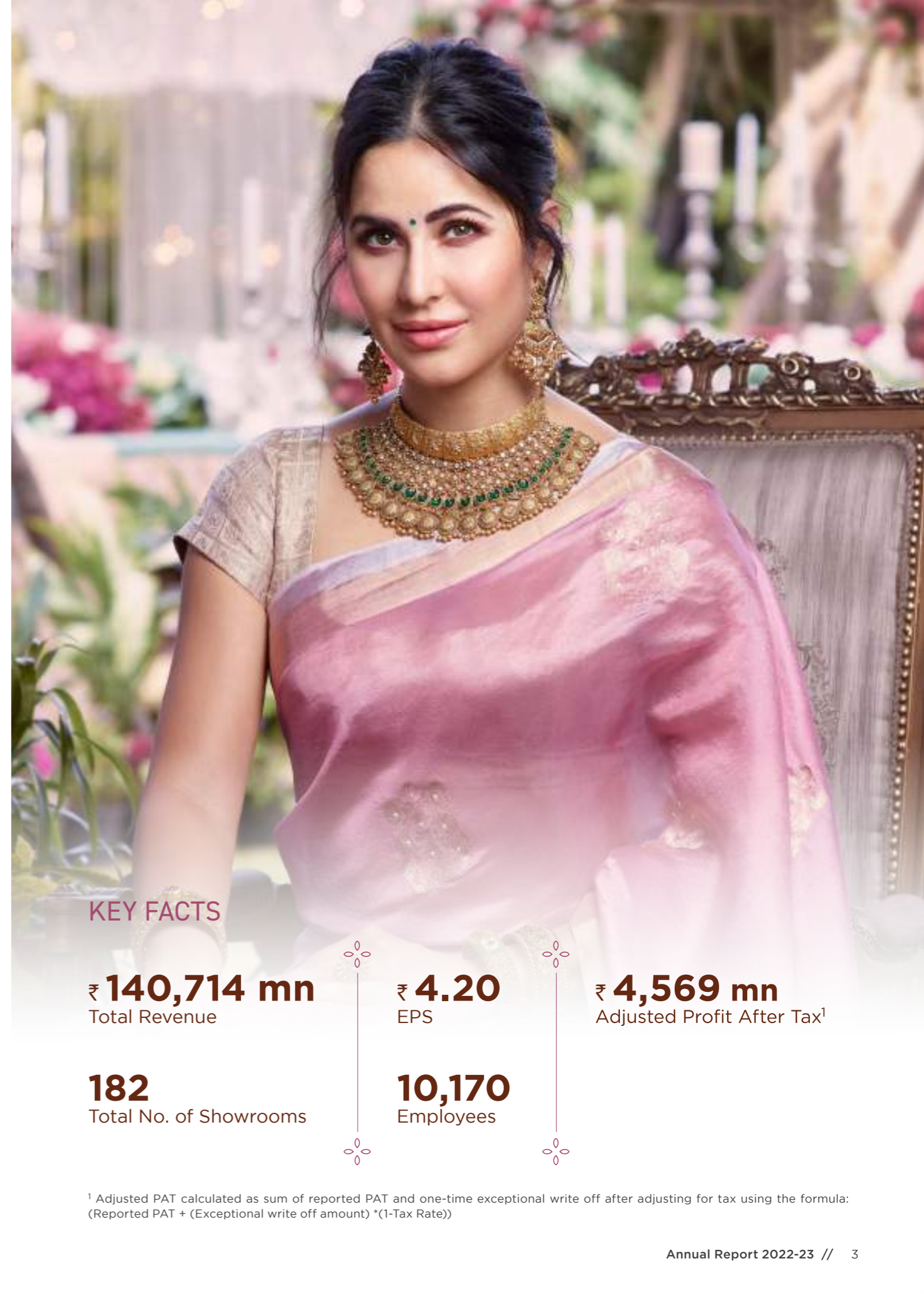
Trusted brand synonymous with solving key pain points of the industry.

#### Pan-India Presence

One of India's largest jewellery companies with a pan-India network of showrooms.

#### Hyperlocal Strategy Creating Wide Market Addressability

Hyperlocal strategy to cater to a wide range of geographies and customer segments.



## KEY FACTS

₹ **140,714 mn**  
Total Revenue

₹ **4.20**  
EPS

₹ **4,569 mn**  
Adjusted Profit After Tax<sup>1</sup>

**182**  
Total No. of Showrooms

**10,170**  
Employees

<sup>1</sup> Adjusted PAT calculated as sum of reported PAT and one-time exceptional write off after adjusting for tax using the formula: (Reported PAT + (Exceptional write off amount) \*(1-Tax Rate))

## Landmarks of Kalyan's Journey

# TRUSTED THROUGH TIME: KALYAN'S 100-YEAR LEGACY

With a legacy of over 100 years, Kalyan Jewellers is one of India's oldest business families, starting from 1908. Our forefathers believed in ethical, honest, and transparent business practices, which were started for the noble cause of nation-building and self-sustenance during pre-independent India.

### Kalyan's First Generation T.S. Kalyanarama Iyer

- 1908**  
Started the entrepreneurial journey with the first textile mill in Kerala.
- 1913**  
Commenced textile retailing by opening its first showroom in Thrissur, Kerala.

### Kalyan's Second Generation T.K. Seetharama Iyer

- 1972**  
The second generation expanded retail presence to more textile showrooms.

### Kalyan's Third Generation T.S. Kalyanaraman

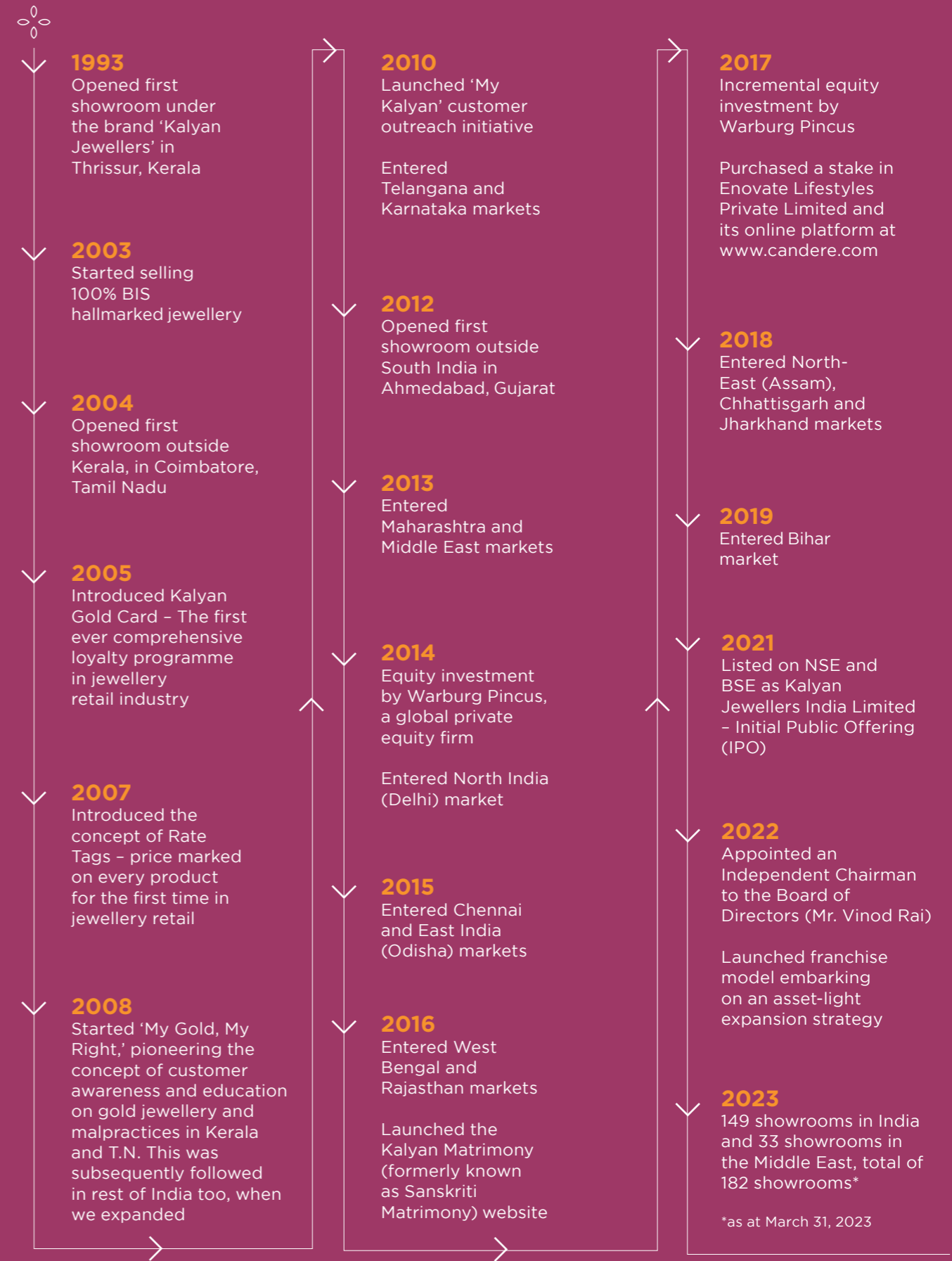
- 1993**  
The third generation of the Kalyan family, under the visionary leadership of Mr. T. S. Kalyanaraman, entered jewellery retailing by opening its first showroom under the brand 'Kalyan Jewellers' in Thrissur, Kerala.

### Kalyan's Fourth Generation Rajesh Kalyanaraman | Ramesh Kalyanaraman

- Mr. Rajesh Kalyanaraman and Mr. Ramesh Kalyanaraman joined Mr. T.S. Kalyanaraman right from the initial days of Kalyan Jewellers
- 2014**  
Raised private equity from Warburg Pincus for the first time
- 2021**  
Listed Kalyan on NSE and BSE via an IPO
- 2023**  
As on 31 March, 182 showrooms across India and Middle East



## Key Milestones

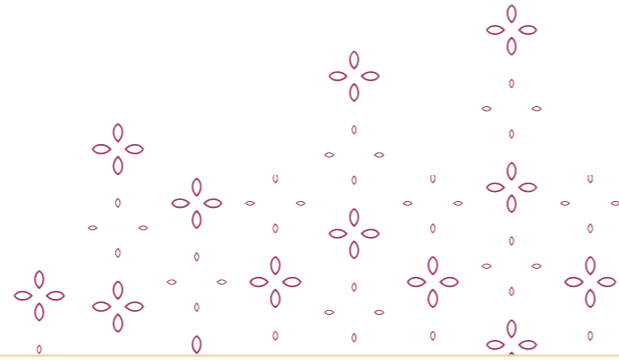


**Product Portfolio**

**CREATED WITH LOVE:  
DIVERSITY IN PREFERENCES**

India's diversity is reflected in its unique jewellery, crafted with expertise passed down through generations in each region. Kalyan Jewellers' biggest strength lies in collaborating with these skilled craftsmen from every corner of this nation.

Their artistic ingenuity enables us to present you with a range of jewellery that showcases subtle nuances, impeccable finishes, and designs found nowhere else. Through our diverse range of products, we offer exceptional pieces that blend heritage with modernity.



**WEDDING JEWELLERY**

**MUHURAT**

Wedding-exclusive gold, uncut diamond, precious stone and diamond jewellery

**MUDHRA**

HANDCRAFTED ANTIQUE JEWELLERY

Handcrafted antique jewellery

**nimāh**

TIMELESS HERITAGE JEWELLERY

Heritage jewellery, inspired by divinity

---

**SPECIAL JEWELLERY**

**Anokhi**

uncut diamond

Uncut diamond jewellery with grandeur

**rang**

precious stones

Emerald and ruby collections

**TEJASVI**

POLKI DIAMONDS

Polki collections for the royal look

---

**DIAMOND JEWELLERY**

**lila**

A BALLET OF COLOR & LIGHT

Light weight diamond and colour-stone jewellery

**apoorva**

DIAMONDS FOR SPECIAL OCCASIONS

Glamorous and bold Illusion setting collection

**ziah**

INFINITE SPARKLES

Light wear, cluster-setting collections for daily-wear

**Glo**

DANCING DIAMOND

Dancing diamonds in twinkle-setting for semi-formal occasions

**Laya**

Diamonds for all expressions

Pink-gold collections in unusual shapes for variety-seekers

**hep**

everyday diamond

Affordable daily-wear collection for working women

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**AFFORDABLE REGIONAL JEWELLERY**

Affordable collections for price-sensitive markets.

**AISHWARYAM**  
COLLECTIONS

**ONLINE BRANDS/ PLATFORMS**

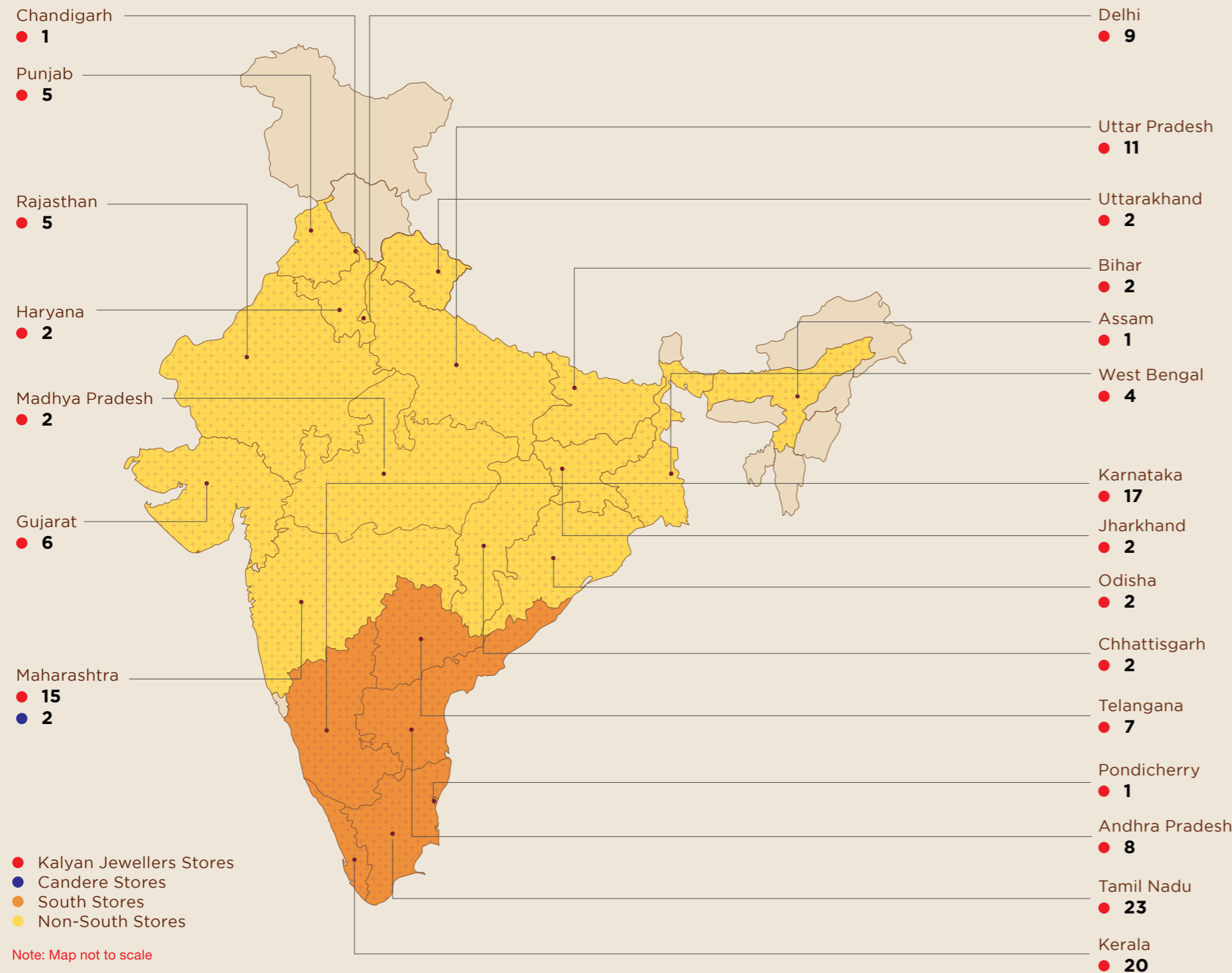
**CANDERE** | **KALYAN**  
A KALYAN JEWELLERS COMPANY | JEWELLERS



Presence

# FRANCHISE DRIVEN EXPANSION

We are a true pan-India jeweller with an increasing geographical presence. With our existing strategies of digitalisation and the hyperlocal business, we are increasing our network of stores. During the current financial year, we are looking at expansion predominantly in the non-south markets in India across Metro, Tier 1, Tier 2 and Tier 3 cities.



To achieve expansion objectives, we have implemented the Franchise-Owned Company-Operated (FOCO) model. This model allows us to expand our network more rapidly while improving return ratios.



Through this pan-India expansion, utilising digitalisation, hyperlocal strategies, and the FOCO model, we are poised to unlock new opportunities and cement our position as one of the leading jewellery brands across diverse markets.

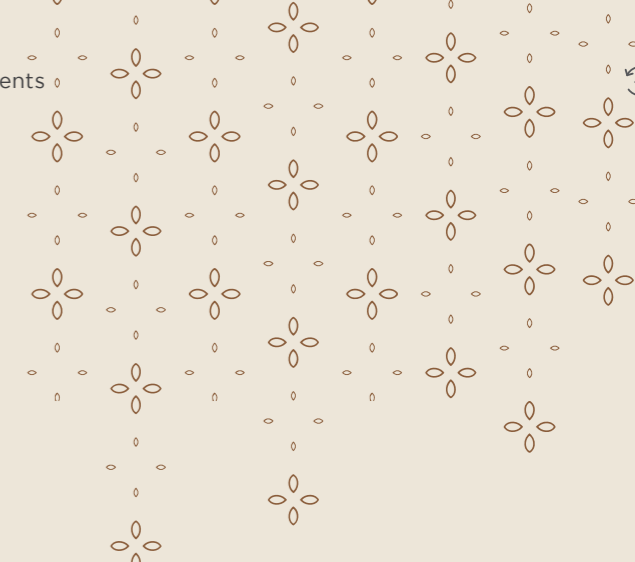


Presence

## International Presence

FY23 saw the Middle East jewellery market completely recovering from the slump in demand (that happened post-COVID). The local economy has also been buzzing. Our International operations concentrated in the Middle East have also seen significant growth, with a 29% growth in revenue YoY.

We will be piloting our first franchise showroom in the region during FY24. Going forward, network expansion in the region shall be funded by the internal accruals from the region and franchise capital.



## SHOWROOM PRESENCE

**5**  
Countries

**147**  
Showrooms in India

**22**  
Indian States and Union Territories

**33**  
Showrooms in Middle East

**2**  
Candere Showrooms in India

**82%**  
Showrooms in India (including Candere)

**990**  
'My Kalyan' Grassroot Stores

**18%**  
Showrooms in Middle East

## BALANCED PAN-INDIA PRESENCE

**52%**  
Presence in South India

**48%**  
Presence in Non-South India

**34%**  
Presence in Metro Cities

**66%**  
Presence in Non-Metro Cities

Note: All nos. are as of 31<sup>st</sup> March, 2023



## The Kalyan Advantage

### SETTING THE GOLD STANDARD OF QUALITY

At Kalyan, we understand the significance of gold purchases in India, which hold a sacred and auspicious value. We strive to create a difference by ensuring the highest standards of quality, and transparent pricing, and educating customers to make informed and secure gold purchases. With our commitment to trust and excellence, we aim to redefine the gold buying experience, providing a safer and smarter choice for every occasion.

We have made a conscious effort to create standards and be benchmarked against the highest institutional standards in the industry. Today, we are one of the most trusted brand in the jewellery retail segment in India.

#### 100% BIS Hallmarking of Gold Jewellery

Bureau of Indian Standards (BIS) hallmarking indicates metal purity. We were the earliest adopters of BIS Hallmarking even before it was a government mandate for jewellery players in India.

#### Product Value

The beauty of gold often lies in its value. Hence, all our showrooms offer 'karatmeters'. This lets the customers verify the purity of the gold they want to purchase from our stores. This gives them the confidence to make the purchase while instilling trust in our brand.

#### Transparent Pricing

We were pioneers in introducing detailed price tag on all our products in all the markets where we are present. The tag gives details about the weight, type, and pricing. This is not the case, especially in the unorganised retail segment where customers are kept in the dark about the product and quality details.



#### Gold Exchange Policy

When gold jewellery is exchanged for its money value, customers can get cheated very often and easily. The product that the customers bring for exchange is deemed to be of low quality by the buyer. At Kalyan, we verify and confirm the purity of the gold used in the product in front of the customer. We offer the best prices by transparently explaining the same to the customer.

#### Certification with Every Product

Every piece of jewellery purchased from Kalyan is certified. Our certificate guarantees a 4-level assurance. We promise the stated purity, assure maintenance of every product for a lifetime, clearly state the exchange with the buyback terms, and provide a detailed price description of each product.

#### Staff Training and Delightful Service

Our staff are our brand representatives. We constantly educate and train our staff through offline and online sessions to make them aware of the products they are selling. They are trained to deliver the highest levels of service and to constantly improve customer experience. This improves customer satisfaction and loyalty to the brand.



## Vision 2025

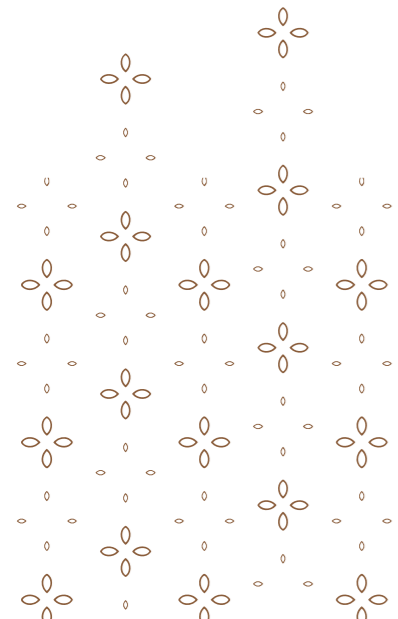
# FUELLING UNPARALLELED GROWTH

With a strong brand foundation established over the past three decades, our relentless pursuit of growth has propelled us forward.

Our remarkable achievements in both India and the GCC countries stand as a testament to our exceptional performance. As a hyperlocal player, we possess unparalleled advantages over our competitors, positioning us as the preferred choice in every market we serve.

At this pivotal moment, we stand poised to harvest the rewards of our rich legacy and market leadership. Vision 2025 sets the stage for accelerated growth, expanded market presence, and enhanced operational efficiencies. Notably, our journey towards progress has been further accelerated through the adoption of a franchisee model, enabling us to establish new showrooms and achieve wider market penetration.

This next phase of our journey emboldens our commitment to repurposing our resources and capabilities, embracing fresh opportunities for growth and innovation. With a steadfast focus on our vision, we are prepared to redefine industry benchmarks and reinforce our position as one of the foremost jewellery brands of choice.



### Five specific areas targeted

01

#### Pan-India Expansion

As a distinguished jewellery retailer, we have successfully established a robust customer base across India, making us a rarity in the industry and our unique achievement in penetrating both Southern and non-Southern Indian markets. Nevertheless, we recognise the untapped potential, particularly in the non-Southern states, which presents a lucrative opportunity for further expansion. The asset-light FOCO model allows us to capitalise on this potential with remarkable speed, exceeding our initial expectations in terms of response and growth pace.

The asset-light FOCO model is a business model that allows us to expand our jewellery franchise without having to meaningfully invest in physical assets, such as store locations, inventory, and equipment. This makes the expansion process faster and more capital efficient than the traditional expansion model.

Instead of investing in physical assets, we focus on providing franchisees with the necessary training, marketing support, and other resources they need to succeed. This allows us to scale our business quickly and efficiently while still maintaining our high standards of quality and service. We believe that the asset-light FOCO model is one of the key factors in our success.

02

#### Same Store Sales Growth (SSSG)

Our existing stores are set to achieve steady mid-to-high single-digit growth. We will implement strategies to attract new customers, increase customer frequency, boost average transaction value, and enhance the overall customer experience to achieve this target.

03

#### Improving Profitability

Leveraging data insights, we aim to enhance profitability across existing products, customers, and markets. We will also accelerate the addition of new products and explore non-South markets. This dual approach is expected to drive improved overall PBT margins.

04

#### Calibrated Expansion in the Middle East

With a cautious and strategic approach, the Middle East holds immense promise for our progress. Our recent performance indicates a positive trajectory in this region, and we are committed to maintaining the same momentum. We will further explore expansion opportunities majorly through the franchisee model in the Middle East.

05

#### Improving Online Sales (Candere)

In 2017, we strategically acquired Candere to focus on capturing the attention of working women, millennials, and Gen Z. This platform has successfully introduced jewellery as a popular gifting option, contributing to a new revenue stream. In the previous fiscal year, Candere launched two showrooms in India. The physical stores will be key drivers of brand visibility and lead generation for Candere. The stores will showcase the brand's wide range of ultra-lightweight jewellery which is targeted at youngsters and working women.

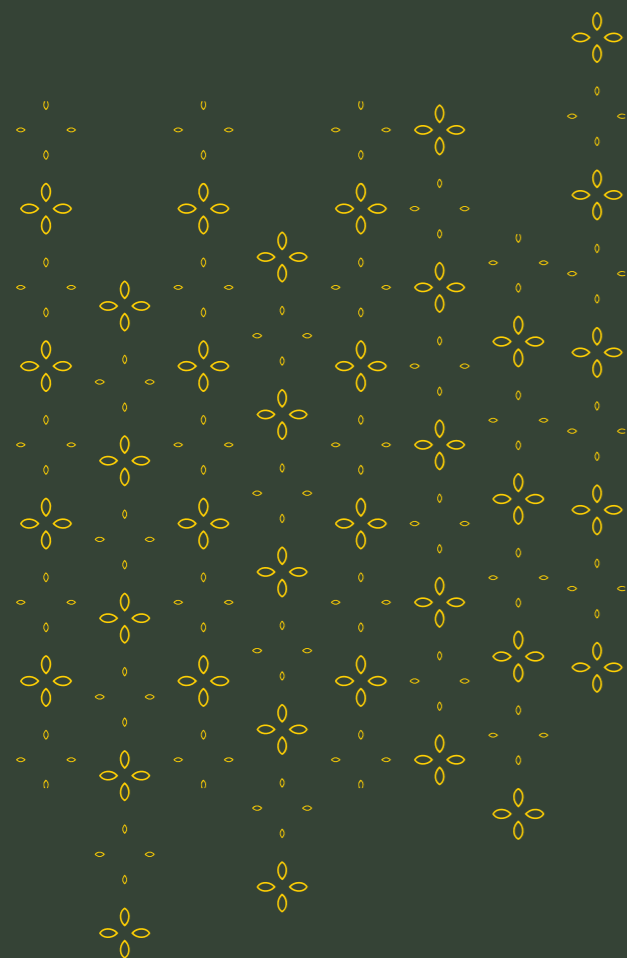
06

The stores will also offer a unique omnichannel experience to customers, allowing them to browse and purchase products online or in-store.

The Company plans to launch another 25-30 showrooms in the ongoing fiscal year. This aggressive network expansion will help Candere to reach a wider audience of customers, and capture a larger share of the market. The market for ultra-lightweight jewellery is growing exponentially in India, and elsewhere in the world. Candere is well-positioned to capitalise on this growth, as it is one of the few serious players in this market.



# YEAR IN REVIEW



MD's Message

[Read more on PG. 18](#)

Performance Highlights

[Read more on PG. 20](#)





## MD's Message

# MAXIMISING A GROWING DEMAND



### Dear Shareholders,

I am delighted to share our third Annual Report, which reflects our continued solid progress despite a challenging market backdrop in recent years. The demand for jewellery, particularly for organised formats of retailing, has witnessed an upswing, attributed to increased incomes and the resumption of customary festivities and celebrations. This year marks an inflexion point in our journey.

### India's Strong Economy

The Indian economy has demonstrated resilience and steady growth despite external shocks, thanks to the optimism of the Indian consumer and the government's policies and initiatives. Recent surveys indicate improved consumer confidence, driven by a healthy economic climate and increased spending. With the resumption of daily activities, the demand for gold has risen, particularly during wedding festivities and celebrations. Given that wedding jewellery plays a significant role in India's jewellery industry, and serves as a common asset for savings, our strategy is well-positioned to capitalise on the opportunities presented. India's position as the second-largest gold market, with 70% of gold demand attributed to jewellery, reinforces the potential for growth in the organised retail segment. Organised retail can effectively cater to local consumer preferences with minimal risk of inventory obsolescence, as jewellery is inherently recyclable.

**32**  
franchised showrooms  
in non-South markets  
to date

### Adapting our Strategy to Change

Maintaining our prominent position in the Indian jewellery industry requires a flexible approach that addresses gaps arising from market conditions and evolving business environments. We are implementing a two-pronged strategy to capture both urban and rural market demand. Our hyperlocal business model targets smaller demand pockets across Metro, Tier 1, Tier 2 and Tier 3 cities, establishing regional connections and tapping into untapped markets. Simultaneously, our online store, 'Candere,' caters to youngsters and working women with its wide range of ultra-lightweight range of jewellery, leveraging digital marketing analytics to expand product offerings and diversify distribution channels.

In fiscal year 2024, we will enhance our showroom network by continuing to adopt the franchise model. We will convert some of our own showrooms into franchise outlets, particularly in non-Southern India. In southern India, we will opportunistically convert existing owned showrooms to franchised ones. We also plan to launch new pilot FOCO showrooms in Southern India and the Middle East. As we navigate economic and market shifts, our unwavering focus remains on adapting strategies without compromising our growth objectives.

### Marking a Robust Performance

FY23 witnessed a remarkable enhancement in our return profile compared to the pre-COVID era and this achievement can be attributed to two key factors. Firstly, our well capitalised infrastructure has provided us with the resilience to navigate through challenging market conditions. The government's initiatives to

formalise the jewellery sector have also helped in creating a conducive business environment. As a result, Kalyan Jewellers has experienced substantial improvements in profitability, scalability, returns, and overall growth. In FY23 the consolidated revenues were ₹140,714 mn compared to the figures of pre-COVID (FY20) levels of ₹101,009 mn. Similarly, the Adjusted Profit After Tax<sup>1</sup> of ₹4,569 mn in consolidated business (record PAT for the Company) was significantly higher than pre-COVID (FY20) levels of ₹1,423 mn. Current Company RoCE is approximately 20%.

### Growth Ready with Asset-Light Model

We have also taken strategic measures to drive growth and lighten our balance sheet. The asset-light expansion will lead to faster growth without deploying our own capital. This will lead to much higher levels of free cash generation and expansion in return ratios.

This has enabled us to allocate resources more efficiently and strengthen our financial position. Furthermore, with superior growth rate this year coupled with our commitment to debt repayment and divestiture of non-core assets we should be able to generate sustainable returns for our shareholders. We are pleased to announce our maiden dividend, reflecting our strong financial performance.

Additionally, we have successfully expanded our retail revenue, with ~40% now coming from non-South markets, showcasing our ability to penetrate and capitalise on new opportunities. To date, we have 32 franchised showrooms in non-South markets. Utilising our Franchise-Owned, Company-Operated (FOCO) model, we aim to optimise our return on capital employed.

### Our Road Ahead to our Vision 2025

Vision 2025 sets our sights on a clear goal as we intend to achieve the earlier target of achieving 50% share from non-South markets by the end of FY24 or early FY25. Strengthening our presence in non-South markets is a key part of this plan, and we aim to achieve this by adding more than 50 showrooms in the region—an unprecedented milestone for our Company. With a steadfast focus on growth figures, strategy revisions, and expansion, we are steadily progressing towards our objectives.

In addition to the expansion, we are dedicated to bringing about significant improvements in our return ratios and the Company's ability to generate higher levels of free cash flow. By implementing strategic revisions and focusing on growth figures we are steadily progressing towards achieving our objectives. These efforts will not only strengthen our financial position but also enhance our overall operational efficiency, ensuring sustainable growth and long-term success.

I extend my heartfelt appreciation to all our stakeholders—our dedicated employees, loyal customers, and supportive shareholders. It is their trust in Kalyan that has been the foundation of our success. Together, with our shared vision and collective efforts, I am confident that we will continue to evolve, grow, and exceed the expectations of each stakeholder.

Warm regards,

**T. S. Kalyanaraman**  
Managing Director

<sup>1</sup> Adjusted PAT calculated as sum of reported PAT and one-time exceptional write off after adjusting for tax using the formula: (Reported PAT + (Exceptional write off amount) \* (1-Tax Rate))



## Performance Highlights

# FOCUSED GROWTH. ENHANCED RETURNS.

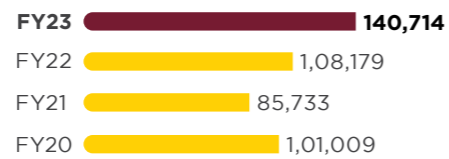
With a clear strategic direction towards capital efficient growth and RoCE accretive expansion, our Company has made significant strides in its journey.

The launch of the franchised store strategy in FY23 has been a success, with 32 showrooms already opened and LOIs signed for all planned showrooms in FY24. Utilising the generated free cash flow, we are committed to reducing debt, divest non-core assets and thereby rewarding shareholders. The recent announcement of a maiden dividend highlights the Company's commitment to shareholder-friendly measures.

Furthermore, we have taken significant steps towards achieving best-in-class public Company standards, including the appointment of an independent Chairman of the Board in 2022. The strong execution over the past several years is evident in the impressive growth of adjusted PAT<sup>1</sup>, which recorded a 221% increase from FY20 to reach ₹4,569 million in FY23. Additionally, there has been notable improvement across RoCE and leverage metrics, demonstrating the Company's commitment to financial performance and efficiency.

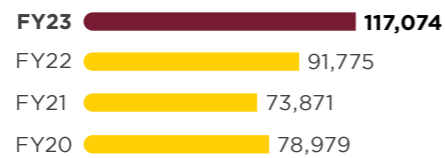
### Total Revenue

₹ in million



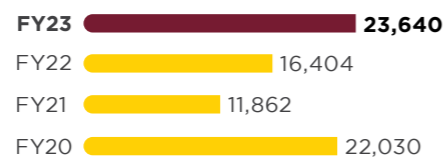
### India Business

₹ in million



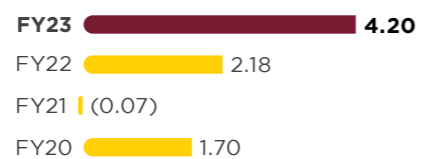
### Middle East Business

₹ in million



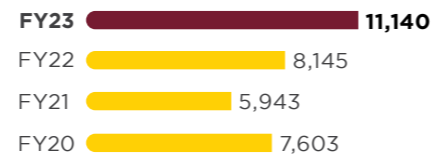
### EPS

₹ per share



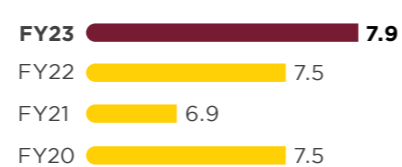
### EBITDA

₹ in million



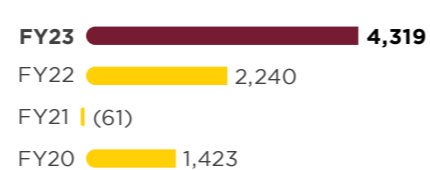
### EBITDA Margin

(%)



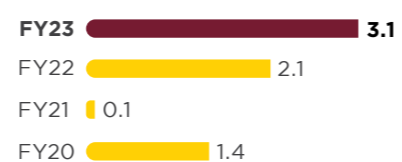
### PAT

₹ in million



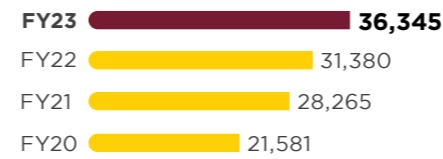
### PAT Margin

(%)



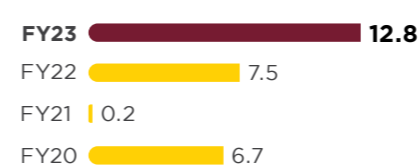
### Net worth

₹ in million



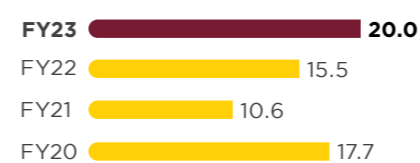
### RoE

(%)



### RoCE

(%)

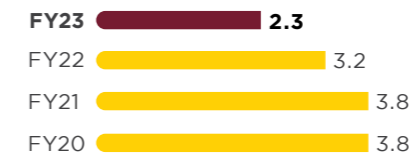


**Note:** All nos. for the graphs are at Consolidated level unless otherwise specified.

<sup>1</sup> Adjusted PAT calculated as sum of reported PAT and one-time exceptional write off after adjusting for tax using the formula: (Reported PAT + (Exceptional write off amount) \*(1-Tax Rate))

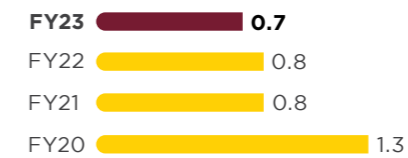
### Net Debt to EBITDA

(times)



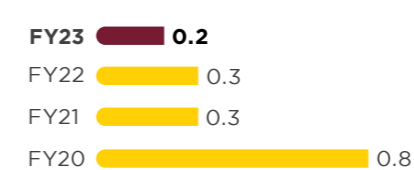
### Net Debt to Equity

(with GML) (times)



### Net Debt to Equity

(without GML) (times)



## Operational Performance Highlights

### India Business

- We achieved strong growth in footfalls, revenue and profitability across all markets and an increase in the return ratios post-pandemic.
- The India revenue grew from ₹91,775 million in FY22 to ₹117,074 million in FY23 and that is a YoY growth of 28%.
- EBITDA was at ₹8,145 million in FY22 as compared to ₹11,140 million in FY23.
- 32 franchised showrooms till date, LOIs signed for all showrooms planned for FY24
- 50+ showroom openings planned in FY24.
- Our first franchise store was opened in June 2022.
- We have 149 showrooms in India (including 2 Candere stores).

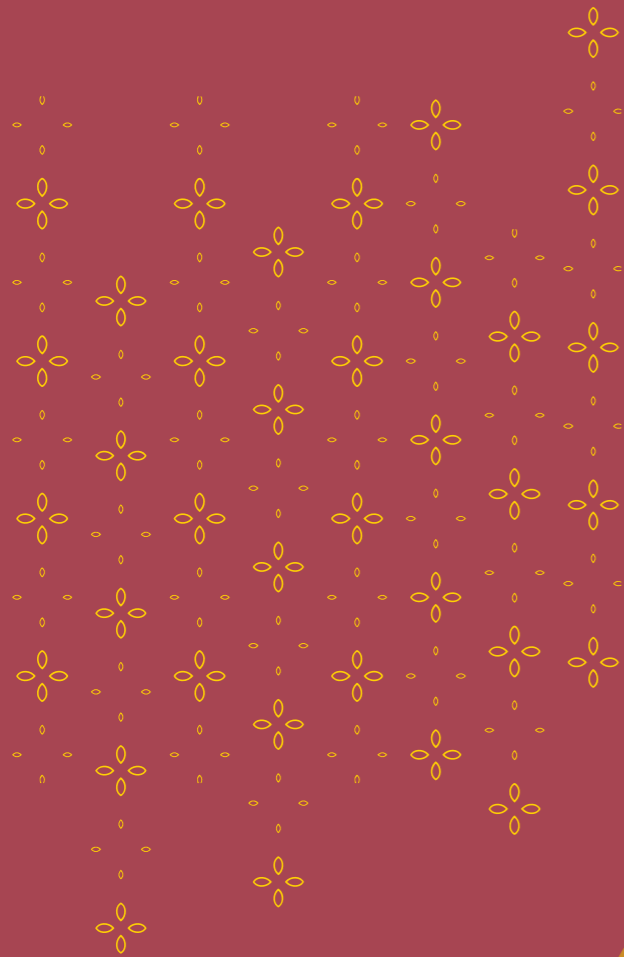
### Middle East Business

- We have 18% of our showrooms in the Middle East.
- We have a showroom aggregate retail space of ~42,000 sq. ft.
- First LOI signed for the Middle East market.
- The international operations will be primarily franchisee-driven for the next three years
- We aim to reduce capital investment in the Middle East. This will be done by converting a few of the owned showrooms to franchised one and the network further through the franchise model.

### Digital Business - Candere

- Reported a revenue of ₹1,567 million for FY23.
- Two showrooms launched in FY23.
- Another 25-30 showrooms to be launched in FY24.
- Introducing the omnichannel experience.
- Set out to achieve exponential market growth.

# VALUE CREATION



Strategic Initiatives

[Read more on pg. 24](#)

Digital Initiatives

[Read more on pg. 32](#)





## Strategic Initiatives

### SOLUTIONS WITH NEWER STRATEGIES

Since our inception, we have consistently focused on identifying and addressing problem areas and pain points within our existing strategies.

We have discovered innovative approaches and embraced new ways of operating. Currently, we are focusing on transforming our strategies to be more capital-light. This strategic shift will enable us to achieve better results and generously reward our valued shareholders.

In line with our commitment to improving the return profile of our business. We are pleased to report a significant increase in our PBT margin. From FY22 to FY23, our PBT margin rose from 2.8% to 4.1%. This growth is indicative of our dedication to operational excellence and efficient resource allocation.

Moreover, our PBT also witnessed a substantial increase, rising from ₹2,989 million to ₹5,715 million. This notable growth in profitability highlights the effectiveness of our strategic initiatives and reinforces our commitment to generating sustainable returns for our stakeholders.

### PHASE IV Since IPO and Road Ahead

#### Capitalising On The Foundation - Public Listing and Accelerated Expansion

- Completed IPO in 2021 to capitalise the Company for the next leg of growth and have significantly expanded revenue and profits through COVID period and brought on Board an Independent Chairman
- Announced and begun implementing a new capital-light expansion strategy (via franchised stores) to focus on free cash generation, deleveraging and rewarding shareholders
- Continue to focus on expanding presence, leveraging investments already made in the business, well-poised to capitalise on attractive industry dynamics

### KALYAN'S GROWTH IN PHASES

#### PHASE I 1993-2003

##### Strengthening Our Roots

- Focus on brand building
- Focused on building local supplier network ecosystem

#### PHASE II 2004-2011

##### Growing in Southern India

- Expansion of showroom across southern states of India
- Largely focused on selling plain gold jewellery in South India
- Launched 'My Kalyan' customer outreach initiative

#### PHASE III 2012-2021

##### Pan-India Expansion, Professionalisation and Investment

- Pan-India, hyperlocal jeweller and concurrent expansion of product mix and diversification of distribution channels
- Raised private equity investment from Warburg Pincus
- Built a professionally-managed team and a diverse Board of Directors



## Strategic Initiatives

### FOCO (Franchise-Owned, Company-Operated) Model

Keeping the slow growth of recovery demand in sight, we plan to execute the expansion strategies through the Franchise model that will be more capital efficient and offer a return attractive solution for us.

#### Progress with the FOCO Model in FY23

In FY23, our progress with the FOCO model was remarkable. We efficiently rolled out our strategy by launching 15 FOCO showrooms, exceeding our targets by the end of the fiscal year. Furthermore, we successfully secured all the Letters of Intent (LOIs) for FY24, setting the stage for continued expansion.

**32**

Franchised showrooms in non-South markets to date

**ALL**

LOIs for FY24 signed



**01**

LOIs in Middle East

**~50**

Potential partners in pipeline



## The Hyperlocal Jeweller

Our hyperlocal jeweller approach has revolutionised the Indian jewellery market by capitalising on localised consumer preferences. This unique strategy has created formidable barriers to entry for other retail jewellers, as we have successfully scaled up our operations while maintaining a deep connection with local communities. By understanding and catering to the specific tastes and preferences of each region, we have established ourselves as the preferred choice for discerning customers across India.



#### Localisation in Brand Communication and Marketing

- State and city-specific brand campaigns
- Brand ambassadors with national, regional and local appeal
- Communication in local language

#### Localisation of Our Product Portfolio

- Product portfolio as per local market preferences
- Local artisans as contract manufacturers
- 13 procurement centres across key jewellery manufacturing regions

#### Localisation of Our Showroom Experience for Customers

- Staff who speak the local language and know the local culture
- Showrooms reflect local tastes and sensibilities

#### Localisation through Our 'My Kalyan' Network

- Focused grassroots outreach across urban, semi-urban and rural areas
- Dedicated 3,771 "My Kalyan" personnel for door-to-door and direct marketing among local communities

Our strategy is centred around catering to the unique preferences of each region and customer segment, enabling us to create tailor-made products that perfectly align with their

choices and needs. This focus on personalisation has not only resulted in a high rate of repeated sales but has also provided us with an intrinsic understanding of local requirements and design

preferences. This unwavering approach allows us to thrive in any market condition, as we consistently deliver products that resonate with our customers on a deep level.



## Strategic Initiatives

### Candere – Kalyan's Online/ e-Commerce Platform

Candere, in FY23, achieved a revenue milestone of ₹1,567 million, reflecting its strong market performance. The Company successfully launched two showrooms during the fiscal year, expanding its reach and customer base. Looking ahead, Candere has ambitious plans to launch an additional 25-30 showrooms by FY24, aiming for accelerated market growth. To enhance customer experience and stay ahead in the industry, Candere is introducing an omnichannel approach, providing a seamless and integrated shopping experience across various channels. With a relentless pursuit of growth and customer-centric strategies, Candere is poised to achieve exponential market expansion and solidify its position as a leading player in the industry.



#### 2013

- Candere website launched
- Identified need for versatility of precious jewellery on online platforms

#### 2014

- Achieved revenue of ₹1.1 crore
- Established a fully commercial e-commerce website

#### 2016

- Increased catalogue to 100 product categories and a variety of 4,000+ designs
- Increased average ticket size and conversion ratio substantially

#### 2017

- Kalyan Jewellers make Candere.com their online platform through an acquisition

#### Today

- Candere has a strong presence and user loyalty
- Reported a revenue of **₹1,567 million for FY23.**
- We have 2 Candere showrooms in India.

### The 'My Kalyan' Network

Kalyan Jewellers has introduced the 'My Kalyan' initiative to establish a personal connection with our customers. Through this programme, we reach out to customers individually, offering them a tailored value proposition at their doorstep. This approach helps us build brand awareness, create a strong rapport and understand the unique requirements of each customer. The data and insights gathered through 'My Kalyan' enable us

to develop targeted marketing strategies and tools, particularly in rural and semi-urban markets, where organised jewellery retail is limited. By addressing the latent demand in these regions, we ensure that we meet customer expectations and compete effectively in the market.

Furthermore, the 'My Kalyan' centres serve as valuable touchpoints for collecting local market data and engaging with

customers. This grassroots network not only allows us to bridge the gap between customers and our brand but also contributes to the local economy by creating employment opportunities. By leveraging the insights gained from 'My Kalyan,' we can refine our offerings, enhance customer satisfaction, and expand our reach, ultimately delivering value to both our customers and stakeholders.

#### Activities and Strategies Implemented to Promote Kalyan Brand

• Dedicated 'My Kalyan' Personnel for Door-to-Door and Direct Marketing Efforts Among Local Communities

• Showcase Product Catalogues

• Drive Traffic to Showrooms

• Purchase Advance Schemes Enrollment

• Enrich Customer Database

• Enrich Customer Database

**990**

'My Kalyan' Centres (~7 Centres Per Showroom)

**10 mn**

Customer Connected Each Year

**16%+**

Contribution to Revenue from Operations in India

**3,771**

Employees

**39%+**

Of Enrolment to Purchase Advance Schemes in India

### Marketing and Promotional Strategies

Kalyan Jewellers prioritises effective marketing and promotion strategies to connect with customers. We have successfully implemented various initiatives to establish a strong customer bond. For instance, we have conducted impactful campaigns in Mumbai and Dubai, utilising multiple store locations. Additionally, we have broken stereotypes in the jewellery segment by featuring a male brand ambassador.

To cater to regional preferences, we collaborate with local marketing agencies for targeted campaigns and promotional activities. This approach allows us to connect with customers who may have been overlooked by generic campaigns, providing a personalised experience. By optimising our advertising spend with a localised touch, we enhance effectiveness and engagement.

**~₹10,000 mn** Marketing and Advertising Investments in the Last 4 Years, One of the Highest in the Category



## Strategic Initiatives

### Our Marketing Channels

#### Brand Ambassadors

Kalyan Jewellers, as a pan-Indian brand, recognises the importance of regional diversity and preferences in India. To effectively cater to this, we adopt a strategic approach of featuring a mix of regional and national celebrities as brand ambassadors. Our selection process considers factors such as their background, legacy, and local and national appeal, allowing us to authentically represent the essence of our brand and connect with customers on a deeper level. This approach enables us to offer a diverse range of products that resonate with customers across the country while honouring the rich cultural tapestry of India.

#### National Brand Ambassadors



Amitabh Bachchan



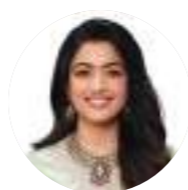
Katrina Kaif



Jaya Bachchan



Shweta Bachchan-Nanda



Rashmika Mandanna

#### Regional Brand Ambassadors



Prabhu Ganesan  
Tamil Nadu (Tamil)



Nagarjuna Akkineni  
Andhra Pradesh, Telangana (Telugu)



Shiv Rajkumar  
Karnataka (Kannada)

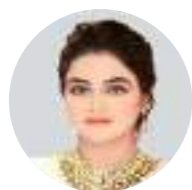


Kalyani Priyadarshan  
South India

#### Regional Influencers



Pooja Sawant  
Maharashtra (Marathi)



Wamiqa Gabbi  
Punjab (Punjabi)



Ritabhari Chakraborty  
West Bengal (Bengali)



Kinjal Rajpriya  
Gujarat (Gujarati)

#### Creative Marketing and Media

At Kalyan Jewellers, we collaborate with top-notch national and regional creative agencies, filmmakers, and media channels to infuse our marketing campaigns with a strong regional flavour. By partnering with these expert teams, we create a relatable and impactful connection with our target audience. Our aim is to deliver visually captivating and engaging marketing content across multiple platforms, including print, outdoor, and digital, that resonates with customers in different regions and leaves a lasting impression.

#### Social media

Kalyan Jewellers' website, [www.kalyanjewellers.net](http://www.kalyanjewellers.net) reflects our brand philosophy and features our exceptional products. To enhance our social media presence, we employ a localised approach using analytics to customise content and run targeted campaigns across social media channels, ensuring effective engagement with specific audiences.

#### Kalyan Matrimony

Kalyan Jewellers has a matchmaking platform called Kalyan Matrimony, which serves as a valuable tool for identifying potential customers who are soon-to-be-wed. Leveraging this platform, we employ a customised and personalised approach to target these individuals, maximising lead conversions for wedding jewellery.

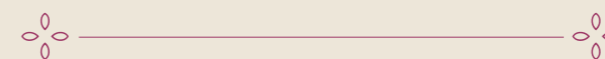
## Strategic Priorities

### Objectives and Strengths

We recognise that clear long-term objectives and alignment of strengths are vital for expansion and growth. By diligently defining our goals and leveraging our capabilities, we are committed to delivering value to all our stakeholders, ensuring their satisfaction and success.

#### Long-term Objectives

Leverage scalable business strategies to expand the showroom network with the help of the FOCO model and diversify distribution channels.



Widen product offerings to further increase consumer reach.



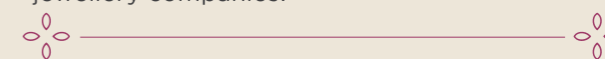
Leverage the 'My Kalyan' network to deepen customer outreach and strengthen the distribution network in core markets.



Invest in CRM, marketing, and analytics to target consumers and drive sales more effectively.

#### Priorities

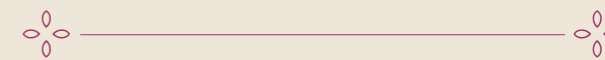
Strong brand, scalable business model, effective operational processes, and proven track record of profitable expansion position Kalyan well to capitalise on the market opportunity arising from the continued shift in demand in favour of organised jewellery companies.



Continue to increase focus on higher-margin studded jewellery and explore opportunities to expand the range of sub-brands to introduce new branded jewellery lines targeted at both specific customer niches as well as the mass market.



Expand the 'My Kalyan' network in areas where Kalyan is currently underpenetrated relative to the scale of the latent demand opportunity in those markets.



Invest in CRM, campaigns, and technologies to analyse and manage customer interactions and related data throughout the customer lifecycle, create long-term relationships with customers, build customer retention, and drive sales.

### Way Forward

#### Same Stores Sales Growth

Targeted same stores sales growth of mid to high single digits

#### Return Profile

- Capital-efficient franchise store strategy to further accelerate RoCE from current levels (over 20% in FY23)
- Selective conversion of existing COCO to FOCO showrooms to reduce capital employed in the business
- Divestiture of select non-core assets to help lighten the balance sheet

#### Indian Expansion

- To increase the share of revenue from non-South markets; incremental showrooms predominantly in non-South markets
- New showroom openings to be driven largely by capital-light franchise store strategy

#### Middle East Expansion

- Calibrated expansion in the Middle East on the back of good business traction for last four quarters
- International expansion to be funded largely via capital-light franchise store strategy
- FOCO pilot in FY24

#### Reward Shareholders

Use the benefits of capital-light strategy and free cash flow generation in the business to reward shareholders over time



## Digital Initiatives

# USING TECHNOLOGY TO IMPROVE SALES

Embracing technology to enhance our operational efficiency, our current focus lies on leveraging Customer Relationship Management (CRM) to drive showroom footfalls, foster deeper customer engagement, and boost lead conversions. By utilising technology to connect with our customers, we aim to strengthen our relationship with them and influence their choices in a positive and impactful manner.

**01**

**Targeted Digital Marketing Through Rich Data Mining And Customer Insight**

- Capturing customer information at store level, running analytics and targeted campaigns
- Upselling related products at point-of-sale through instant dynamic voucher codes
- Social media mapping to enrich customer database

**03**

**Analytics Driven Customer Outreach**

- Use of Content Marketing Platform ('near me search') to drive search traffic to local store micro-sites
- Enhancing customer conversion by following up on the digital footprint

**02**

**E-commerce**

- Candere - Kalyan's e-commerce site providing access to India, US and UK markets (currently a separate inventory)
- Online Gold Ownership Certificate - customers can buy online and redeem at the store

**04**

**Improving Employee Productivity And Efficiency Through Technology Advancements**

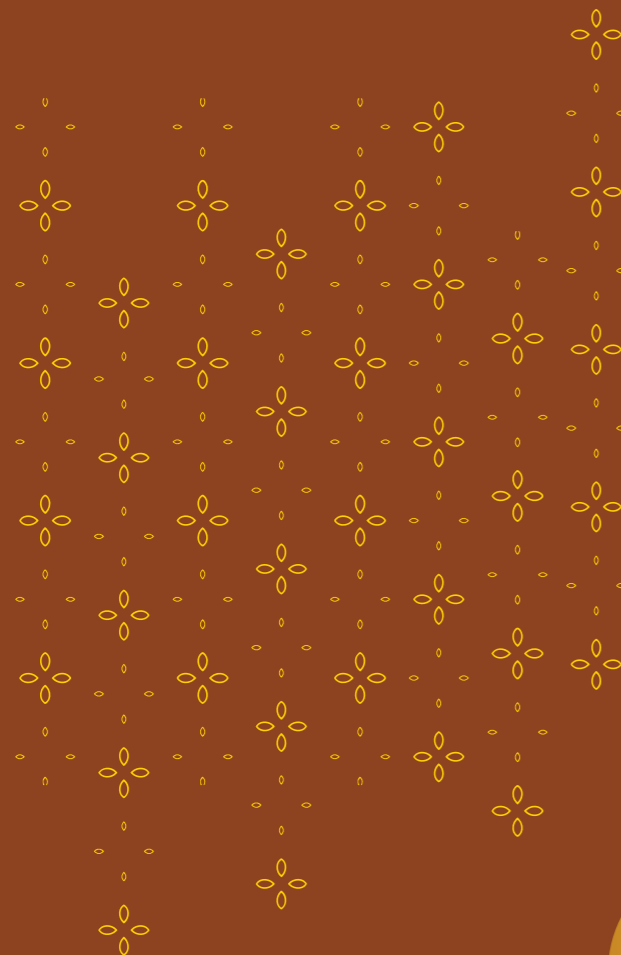
- Employee training during the lockdown digitally
- Customer outreach initiated during lockdown, via employee mobile app
- Employee targets and goal achievements mapped through app, ensuring transparency efficiency

**05**

**Digitally Enabled 'My Kalyan' Centres**

- 'My Kalyan' staff equipped with mobile app that:
- Stores customer data
- Manages lead generation
- 'My Kalyan' outlets also use 'near me search'

# ESG



Environment and Social

[Read more on PG. 36](#)

Governance

[Read more on PG. 38](#)





## Environment and Social

# TOWARDS ENVIRONMENTAL STEWARDSHIP

We are committed to conducting our business with a strong sense of social responsibility, aiming to create positive impacts in the communities where we operate.

We actively seek opportunities to contribute towards the betterment and upliftment of these communities. By providing employment opportunities, supporting local artisans and craftsmen, and engaging in various community development initiatives, we strive to make a meaningful difference in the lives of individuals and contribute to the overall progress and upliftment of the communities associated with our business.

### Our Employees

We value our employees as our greatest assets and prioritise their happiness and development. Through various initiatives, we foster a supportive and enriching work environment that promotes their overall growth and satisfaction. Our focus on employee well-being includes training and skill development programs, work-life balance initiatives, and recognition for their achievements. By nurturing our human capital, we aim to create a motivated and empowered workforce that contributes to our success and growth.



### Environment

We are dedicated to conducting a responsible and sustainable business, minimising our environmental impact through eco-friendly practices and initiatives. Our commitment to sustainability includes adopting eco-friendly production processes, implementing

energy-efficient measures, and responsible waste management. By prioritising environmental stewardship, we aim to create a positive impact on the planet and contribute to a sustainable world.



### Our Community

At Kalyan, we prioritise our social responsibility by actively engaging with and uplifting the communities surrounding our stores. Through our corporate social responsibility programmes, we drive initiatives in healthcare, education, and infrastructure development, among others, to make a positive impact. By connecting with these communities and spearheading systematic efforts, we strive to create a meaningful difference and contribute to the overall welfare of society. Giving back is a core value we hold dear, and we are committed to making a lasting impact on the lives of the people we serve.



### Healthcare

- Ventilators and other equipment for local hospitals
- Financial Support to many renowned Hospitals in Kerala
- Financial support for Cancer awareness programmes conducted by various institutions

### Education

- Education and skills training for children, women, elderly and differently-abled persons
- Tuition fees for underprivileged students in several states

### Dialysis Centre Project

- The Kalyan Jewellers Foundation has purchased 24.41 Cents of land on November 18, 2022 situated at Muthuvara, Puzhakkal, Thrissur, Kerala for construction of a Dialysis Centre

### Housing

- Renovation and construction of houses for financially backward classes
- Home loans for unemployed widows in several states, including Kerala
- Home especially for homeless and economically backward people

- Financial support to Sree Kadampuzha Bhagavathy Devaswom Trust for construction of Dialysis Unit

### Artisans

- Working closely with Coimbatore Jewellers Association and Mumbai-based Gems and Jewellery Export Promotion Council





## Governance

At Kalyan, we uphold the principles of good governance and strive to create value for all stakeholders. Our business culture is rooted in professionalism, honesty, integrity, and ethical behaviour. We have established a robust corporate governance framework that includes an independent Board, clear separation of supervisory and executive roles, and the formation of necessary committees as required by law.

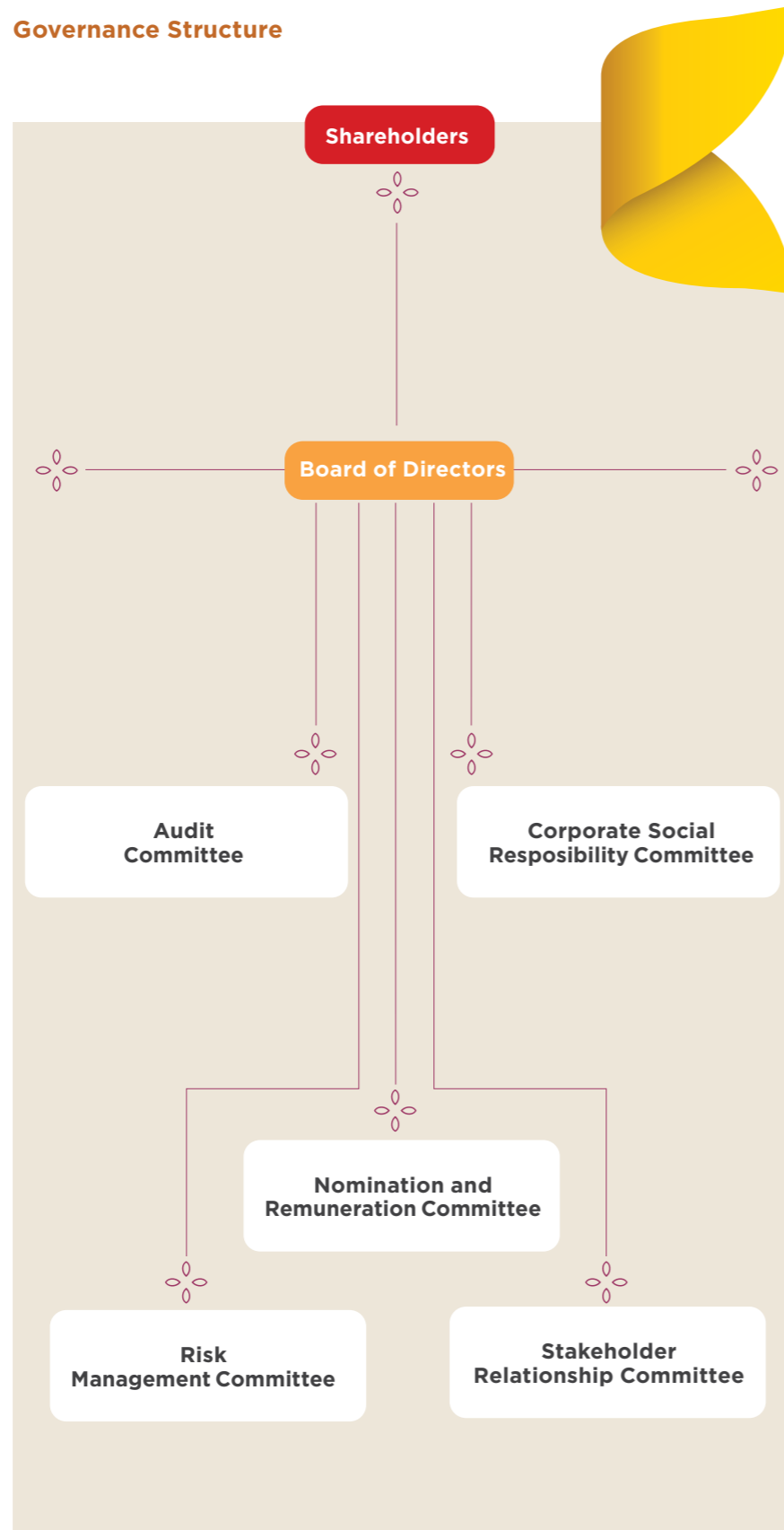
Our Board consists of ten Directors, including six Independent Directors, three Executive Directors, and two Non-Executive Directors (one of whom is a Nominee Director). In accordance with the Companies Act, a significant proportion of our Directors, excluding the Independent Directors, retire by rotation.

Through our strong governance practices, we ensure transparency, accountability, and effective decision-making to safeguard the interests of our stakeholders and maintain the highest standards of corporate governance.

**100%**  
Average Board meeting Attendance

**100%**  
Board Committee Meeting Conducted in FY23

### Governance Structure



### Board Demographics

Our diverse and experienced Board members drive effective leadership and decision-making. Specialised committees ensure transparent governance, covering areas such as audit, remuneration, and nomination. Upholding professionalism, integrity, and ethical behaviour, we create value for all stakeholders through responsible governance.

**59 Years**  
Median Director Age

**5 Years**  
Average Tenure on Board of the Company

**50%**  
Independent Directors

**5 Years**  
Term Limit for Independent Directors

### Relevant Skills and Expertise

Our Directors possess a combination of exceptional leadership abilities, varied viewpoints, strategic talents, and relevant professional experience that align with our business and goals. Our culture is built on the principles of diversity and inclusion, which are essential to our success.

**5/10**  
Directors with retail experience

**5/10**  
Directors with marketing and brand management experience

**10/10**  
Directors with global/international business experience

**10/10**  
Directors with senior leadership experience

**10/10**  
Directors with regulatory, legal or risk management experience

**7/10**  
Directors with finance, accounting, or financial reporting experience

### Our Key Codes and Policies

Code of Conduct	CSR Policy	Dividend Distribution Policy	Policy for Fair Disclosure
Nomination and Remuneration Policy	Policy for Determining Material Subsidiary	Policy on Board Diversity	Policy on Preservation and Archival of Document
Policy on Related Party Transaction	Risk Management Policy	Whistle-Blower Policy	Succession Plan for Appointment of Board of Directors and Senior Management



## Governance

### Internal Processes and Controls

At Kalyan, we prioritise trust, high-quality products, and value for all our stakeholders while upholding responsibility and sustainability. We achieve this through the seamless integration of processes, from raw material procurement to product sale in our showrooms, ensuring a focus on perfectionism and attention to critical processes.

01

#### Enterprise Resource Planning System Allowing Real-time Visibility into Inventory

Helpful during peak seasons, allowing management to respond quickly to replenish or reallocate inventory based on shifting customer demand patterns.

02

#### Strict Inventory Management and Monitoring Practices Accounting for Each Piece of Inventory

Jewellery identification with a unique barcode, which aids tracking and monitoring of each piece of inventory further linked to the central ERP system. Daily inventory checks at the close of business at each showroom, monthly inventory weight verifications by regional managers/business heads.

03

#### Strong Board with Independent Chair

Well diversified board with eminent personalities representing varied areas -retail, marketing, banking, finance, audit, regulatory. The Board is chaired by Independent Director.

04

#### Big 4 Auditor

Deloitte Haskins & Sells LLP as the current Statutory Auditor since 2015.

05

#### Integrated Operations to Allow Inventory Movement between Showrooms

Inventory movement to align jewellery offerings with customer preferences and accommodate variations in seasonal buying patterns



### Designing with Demand

With our dedicated in-house team of designers, we stay at the forefront of fashion trends and closely monitor customer demand. This allows us to develop new and captivating designs that are in perfect alignment with the vision and strategy of Kalyan Jewellers.

### Sourcing of Raw Materials

At Kalyan Jewellers, responsible sourcing is a top priority. We ensure the integrity of our supply chain by directly purchasing old gold from customers and sourcing our inventory from licensed agencies and banks, eliminating the involvement of intermediaries. This practice enables us to maintain transparency and uphold ethical standards in our sourcing processes.

### Quality Assessment

Trust is of utmost importance in our business, which is why we uphold the strictest measures to ensure the purity and quality of our products. Every piece of jewellery at Kalyan is mandated to have a BIS hallmark, guaranteeing its authenticity and adherence to the highest standards of quality.

### Contractual Employment

We recognise the importance of local expertise and craftsmanship. To infuse the desired design expertise and regional flavour

into our collections and stores, we engage local artisans and craftsmen on a contract basis. By collaborating with these talented individuals, we ensure that our products reflect the cultural richness and artistic traditions of the regions we serve. This approach not only promotes local talent but also enhances the authenticity and uniqueness of our offerings.

### Automation and Logistics Barcoding

We have implemented a robust system to track and manage our products effectively. By utilising product barcoding and an efficient Enterprise Resource Planning (ERP) system, we can monitor every item from the manufacturing stage to its sale. This meticulous tracking enables us to ensure stringent quality control measures and streamline inventory management processes.

As gold is a valuable and time-sensitive inventory, our barcode and ERP system helps us save time and enhance the overall product lifecycle management, ensuring efficient operations and customer satisfaction.

### Retail Showrooms

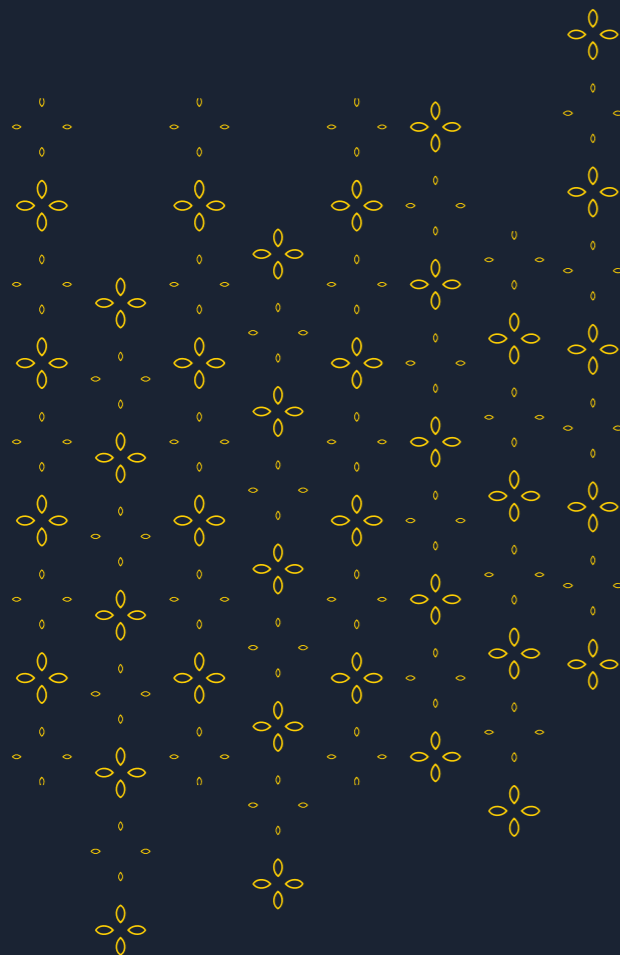
Kalyan operates 149 showrooms in India and 33 in the Middle East, with real-time monitoring of products through an integrated ERP system.

### Customers Satisfaction

At Kalyan, we go the extra mile to exceed customer expectations, offering exquisite products crafted to perfection. To ensure customer satisfaction and loyalty, we provide lifetime gems and jewellery services, accompanied by certificates that guarantee the highest quality and a closer bond with our brand.



# LEADING THE WAY



Board of Directors

[Read more on PG. 44](#)

Management Team

[Read more on PG. 46](#)







## Board of Directors



**Mr. T. S. Kalyanaraman**  
Managing Director

- ~47 years retail experience
- 30+ years in the jewellery industry
- With Kalyan, since the Company's inception



**Mr. Vinod Rai - Chairman and Independent Non-Executive Director**

- Former Comptroller and Auditor General of India
- Awarded Padma Bhushan in recognition of his services to the country



**Ms. Kishori Jayendra Udeshi**  
Independent Director

- Several years of experience in policy and banking sectors
- First woman Deputy Governor of RBI and Director of RBI to be nominated on Board of State Bank of India



**Mr. Agnihotra Dakshina Murty Chavali - Independent Director**

- ~31 years of experience in the banking sector
- Former Executive Director of Indian Overseas Bank and former Nominee Director of Bank of Baroda amongst others



**Mr. T. K. Seetharam**  
Whole-time Director

- MBA from Bharathiar University, Coimbatore
- ~24 years in the jewellery industry
- ~24 years with Kalyan



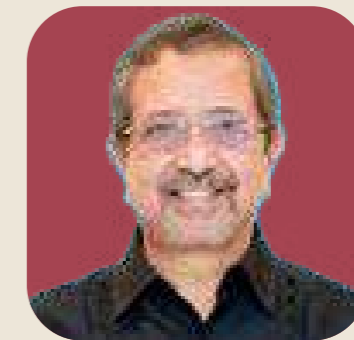
**MR. T. K. RAMESH**  
Whole-time Director

- Master's degree in Commerce from the Karnataka State University
- ~22 years in the jewellery industry
- ~22 years with Kalyan



**Mr. Anil Sadasivan Nair**  
Independent Director

- ~20 years of experience in the field of advertising
- Former CEO & Managing Partner of Law & Kenneth Saatchi & Saatchi



**Mr. T.S. Anantharaman**  
Independent Director

- Several years of experience in banking, teaching management and accounting
- Former Chairman of The Catholic Syrian Bank



**Mr. Salil Nair**  
Non-Executive Director

- ~25 years of experience in the retail industry
- Former CEO of Shoppers Stop



**Mr. Anish Kumar Saraf**  
Non-Executive Director

- Highdell Nominee Director
- Managing Director at Warburg Pincus, India

A - Audit Committee

N - Nomination and Remuneration Committee

C - Corporate Social Responsibility Committee

S - Stakeholders Relationship Committee

R - Risk Management Committee

Chairman

Member

**Note:** Mr. M. Ramaswamy, Chairman of the Nomination and Remuneration Committee ceased to be a Director on March 27, 2023.

## Management Team



**Mr. Sanjay Raghuraman**  
Chief Executive Officer

- Qualified CA and CWA
- 11+ years with Kalyan, ~16 years prior experience in retail, financial services and operations
- Previously worked with HDB Financial Services, Wipro and Clix Capital



**Mr. V. Swaminathan**  
Chief Financial Officer

- Chartered Accountant
- 6+ years with Kalyan
- ~29 years of experience in finance, corporate planning and control



**Mr. Sanjay Mehrottra**  
Head of Strategy

- Masters in Management Studies
- 5+ years with Kalyan
- ~28 years of experience in Indian capital markets



**Mr. Abraham George**  
Head of Treasury and Investor Relations

- Masters in Business Administration
- 6+ years with Kalyan
- ~19 years of experience in finance and capital markets



**Mr. Arun Sankar**  
Head of Technology

- Masters in Technology (Computer Science) and Engineering, and Master's in Science (Integrated) in Software Engineering
- 9+ years with Kalyan
- ~15 years of experience in the technology sector




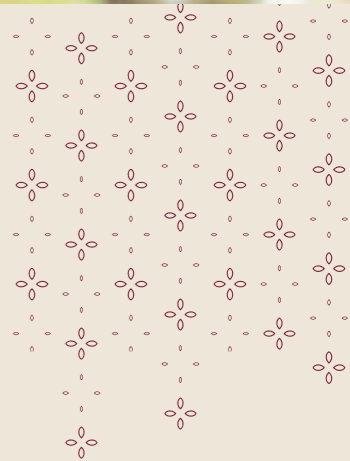
**Mr. Rajesh R**  
Head of Legal and Compliance

- Bachelors of Law and enrolled with the Bar Council of Kerala
- 3+ years with Kalyan
- ~14 years of experience in the legal industry



**Mr. Jishnu R. G.**  
Company Secretary and Compliance Officer

- Bachelors in Commerce and Company Secretary
- 4+ years with Kalyan
- ~10 years of experience in corporate compliance

**Statutory Reports**

**Management Discussion and Analysis**  
Read more on PG. 48

**Board's Report**  
Read more on PG. 55

**Financial Statements**

**Standalone Financials**  
Read more on PG. 102

**Consolidated Financials**  
Read more on PG. 156

## Management Discussion and Analysis

### Economic Review

#### Global

According to the International Monetary Fund (IMF), the global economy is estimated to have grown at 3.4% in CY22. Global economic growth is expected to moderate further to 2.8% in CY23 before slightly rebounding to 3.0% in CY24. Advanced economies witnessed multi-decade high inflation due to continued supply chain constraints and elevated energy and commodity prices. Emerging markets and developing economies, too, faced inflation.

#### World Economic Outlook Projections:

	2022	2023	2024
World Output	3.4	2.8	3.0

Source: IMF

As the global economy prepared to leave the pandemic behind, the Russia-Ukraine conflict delayed the normalisation of supply chains. At the same time, China adopted a stringent zero-COVID policy for most of CY22. Central banks across major economies, spearheaded by the US Federal Reserve, responded with synchronised rate hikes to tame inflation. The weakness of the Chinese economy also weighed on global growth. However, during the second half of the CY22, the economic growth rebounded, banking on crucial factors such as easing inflation, robust labour markets, solid household consumption and business investments. Moreover, China reopened in November 2022, adding to the upward shift in global activity.

#### Outlook

Despite central banks raising interest rates and declining food and energy prices, underlying price pressures remain stubborn, particularly due to tight labour markets in several economies. The rapid increase in policy rates have led to visible side effects, including highlighted vulnerabilities in the banking sector and growing concerns of contagion across the broader financial industry, including non-banking financial institutions. Despite declining headline inflation, core inflation has yet to reach its peak. Owing to ongoing inflationary pressures, interest rates are expected to remain elevated.

Source: IMF - World Economic Outlook, April 2023

#### India

The year 2022 was memorable for India as the nation celebrated its 75<sup>th</sup> year of independence while claiming its place as the world's fifth-largest economy, boasting a nominal GDP of \$3.5 trillion. According to CSO estimates, the Indian economy grew by 7.2%, the fastest among

major economies, driven by strong domestic private consumption, government expenditure on infrastructure and a favourable investment climate. Although India, too, faced high inflation, the Reserve Bank of India undertook a series of policy rate hikes to bring it down within its comfort range. Despite the challenges of higher oil prices leading to increased import bills and trade deficits, concerns about the current account deficit and its financing has eased over time.

#### India GDP growth trend (%)

FY21	FY22	FY23	FY24
(6.6)	8.7	7.2	6.5*

Source: CSO Estimates and RBI\*

#### Outlook

India's economy has displayed remarkable resilience amidst global challenges, positioning itself as the frontrunner in growth among major economies. The latest economic survey anticipates a substantial GDP growth rate of 6.5% in FY24, further consolidating India's impressive growth trajectory.

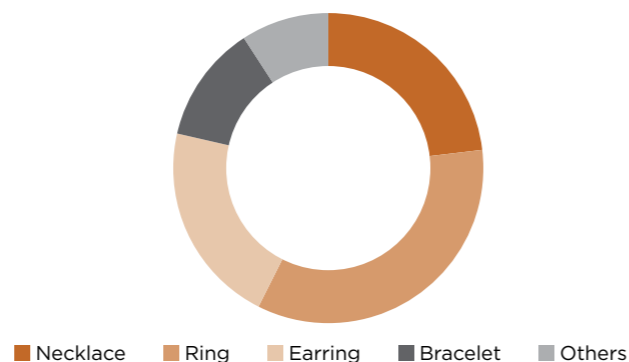
Source: Economic Survey of India, 2022-2023

#### Global Jewellery Industry

The global jewellery market is expected to witness substantial growth. This growth is primarily driven by evolving consumer preferences towards distinctive jewellery styles, including oversized hoops and geometric shapes like rectangles, spheres, and squares. The rising popularity of personalised and environmentally sustainable jewellery further fuels this trend. The global gold jewellery market will grow during the forecasted period due to rising GDP per capita, increasing consumer disposable income, and the appeal of gold as a long-term investment.

#### Global Jewellery Market

Share by product type, 2022 (%)



Source: Grandview Research

#### Market Size

The global gold jewellery market, valued at \$193.3 billion in 2022, is projected to reach \$304.2 billion by 2030, growing at a CAGR of 5.8% from 2022 through 2030 in the post-COVID-19 business landscape. Gold is trusted more than the currency of the countries.

### 61%

RETAILERS GLOBALLY TRUSTS GOLD OVER CURRENCIES

Sources: Retail Insights

#### Indian Gold Market Overview

##### Indian Gold Market

##### Overview

India's formidable position as the second-largest gold market, where an impressive 70% of the demand is attributed to exquisite jewellery, underscores the immense growth opportunities awaiting the organised retail segment. It is also the third-highest component of retail consumption in India.

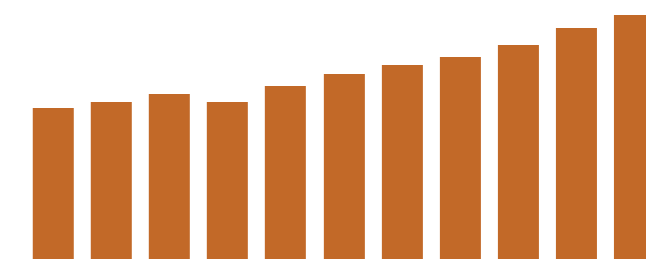
Moreover, gold jewellery demand has experienced a steady and consistent upward trend for several reasons. Firstly, most of the demand can be attributed to weddings, where gold holds great cultural and sentimental value. As weddings remain an integral part of many societies, the demand for gold jewellery continues to rise. Secondly, gold is considered a reliable store of value, especially in times of economic uncertainty, making it an attractive investment option for individuals. The growth in disposable income across various regions has also played a crucial role in boosting demand, as people have more financial capacity to invest in gold jewellery. Thirdly, gold jewellery holds strong linkages to traditions and customs, further driving its popularity. Lastly, evolving fashion trends and styles have increased the demand for gold jewellery as consumers seek innovative and contemporary designs.

The jewellery market in India is a sizeable and attractive industry, propelled by several favourable factors. These include shifting customer behaviours, superior organisational capabilities, and supportive regulatory and legislative changes. These combined elements create significant tailwinds for the growth and prosperity of the jewellery sector in India.

#### Market Size

The Indian jewellery retail sector is currently valued at approximately \$76.3 billion in FY23 and is expected to grow substantially. This market is expected to grow at a CAGR of 5.54% by 2027. This projection signifies the sector's potential for significant expansion and economic impact in the coming years.

#### Market Size Outlook (USD Billion)



2017: USD 56.46



Source: Technavio Report

The organised retail segment currently holds a share of approximately 35%, featuring prominent national and regional players. In contrast, the unorganised sector, comprising a vast network of over 5,00,000 local goldsmiths and jewellers, dominates the remainder. The organised sector displayed remarkable resilience, bouncing back swiftly and accelerating after the pandemic. This revival was propelled by a combination of factors, spanning both the supply side and the resurgence of consumer demand.

While India traditionally boasts a deep-rooted affinity for gold jewellery, capturing a substantial share of approximately 85% of the market, an intriguing trend is emerging. With its sparkling allure, studded jewellery is gaining momentum and attracting growing participation in the jewellery retail landscape. The prominence of gold jewellery stems from its profound cultural and religious significance, intertwined with a legacy of trust and reliability that gold embodies.

Gold jewellery demand in India is primarily driven by weddings' significant role in the culture. Weddings in India holds immense importance and is marked by grand celebrations and traditions. Gold jewellery is essential to Indian weddings, representing prosperity, blessings, and the eternal bond between couples. The demand for gold jewellery remains resilient in India due to the enduring wedding demand. Families consider gold jewellery as a valuable asset, both financially and emotionally, and often pass it down through generations. This cultural significance and belief in the auspiciousness of gold ensure its continued demand in the Indian market.

**Key Growth Drivers**

FY23 was an exceptional year for the jewellery market and is expected to expand to \$103.6 billion by the end of this CY. To understand the market better, let us look at the sector's growth drivers.

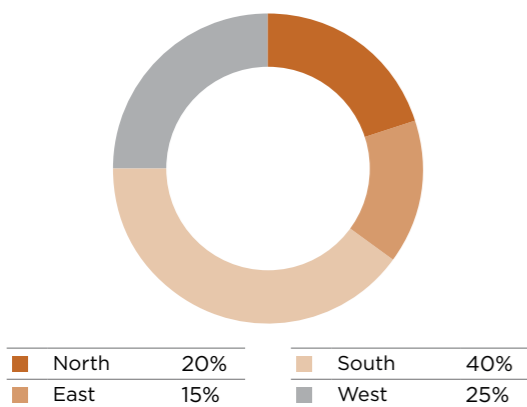
**The Hyperlocal Approach**

The demand for Indian jewellery is diverse, influenced by regional preferences, income differences, and cultural traditions. India's jewellery demand is predominantly hyperlocal.

Kalyan stands out in India's gold jewellery market by exhibiting a hyperlocal strategy. Unlike national competitors, Kalyan operates on a micro-market level, catering to specific regional needs. This approach allows Kalyan to connect with customers locally, leveraging the strengths of regional and unorganised players. However, Kalyan has also successfully established itself as a national brand, offering a blend of hyperlocal expertise and the reputation of a large-scale enterprise.

The Southern states have a significant share of 40% in the Indian gold jewellery market, where traditional gold jewellery holds a timeless appeal. There is a distinct appreciation for jewellery in the enchanting Eastern states, accounting for 15%. Meanwhile, the Northern and Western states showcase a fascinating blend, captivating customers who embrace the allure of studded jewellery.

**The Indian Jewellery Retail Market Break-up by Region:**



Source: Technopak

Jewellery demand experiences pronounced seasonality, driven by weddings, festivals, and agricultural harvests in rural areas. Specific to each region, these events play a pivotal role in driving growth. The unique seasonality of jewellery demand necessitates a deep understanding of local consumer preferences, tailored marketing approaches for diverse audiences, localised sourcing and product strategies, and substantial working capital.

As a result, only a few local players have successfully transitioned into regional players while even fewer have yet to achieve national expansion. The hyperlocal nature of jewellery demand underscores the need for a nuanced and strategic approach to cater to diverse markets.

**Our Response**

At Kalyan Jewellers, we prioritise localisation in our product portfolio, brand communication, showroom experiences, and grassroots outreach. Our state and city-specific campaigns and brand ambassadors appealing to national, regional, and local audiences, ensure effective communication. We curate our product portfolio based on local market preferences, collaborate with local artisans and have procurement centres strategically placed across jewellery manufacturing regions. Our showrooms reflect local tastes, and our staff members are fluent in local languages and knowledgeable about the local culture. While we position ourselves as hyperlocal jewellers through effective national-level campaigns, we also create the persona of a large national brand. Our dedicated 'My Kalyan' network engages in door-to-door and direct marketing to connect with local communities effectively.

**The Rise of E-commerce**

The rapid growth of Indian e-commerce has profoundly impacted various industries, including the gold jewellery sector. Traditionally, Indians have purchased their favourite gold jewellery items, such as necklaces, bangles, earrings, and more, from local jewellery shops. However, the landscape is evolving. This shift reflects the changing preferences and convenience-seeking behaviour of Indian consumers in the digital age.

**Our Response**

Candere.com, our online platform, has established a strong presence and garnered user loyalty over the last several years. The brand's online marketplace presence, showrooms, and user loyalty contribute to its success in the industry.

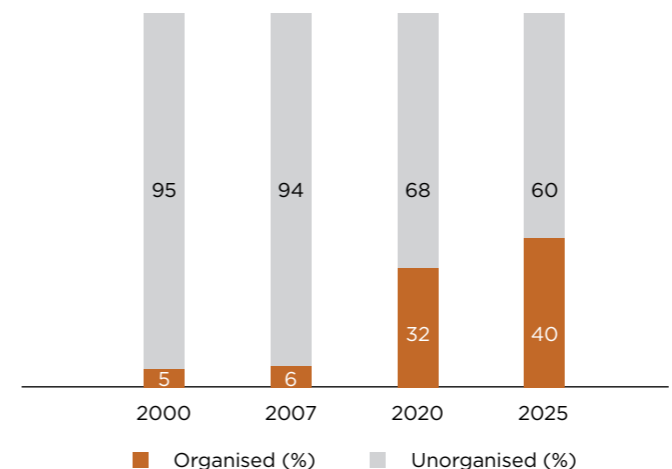
Candere.com has achieved notable scale, with revenue of ₹1,567 million in FY23. Apart from its strong online presence, Candere.com also operates two physical showrooms in India, offering customers the opportunity for in-person shopping. This combination of an online marketplace and brick-and-mortar showrooms has contributed to the brand's overall success. In line with their commitment to providing a seamless customer experience, Candere.com has plans to launch 25-30 new physical showrooms during FY24. This expansion aims to enhance its omnichannel approach, allowing customers to enjoy an even better shopping experience across multiple touchpoints.

**Organised Retail All the Way**

The jewellery retail landscape is transforming significantly as organised players gain prominence. The growing urban population and the preferences of the

younger generation drive this shift. These discerning consumers prioritise brands, seeking transparency in pricing and uncompromising quality akin to their expectations for other branded products. Organised retailers excel in meeting these demands by providing reassurance of purity, authenticity, and an elevated shopping experience.

**Rising Share of Organised Retail in Jewellery to continue**



Source: Technopak

The remarkable rise of organised retail in the jewellery sector can be attributed to the sustained efforts of retailers in building robust brands over the past two decades. This strategic brand-building has paved the way for the transition towards organised retailing. Moreover, the increasing demand for a diverse range of ready-made jewellery and comprehensive after-sales services have further propelled the growth of organised retailers. This transformative shift reflects the changing preferences of consumers and their desire for an exceptional and trustworthy jewellery shopping experience.

**Our Response**

The hyperlocal strategy has served us in good stead as we have managed to extend our customer base in the last couple of years. To learn more about our hyperlocal strategy, please read page 27.

**Focus on Rural/Semi-Urban Markets**

The heart of gold jewellery demand lies in the vibrant rural and semi-urban markets, accounting for more than 50% of the total. In these regions, the deep-rooted cultural affinity towards gold creates a fertile ground for growth.

Notably, government initiatives aimed at revitalising the rural economy through investments in infrastructure, agriculture and livelihoods will serve as a catalyst, further stimulating jewellery demand.

However, it is important to acknowledge that organised retailers in the rural jewellery segment still

needs to be expanded. This segment's predominant challenge entails the higher costs associated with retailing in these areas. Nonetheless, as we embrace the opportunity to unlock the potential of rural India, we strive to overcome these barriers and bring the glamour of exquisite jewellery closer to every corner of the nation.

**Our Response**

We are embarking on an exciting journey to extend the reach of the Kalyan brand. We aim to capitalise on their existing infrastructure through strategic partnerships with franchise owners in critical metropolitan areas and across Tier - I, II, and III cities, primarily in non-Southern regions. This approach allows us to expand much faster without significant capital expenditure and inventory investment, as the franchisees will shoulder these responsibilities.

Kalyan Jewellers has introduced the 'My Kalyan' initiative to establish a personal connection with customers. Through this programme, we offer tailored value propositions at customers' doorsteps, building brand awareness and rapport. 'My Kalyan' helps us understand unique customer requirements, especially in rural and semi-urban markets. The initiative enables targeted marketing strategies, meeting latent demand and competing effectively. 'My Kalyan' centres act as touchpoints for data collection and customer engagement, benefiting the local economy through job creation. Insights from 'My Kalyan' refine our offerings, enhance satisfaction, and expand our reach, delivering value to customers and stakeholders.

**Performance in FY23**

ICRA, a leading rating agency, predicted a promising future for India's organised jewellery retailers. With an estimated average revenue growth of 20% in FY23 and a steady 10% growth in FY24, the organised sector is poised to outperform the industry in the medium-term. This positive outlook reflects the resilience and potential of organised jewellery retailers in India's dynamic market. This industry is projected to maintain a stable outlook, with ICRA forecasting year-on-year growth of approximately 15% for this fiscal year. This optimistic projection highlights the industry's resilience and indicates favourable conditions for growth and expansion. As the demand for gold jewellery continues to thrive, the industry is expected to capitalise on emerging opportunities and sustain its upward trajectory.

**Outlook**

Organised jewellery retailers are expected to achieve strong revenue growth of 23-25% this fiscal. This growth is driven by pent-up demand and a recovery in discretionary spending, following a 36% increase in the previous fiscal. The sales volume is expected to rise, reflecting the release of pent-up demand and renewed consumer confidence. This positive trend underscores the resilience and potential of the organised gold jewellery retail sector.



## Company Overview

Established in 1993 under the visionary leadership of Mr. T.S. Kalyanaraman, Kalyan Jewellers has emerged as a formidable force in the Indian jewellery industry. With deep-rooted family values and extensive industry experience, we have achieved remarkable success.

# 6%

SHARE OF THE ORGANISED  
JEWELLERY MARKET

Our commitment to core values like trust and transparency has earned us our customers' trust, establishing Kalyan Jewellers as a reputable name in India. Our diverse range of jewellery offerings, including gold, studded, and other exquisite pieces, caters to the varied preferences of our esteemed clientele. Whether for special occasions or everyday wear, we have a wide selection to meet every need.

In addition to our strong presence across India, we have expanded our footprint in the Middle East, further cementing our global reach. Our business model is built on the foundation of hyper-localisation, enabling us to cater to each region's specific demands effectively. The 'My Kalyan' network, deeply embedded in communities, empowers us to connect with customers personally and ensure seamless distribution.

As an established brand, we emphasise exceeding customer expectations and delivering unparalleled satisfaction. With our legacy of trust and a commitment to excellence, Kalyan Jewellers remains the epitome of India's trusted jewellery destination, offering timeless beauty that captures the hearts of our valued customers.

## SWOT Analysis

### Strengths

- **Brand Equity:** The combination of a strong brand, scalable business model, effective operational processes and proven track record of profitable expansion makes Kalyan well-placed to capitalise on the market opportunities arising from the continued shift in demand in favour of organised jewellery companies.
- **Pan-India Player:** Kalyan Jewellers is one of India's largest jewellery companies with a pan-India network of showrooms.
- **Diversified Product Range:** Kalyan Jewellers continue to increase their focus on higher-margin studded jewellery and explore opportunities to expand the range of sub-brands to introduce new branded jewellery lines targeted at specific customer niches and the mass market.
- **Significant Market Opportunity:** Kalyan Jewellers is a leading brand in a thriving and expansive market where the organised sector is rapidly gaining momentum. With strong growth tailwinds propelling

the brand forward, Kalyan Jewellers is poised to capitalise on the immense opportunities.

- **Solid Network:** Kalyan Jewellers is present across 22 key states/UTs in India and four nations in the Middle East via a growing network of showrooms, MyKalyan, purchase ecosystem and mid-senior level management. Kalyan Jewellers also stabilised the FOCO model and the existing network to propel the expansion over the next several years.
- **Strong Management Leadership:** Under the guidance of visionary promoters and with the support of a strong management team, Kalyan Jewellers has consistently delivered value, showcasing a proven track record of success.
- **Robust Governance Framework:** Kalyan Jewellers' distinguished Board of Directors comprises individuals from diverse backgrounds, bringing a wealth of experience and expertise. Kalyan Jewellers takes pride in having an independent director as the Chairman of the Company, ensuring strong governance and strategic leadership.
- **Farsighted Promotional Strategy:** Kalyan Jewellers' strategic approach focuses on combining the essence of the local touch with the nation-wide brand presence, ensuring a harmonious blend of localised connections and consistent brand messaging.
- **Best-in-class Technology:** Kalyan Jewellers invested in a cutting-edge CRM framework, undertook tactical campaigns, and operationalised state-of-the-art technologies to analyse and manage customer interactions and related data throughout the customer lifecycle. The aim was to create long-term customer relationships, build retention, and drive sales.

### Challenges

- The competitive intensity is much higher in this industry due to challenges from unorganised players who do not follow the law of the land in the true spirit, thereby gaining an unfair advantage.
- Kalyan Jewellers continues to face stiff competition across most regions of the country from strong organised regional players within such regions as well as from other national players.

### Opportunities

- The market for organised jewellery retailing in India is projected to grow at 14%.
- Kalyan Jewellers intends to aggressively foray into the non-South Indian markets and Middle Eastern countries by unveiling capital-efficient franchised showrooms to enhance the profile of the business.
- Kalyan Jewellers aims to increase its presence in the SURU areas which report low penetration of organised jewellery retailing.
- Kalyan Jewellers will utilise omnichannel retailing to improve customer conversion rates and drive revenue growth.
- Kalyan Jewellers will employ analytics for driving customer footfall and engagement.

## Threats

- Volatile gold prices impact consumer demand, resulting in short-term fluctuations, which can get pushed to the succeeding quarters.
- Disrupted retail operations due to the pandemic, among others.

## Operational Performance

In the dynamic business landscape of India, Kalyan Jewellers has achieved remarkable success, witnessing strong growth in footfalls, revenue, and profitability across all markets. Despite the challenges posed by the pandemic, Kalyan Jewellers experienced a significant increase in return ratios, showcasing resilience and adaptability. India's standalone revenue grew substantially, reaching ₹115,840 million in FY23 from ₹90,561 million in FY22. This growth is complemented by an improved EBITDA, which rose from ₹6,915 million in FY22 to ₹9,331 million in FY23.

## Financial Performance

### Summary of consolidated profit and loss

	(in ₹ million)		
Particulars	FY23	FY22	YoY
Revenue	1,40,714	1,08,179	30%
Gross Profit	21,992	16,916	30%
Gross Profit Margins (%)	15.6%	15.6%	
Total Operational Expenses	10,852	8,771	24%
Advertisement and Promotion Expenses	2,881	2,324	24%
Other Operational Expenses	7,971	6,448	24%
EBITDA	11,140	8,145	37%
EBITDA Margin (%)	7.9%	7.5%	
Depreciation	2,446	2,316	6%
EBIT	8,694	5,829	49%
EBIT Margin (%)	6.2%	5.4%	
Finance Costs	3,026	3,224	(6)%
Other Income	379	383	(1)%
Profit before exceptional items & tax	6,048	2,989	102%
Profit before exceptional items & tax margin (%)	4.3%	2.8%	-
Exceptional Items	333	-	-
PBT	5,715	2,989	91%
PBT Margin (%)	4.1%	2.8%	
PAT	4,319	2,240	93%
PAT Margin (%)	3.1%	2.1%	-

### Revenue from Operations

This increase was driven by robust growth in same store revenue and as well as significant expansion in the showroom network. Disruption in revenue during the first quarter of the base financial year also contributed to the growth in the revenue from operations during FY23.

### Cost of Sales

Cost of sales increased by 30% to ₹118,722 million as compared with the previous financial year, in line with the increase in revenue.

### Employee Expenses

Employee expenses increased from ₹3,543 million in FY22, to ₹4,406 million in FY23 driven primarily by the significant increase in the employee base during FY23 to take care of the showroom network expansion. We added 1,784 employees during FY23. In addition to the above, a portion of our employee remuneration is in the nature of sales incentive and as the revenue increased, there was a commensurate increase in the employee incentives. Employee expenses as a percentage of revenue have decreased from 3.8% in FY22 to 3.1% in FY23.



### Other Expenses

Other expenses include advertisement, sales promotion and other administrative expenses which stood at ₹6,446 million in FY23 against ₹5,229 million in the previous year FY22. As a percentage of revenue, other expenses are at 4.6% of revenue, as compared to 4.8% in previous year.

### EBITDA

EBITDA increased by 37% to ₹11,140 million on account of higher revenue from new showrooms as well as operating leverage led by same-store-sales growth.

### Net Profit

Net profit stood at ₹4,319 million compared to ₹2,240 million in FY22 majorly due to increased revenues, operating leverage and savings in interest expenses.

Particulars	FY23	FY22
Equity Share Capital	10,301	10,301
Other Equity	26,047	21,070
Non-controlling Interests	(2)	9
Non-current Liabilities	7,097	6,253
Current Liabilities	63,687	51,818
<b>Total</b>	<b>107,129</b>	<b>89,451</b>

### Assets

Particulars	FY23	FY22
Non-current Assets	21,971	21,038
Current Assets	83,819	68,414
Assets held-for-sale	1,339	-
<b>Total</b>	<b>1,07,129</b>	<b>89,451</b>

### Key Ratios

Particulars	FY23	FY22
Gross Profit Margin	15.6%	15.6%
EBITDA Margin	7.9%	7.5%
EBIT Margin	6.2%	5.4%
Profit before exceptional item & tax Margin	4.3%	2.8%
PBT Margin	4.1%	2.8%
PAT Margin	3.1%	2.1%
Inventory Turnover	1.85	1.64
Interest Coverage Ratio	3.68	2.53
Current Ratio	1.32	1.32
Net Debt to Equity Ratio	0.70	0.82
ROE	12.8%	7.5%
ROCE	20.0%	15.5%

Gross profit margin = Gross profit/Revenue from operations

EBITDA Margin = Earning before interest, tax, depreciation and amortisation (EBITDA)/Revenue from operations

EBIT Margin = Earning before interest and tax (EBIT)/Revenue from operations

Profit before exceptional item & tax margin = Profit before exceptional item & tax/Revenue from operations

Profit before tax margin = Profit before tax (PBT)/Revenue from operations

Profit after tax margin = Profit after tax (PAT)/Revenue from operations

Inventory turnover = (Cost of materials consumed+Changes in inventories of finished goods and work-in-progress)/Average Inventory

Interest coverage ratio = Earning before interest, tax, depreciation and amortisation (EBITDA)/Finance cost

Current ratio = Current Assets/Current Liabilities

Net debt to equity ratio = Net Debt (including GML)/Total Equity

Return on equity = Net Profit after tax/ Average Total Equity.

Return on capital employed = Earning before Interest and tax (EBIT) / (Total Equity + Non-current liabilities).

## Board's Report

To the Members of  
**Kalyan Jewellers India Limited**

The Directors are pleased to present the 15<sup>th</sup> Annual Report of the Company together with the audited financial statements (consolidated and standalone) for the year ended March 31, 2023.

### Financial Results

Particulars	Standalone		Consolidated	
	2022-23	2021-22	2022-23	2021-22
	(₹ in million)			
Total Income	116,266.59	90,985.36	141,093.38	108,562.27
Total Expenses	110,683.26	88,086.79	135,045.65	105,573.71
Profit Before Exceptional Items and Tax	5,583.33	2,898.57	6,047.73	2,988.56
Profit Before Tax	5,250.82	2,898.57	5,715.22	2,988.56
Total Tax Expense	1,352.71	756.85	1,395.90	748.26
Profit for the Year	3,898.11	2,141.72	4,319.32	2,240.30

### STANDALONE FINANCIAL RESULTS

During the Financial Year (FY) 2022-23, the Company has achieved a total income of ₹116,266.59 million as compared to ₹90,985.36 million in FY2021-22. The profit before tax for FY2022-23 stood at ₹5,250.82 million compared to ₹2,898.57 million achieved in FY2021-22. The profit after tax stood at ₹3,898.11 million for FY2022-23 as compared to ₹2,141.72 million for the previous year.

### CONSOLIDATED FINANCIAL RESULTS

The Company's consolidated total income for FY2022-23 was ₹141,093.38 million as compared to ₹108,562.27 million for the previous year.

### CHANGE IN THE NATURE OF BUSINESS, IF ANY

There was no change in the nature of business of the Company.

### DIVIDEND

The Board of Directors at their meeting held on May 15, 2023 has recommended payment of ₹0.50 paise per equity share being 5% on the face value of ₹10 each as final dividend for the financial year ended March 31, 2023. The payment of dividend is subject to approval of the shareholders at the 15<sup>th</sup> Annual General Meeting ("AGM") of the Company. The dividend if approved by the members would involve a cash outflow of ₹515.03 million. The dividend payout is in accordance with the Company's dividend distribution policy

In view of the changes made under the Income Tax Act, 1961, by the Finance Act, 2020, dividends paid or distributed by the Company shall be taxable in the hands of the shareholders. Your Company shall, accordingly, make the payment of the dividend after deduction of tax at source.

Pursuant to Regulation 43A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations"), the Dividend Distribution Policy duly approved by the Board is available on the website of the Company and can be accessed at <https://www.kalyanjewellers.net/images/investors-new/pdf/corporate-governance/policies/Dividend%20Distribution%20Policy.pdf>

### TRANSFER TO GENERAL RESERVE

The Company has not transferred any amount to the Reserves for the FY ended March 31, 2023.

### TRANSFER OF UNCLAIMED DIVIDEND TO THE IEPF

In accordance with the provisions of Sections 124 and 125 of the Act and Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), dividends of a company which remain unpaid or unclaimed for a period of seven years from the date of transfer to the Unpaid Dividend Account shall be transferred by the Company to the Investor Education and Protection Fund ("IEPF"). In terms of the foregoing provisions of the Act, there is no dividend which remains outstanding or remain to be paid & require to be transferred to the IEPF by the Company during the year ended March 31, 2023.

### SHARE CAPITAL

During the year under review, the Company has not altered/modified its authorised share capital and has not issued any shares including equity shares with differential rights as to dividend, voting or otherwise. The Company has not issued any sweat equity shares to its directors or employees. The authorised capital of the Company stood at ₹20,005 million.



## MANAGEMENT DISCUSSION & ANALYSIS REPORT

Pursuant to Regulation 34(2) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015, a Management Discussion and Analysis Report is given in **Annexure - 1**.

## CORPORATE GOVERNANCE

Pursuant to Regulation 34(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015, (SEBI (LODR) Regulations, 2015) a report on Corporate Governance along with a Certificate from the Company Secretary in Practice towards compliance of the provisions of Corporate Governance, forms an integral part of this Annual Report and are given in **Annexure - 2 and Annexure - 3** respectively.

## CORPORATE SOCIAL RESPONSIBILITY (CSR)

In accordance with the requirements of Section 135 of the Act, the Company has constituted a Corporate Social Responsibility (CSR) Committee and also formulated a Corporate Social Responsibility Policy (CSR Policy) which is available on the website of the Company at <https://www.kalyanjewellers.net/images/investors-new/pdf/corporate-governance/policies/CSR%20Policy%20Version.pdf>.

An Annual Report on CSR activities of the Company during the financial year 2022-23 as required to be given under Section 135 of the Act read with Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 has been provided as an **Annexure - 4** to this Report.

## MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There are no material changes and commitments that have occurred between the end of the financial year of the Company to which the financial statements relate and the date of this report which may affect the financial position of the Company.

## RISK MANAGEMENT

The Board of Directors at its meeting held on August 20, 2020 had constituted the Risk Management Committee. The details about the composition of Risk Management Committee and number of meetings held are given in the Corporate Governance Report. Further, Pursuant to Section 134(3)(n) of the Companies Act, 2013 and Regulation 17(9) of SEBI (LODR) Regulations, 2015, the Company has formulated and adopted a Risk Management Policy.

The Company has in place a mechanism to identify, assess, monitor and mitigate various risks to key business objectives. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis.

Our internal control encompasses various managements systems, structures of organisation, standard and code of conduct which all put together help in managing the risks associated with the Company. In order to ensure the internal controls systems are meeting the required standards, it is reviewed at periodical intervals. If any weaknesses are identified in the process of review the same are addressed to strengthen the internal controls which are also revised at frequent intervals.

There are no risks which in the opinion of the Board threaten the existence of the Company. However, some of the risks which may pose challenges are set out in the Management Discussion and Analysis which forms part of this Annual Report.

## VIGIL MECHANISM / WHISTLE-BLOWER POLICY FOR DIRECTORS AND EMPLOYEES.

The Company has formulated a comprehensive Whistle-blower Policy in line with the provisions of Section 177(9) and Section 177(10) of the Companies Act, 2013 with a view to enable the stakeholders, including Directors, individual employees to freely communicate their concerns about illegal or unethical practices and to report genuine concerns to the Audit Committee of the Company. The mechanism provides adequate safeguards against victimisation of Directors or employees who avail of the mechanism. The Vigil Mechanism has been placed in the website of the Company at <https://www.kalyanjewellers.net/images/investors-new/pdf/corporate-governance/policies/Whistle%20Blower%20Policy.pdf>

## DISCLOSURES AS PER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

Your Company has adopted a policy against sexual harassment in line with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules framed thereunder. The Company has constituted an Internal Complaints Committee for the redressal of complaints on sexual harassment. During the year, the Company had not received any complaint on sexual harassment and no complaint was pending as on March 31, 2023.

## DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (31 OF 2016) DURING THE FINANCIAL YEAR

There is no application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the financial year 2022-23.

## SIGNIFICANT AND MATERIAL ORDERS

There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

## CREDIT RATING

During the year under review, ICRA Limited, a credit rating agency registered with SEBI had issued a rating of A+ stable for the long-term loan term facilities and A2+ for long-term/short-term fund based loans.

## ANNUAL RETURN

Pursuant to the amendments to Section 134(3)(a) and Section 92(3) of the Act read with Rule 12 of the Companies (Management and Administration) Rules, 2014, the Annual Return (Form MGT-7) for the financial year ended March 31, 2023, is available on the Company's website and can be accessed at <https://www.kalyanjewellers.net/investors/annual-report/annual-returns.php>

## RELATED PARTY TRANSACTIONS

All related party transactions which were entered during the Financial Year were in the ordinary course of business and on an arm's length basis. All the Related Party Transactions are placed before the Audit Committee for prior approval, as required under the Act and Listing regulations. A statement of all Related Party Transactions is placed before the Audit Committee for its review on a quarterly basis. The Company has not entered into material contracts or arrangements or transactions with related parties in accordance with Section 188 of the Act read with the Companies (Meetings of Board and its Powers) Rules, 2014. There were no materially significant Related Party Transactions made by the Company during the year that would have required shareholders' approval under the Listing Regulations.

Accordingly, the disclosure of related party transactions as required under Section 134(3)(h) of the Companies Act, 2013, in Form AOC-2 is not applicable. Members may refer to notes to the Standalone Financial Statements which sets out related party disclosures pursuant to Ind AS-24.

The Company has adopted policy on Related Party Transactions and can be accessed on the Company's website at <https://www.kalyanjewellers.net/images/investors-new/pdf/corporate-governance/policies/Policy%20on%20Related%20Party%20Transactions%202022.pdf>

## PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

Details of loans, guarantees and investments covered under the provisions of Section 186 of the Act are given in the notes to the financial statements.

## DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE-TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF DURING THE FINANCIAL YEAR.

Not Applicable

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

### a) Conservation of Energy

In its endeavours towards conservation of energy your Company ensures optimal use of energy, avoid wastages and endeavours to conserve energy as far as possible.

### b) Technology Absorption

Your Company has not carried out any research and development activities during the year.

### c) Foreign Exchange Earnings and Outgo

During the year, your Company's foreign exchange earnings were ₹106.28 million and foreign exchange outgo was ₹83.05 million.

## SUBSIDIARIES/ JOINT VENTURE/ ASSOCIATE COMPANY

The Company had the following subsidiaries as on March 31, 2023.

Sl. No.	Name of the Subsidiaries/ Joint Venture/ Associate Company	Relationship
1	Enovate Lifestyles Private Limited	Direct Subsidiary
2	Kalyan Jewellers, INC., USA	Direct Subsidiary
3	Kalyan Jewellers FZE, UAE	Direct Subsidiary
4	Kalyan Jewellers LLC, UAE	Subsidiary
5	Kenouz Al Sharq Gold Ind. LLC, UAE	Subsidiary
6	Kalyan Jewellers LLC, Oman;	Subsidiary
7	Kalyan Jewellers For Golden Jewellery Company, W.L.L., Kuwait	Subsidiary
8	Kalyan Jewellers LLC, Qatar	Subsidiary
9	Kalyan Jewellers Bahrain W.L.L., Bahrain	Subsidiary

The highlights of the performance of Subsidiaries/ Joint Ventures/ Associates and their contribution to the overall performance of the Company are included as part of this Annual Report.

Pursuant to Section 129 (3) of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules, 2014, a statement containing salient features of the financial statements of the Company's Subsidiaries and Associate Company in Form No. AOC-1 is attached to this report as **Annexure - 5**. Further, pursuant to the provisions of Section 136 of the Act, the financial statements of the Company, consolidated financial statements along with relevant documents and separate audited financial statements in respect of subsidiaries, are available on the Company's website on <https://www.kalyanjewellers.net/investors/annual-report/subsidiary-annual-reports.php>

## BOARD MEETINGS

During the year under review, five Board meetings were held, details of which are provided in the Corporate Governance Report.



## DIRECTORS

The Board of the Company is duly constituted. None of the directors of the Company is disqualified under the provisions of the Act or the Listing Regulations. The Board of Directors of the Company comprises of ten directors, of which three are Executive and seven are Non-Executive Directors, including five independent directors, one Non-Executive Director and one Nominee Director. The composition of the Board of Directors is in compliance with the provisions of Section 149 of the Companies Act, 2013.

During the FY2022-23 the shareholders of the Company at the 14<sup>th</sup> AGM held on September 22, 2022 had approved the appointment of Mr. Vinod Rai (DIN: 00041867) as Non-Executive Independent Director and Chairman of the Company w.e.f. July 1, 2022. The shareholders of the Company had approved the reappointment of Ms. Kishori Udeshi (DIN: 01344073) as an Independent Director for a second term of three years w.e.f. January 17, 2023 till January 16, 2026 and also approved the continuation of Directorship of Mr. T. S. Anantharaman (DIN: 00480136), as an Independent Director from the day he attains the age of 75 years till the expiry of his current tenure of appointment i.e. up to December 14, 2023.

Mr. M. Ramaswamy is ceased to be an Independent Director of the Company upon completion of his second term of 2 (Two) consecutive years at the close of business hours on March 27, 2023.

In accordance with the provisions of the Act and Articles of Association of the Company, Mr. T. K. Ramesh (DIN: 01021868), Executive Director, retire by rotation and being eligible, offer himself for reappointment at the ensuing AGM. Their appointment details are placed for approval of the members and form part of the notice of the 15<sup>th</sup> AGM. The information about the Director seeking his reappointment as per Para 1.2.5 of Secretarial Standards on General Meetings and Regulation 36(3) of the Listing Regulations has been given in the notice convening the 15<sup>th</sup> AGM.

There were no other changes in the composition of the Directors of the Company during the year.

The list of directors of the Company is provided below.

Sl. No.	Name of the Director	Designation
1	Vinod Rai	Chairman & Independent Director
2	T. S. Kalyanaraman	Managing Director
3	T. K. Seetharam	Whole Time Director
4	T. K. Ramesh	Whole Time Director
5	Anish Saraf	Non-Executive Nominee Director
6	M. Ramaswamy	Independent Director (up to March 27, 2023)
7	A. D. M. Chavali	Independent Director
8	Kishori Udeshi	Independent Director
9	T. S. Anantharaman	Independent Director
10	Anil S. Nair	Independent Director
11	Salil Nair	Non-Executive Director

Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the Listing Regulations, Mr. V. Ramkumar Practicing Company Secretary, Coimbatore has certified that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India/Ministry of Corporate Affairs or any such statutory authority and the certificate forms part of this Annual Report and is given as **Annexure – 6**.

## KEY MANAGERIAL PERSONNEL

Pursuant to Section 2(51) and 203 of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the following are the Key Managerial Personnel of the Company:

1	T. S. Kalyanaraman	Managing Director
2	T. K. Seetharam	Whole Time Director
3	T. K. Ramesh	Whole Time Director
4	Sanjay Raghuraman	Chief Executive Officer
5	Swaminathan V.	Chief Financial Officer
6	Jishnu R. G.	Company Secretary

The remuneration and other details of these Key Managerial Personnel for FY2022-23 are provided in the Annual Return which is available on the website of the Company.

## MEETING OF INDEPENDENT DIRECTORS

In terms of requirements under Schedule IV of the Companies Act, 2013 and Regulation 25 (3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a separate meeting of the Independent Directors was held on March 14, 2023. The Independent Directors at the meeting, *inter alia*, reviewed the following.

- Performance of Non-Independent Directors and Board as a whole.
- Performance of the Chairman of the Company, taking into account the views of Executive Directors and Non-Executive Director.
- Assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.
- Assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

All the Independent Directors of the Company have registered themselves with the Indian Institute of Corporate Affairs ('IICA') towards the inclusion of their names in the data bank and they meet the requirements of proficiency self-assessment test. The Company has received declarations of independence in accordance with the provisions of the Act as well as the LODR Regulations from all the Independent Directors.

## FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS

The Company has adopted a familiarisation programme for Independent Directors with an objective of making the Independent Directors of the Company accustomed with the business and operations of the Company through various structured orientation programme. The familiarisation programme also intends to update the Directors on a regular basis on any significant changes therein so as to be in a position to take well informed and timely decision.

The details of the familiarisation programme undertaken have been uploaded on the Company's website and can be accessible at <https://www.kalyanjewellers.net/investors/corporate-governance/familiarization-programs.php>

## ADEQUACY OF INTERNAL CONTROLS AND COMPLIANCE WITH LAWS

The Company has in place adequate internal financial controls with reference to financial statements. During the year under review, such controls were tested and no reportable material weakness in the design or operation were observed.

## PUBLIC DEPOSITS

The Company has not accepted any deposits falling within the meaning of Section 73 or 74 of the Act read with the Companies (Acceptance of Deposits) Rules, 2014 during the financial year and as such, no amount on account of principal or interest on deposits from public was outstanding as of March 31, 2023.

## SECRETARIAL STANDARDS

The Company has complied with the applicable provisions of Secretarial Standards 1 and 2 issued by the Institute of Company Secretaries of India and notified by Ministry of Corporate Affairs.

## AUDIT COMMITTEE AND OTHER BOARD COMMITTEES

The details pertaining to the composition of the Audit Committee and its role and details of other committees of the Company are included in the Corporate Governance Report, which is a part of this Annual Report.

## DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS UNDER DIRECTORS (12) OF SECTION 143 OTHER THAN THOSE WHICH ARE REPORTABLE TO THE CENTRAL GOVERNMENT

The Statutory Auditors of the Company have not reported any fraud as specified under the second proviso of Section 143(12) of the Act (including any statutory modification(s) or re-enactment(s) for the time being in force).

## EMPLOYEE STOCK OPTION SCHEMES

The Company had implemented an employee stock option plan namely 'Kalyan Jewellers India Limited Employee Stock Option Plan 2020' and an employee stock purchase scheme namely 'Kalyan Jewellers India Limited-Employee Stock Purchase Scheme 2020' vide members' special resolution dated 20/08/2020 prior to its initial public offer, with the objectives to motivate the key work force seeking their contribution to the corporate growth, to create an employee ownership culture, to attract new talents and to retain them for ensuring sustained growth. In terms of Regulation 12(1) of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 ("SEBI SBEB Regulations"), any fresh grant of Options or issue of Shares can be made only if the Employee Benefit Schemes are in compliance with the SEBI SBEB Regulations and are ratified by the members of the Company. Accordingly, the Employee Benefit Schemes were ratified by the members at the Annual General Meeting held on September 23, 2021.

Further, The Company has neither granted any employee stock option nor issued any Share under these schemes as on March 31, 2023.

## PERFORMANCE EVALUATION OF BOARD AND ITS COMMITTEES

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as per Guidance Note on Board Evaluation issued by SEBI on January 5, 2017, the Board has carried out annual performance evaluation of its own performance, the Directors individually as well as evaluation of the working of its Committees on March 14, 2023.

## REMUNERATION POLICY

The Company has, on the recommendation of the Nomination & Remuneration Committee, framed and adopted a Nomination and Remuneration Policy in terms of the Section 178 of the Act. The policy, *inter alia*, lays down the principles relating to appointment, cessation, remuneration and evaluation of directors, key managerial personnel and senior management personnel of the Company. The Nomination & Remuneration Policy of the Company is available on the website of the Company at <https://www.kalyanjewellers.net/images/investors-new/pdf/corporate-governance/policies/Nomination%20&%20Remuneration%20Policy.pdf>

## NON-EXECUTIVE DIRECTORS' COMPENSATION AND DISCLOSURES:

None of the Independent/Non-Executive Directors have any pecuniary relationship or transactions with the Company which in the Judgement of the Board may affect the independence of the Directors.





## AUDITORS AND AUDITORS REPORTS

### Statutory Auditors

The shareholders of the Company at the 11<sup>th</sup> Annual General Meeting (AGM) held on September 30, 2019, appointed M/s. Deloitte Haskins & Sells LLP, Chartered Accountants, (Firm Registration No 117366W/W-100018) 7<sup>th</sup> Floor, Times Square, Door No. 62, A. T. T. Colony Road, Coimbatore - 641 018 as the statutory auditors of the Company to hold office from the conclusion of 11<sup>th</sup> AGM till the conclusion of the 16<sup>th</sup> AGM of the Company.

### Secretarial Auditors

The Board of Directors, pursuant to the provisions of Section 204 of the Companies Act, 2013, appointed Mr. V. Ramkumar FCS No.: 8304, Certificate of Practice No.: 3832, Company Secretary in Practice, as the Secretarial Auditor of the Company, to carry out the Secretarial Audit for the Financial Year 2022-23. Secretarial Audit Report, issued by the Secretarial Auditor in Form No. MR-3 forms part of this Report and is annexed herewith as **Annexure - 7**. The Company has undertaken an audit for the Financial Year ended March 31, 2023 for all applicable compliances as per the Regulation 24A of the Listing Regulations and Circulars/Guidelines issued thereunder. The Annual Secretarial Compliance Report to be issued by Mr. V. Ramkumar will be submitted to the Stock Exchanges as per the Listing Regulations.

### Cost Auditors

Your Company is not required to maintain cost records as specified under Section 148 of the Act and is not required to appoint Cost Auditors.

### AUDITOR'S REPORT AND SECRETARIAL AUDITOR'S REPORT

There are no disqualifications, reservations, adverse remarks or disclaimers in the auditor's report and secretarial auditor's report.

### INTERNAL AUDITORS

M/s. Balaram & Nandakumar, Chartered Accountants, Thrissur performs the duties of Internal Auditors of the Company and their report is reviewed by the Audit Committee quarterly.

### DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Act, the Board of Directors, to the best of its knowledge and ability, confirm that.

- In the preparation of the annual accounts, the applicable accounting standards have been followed and there are no material departures;
- They have selected such accounting policies and applied them consistently and made judgements 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 of the Company for that period;

- They have taken proper and sufficient care for the 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 fraud and other irregularities
- They have prepared the annual accounts on a going concern basis;
- They have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively;
- They have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, the work performed by the internal, statutory and secretarial auditors and external consultants, including the audit of internal financial controls over financial reporting by the statutory auditors and the reviews performed by management and the relevant board committees, including the audit committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during FY 2022-2023.

### BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

Pursuant to Regulation 34(2)(f) of the Listing Regulations, the initiatives taken by the Company from an environmental, social and governance perspective for the Financial Year 2022-23 has been given in the Business Responsibility and Sustainability Report (BRSR) as per the format specified by SEBI Circular no. SEBI/HO/CFD/CMD2/P/CIR/2021/562 dated May 10, 2021 which forms part of this report as **Annexure - 8**.

### PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

Particulars of employees covered by the provisions of Section 197 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is given as **Annexure - 9** to this Report. In terms of provisions of Section 197(12) of the Companies Act, 2013 and Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing names of the employees drawing remuneration and other particulars, as prescribed in the said Rules forms part of this report. However, in terms of first proviso to Section 136(1) of the Act, the Annual Report excluding the aforesaid information, is

being sent to the members of the Company. The said information is available for inspection at the Registered Office of the Company during working hours and any member who is interested in obtaining these particulars may write to the Company Secretary of the Company.

During the year, the Company had no employee who was employed throughout the FY or part thereof and was in receipt of remuneration, which in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the Managing Director or Whole Time Director or Manager and holds by himself or along with his spouse and dependent children, not less than 2% of the equity shares of the Company.

### CODE OF PRACTICES AND PROCEDURES FOR FAIR DISCLOSURE OF UNPUBLISHED PRICE SENSITIVE INFORMATION

The Board has formulated Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information ("Fair Disclosure Code") for fair disclosure of events and occurrences that could impact price discovery in the market for the Company's securities and to maintain the uniformity, transparency and fairness in dealings with all stakeholders and ensure adherence to applicable laws and regulations. The copy of the same is available on the website of the Company at <https://www.kalyanjewellers.net/images/investors-new/pdf/corporate-governance/policies/Kalyan%20Jewellers%20Policy%20for%20fair%20disclosure%20of%20UPLI.pdf>

### STATEMENT REGARDING OPINION OF THE BOARD WITH REGARD TO INTEGRITY, EXPERTISE AND EXPERIENCE (INCLUDING THE PROFICIENCY) OF THE INDEPENDENT DIRECTORS APPOINTED DURING THE YEAR

In the opinion of Board of Directors of the Company, Independent Directors on the Board of Company hold highest standards of integrity and are highly qualified, recognised and respected individuals in their respective fields. It's an optimum mix of expertise (including financial expertise), leadership and professionalism.

### CEO / CFO CERTIFICATION

As required under Regulation 17(8) of the Listing Regulations, the CEO and CFO of the Company have certified the accuracy of the Financial Statements and adequacy of Internal Control Systems for financial reporting for the year ended March 31, 2023. The certificate is given in **Annexure - 10**.

### DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT:

The Code of Conduct of the Company aims at ensuring consistent standards of conduct and ethical business practices across the Company. This Code is available on the website of the Company at web link

<https://www.kalyanjewellers.net/images/investors-new/pdf/corporate-governance/policies/Code%20of%20conduct%20for%20the%20Board%20of%20directors%20and%20the%20senior%20management.pdf>

Pursuant to the Listing Regulations, a confirmation from the Managing Director regarding compliance with the Code by all the Directors and senior management of the Company is given in **Annexure - 11**.

### PREVENTION OF INSIDER TRADING

The Board has formulated code of conduct for regulating, monitoring and reporting of trading of shares by Insiders. This code lays down guidelines, procedures to be followed and disclosures to be made by the insiders while dealing with shares of the Company and cautioning them on consequences of non-compliances. The copy of the same is available on the website of the Company at <https://www.kalyanjewellers.net/images/investors-new/pdf/corporate-governance/policies/Code%20of%20Conduct%202022.pdf>

### GREEN INITIATIVES

In commitment to keep in line with the Green Initiatives and going beyond it, electronic copy of the Notice of 15<sup>th</sup> Annual General Meeting of the Company including the Annual Report for FY2022-23 are being sent to all Members whose e-mail addresses are registered with the Company/Depository Participant(s).

### ACKNOWLEDGEMENTS

Your Directors wish to place on record their appreciation of the support which the Company has received from its promoters, shareholders, lenders, business associates, vendors, customers, media the employees and other stakeholders of the Company.

For and on behalf of the Board of Directors

**T. S. Kalyanaraman**  
Managing Director  
DIN: 01021928

**T. K. Seetharam**  
Whole time Director  
DIN 01021898

**T. K. Ramesh**  
Whole time Director  
DIN 01021868

Place: Thrissur  
Date: May 15, 2023

**Annexure - 2****Report on Corporate Governance**

[Pursuant to Part C of Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

The Directors present the Company's Report on Corporate Governance for the financial year 2022-23. This report elucidates the systems and processes followed by the Company to ensure compliance of corporate governance requirements under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations") and the Companies Act, 2013 ("Act").

**CORPORATE GOVERNANCE PHILOSOPHY**

Kalyan Jewellers India Ltd., has always been committed to the system by which the business is conducted on the principle of good corporate governance. The culture of good corporate governance is followed at all stages in conducting the business. Your Company's Corporate Governance philosophy is based on transparency, accountability, values, and ethics, which forms an integral part of the Management's initiative in its ongoing pursuit towards achieving excellence, growth, and value creation. Your Company is committed to highest standards of Corporate Governance and disclosure practices to ensure that its affairs are managed in the best interest of all stakeholders. The governance philosophy of the Company is not limited to confirming of compliance of laws, but is a blend of both legal and management practices to embed the same in the decision-making process. The Company always endeavours to align the practices in line with the changing business environment and confirms that the interest of all stakeholders are safeguarded could successfully take the various stakeholders in its journey and reach newer heights.

**BOARD OF DIRECTORS AND GOVERNANCE FRAMEWORK****Composition of the Board and Profile of the Directors**

The present composition of the board is in compliance with the requirements of Regulation 17 (1) of the Listing Regulations. The Board of Directors (the Board) of the Company comprises of an optimum mix of Executive and Non-Executive Directors, with fifty percent of the board as Independent Directors. The Board, as on March 31, 2023, comprises ten Directors, which includes five Independent Directors, three Executive Directors, and two Non-Executive Directors (one of which is a Nominee Director). Mr. Vinod Rai, the Chairman of the Board of Directors of the Company is an Independent Director.

In terms of the provisions of the Act, and the Listing Regulations, the Directors of the Company submit necessary disclosures regarding the positions held by them on the Board and/or the Committees of other companies with changes therein, if any, on a periodical basis. On the basis of such disclosures, it is confirmed

that as on March 31, 2023, none of the Directors on the Board holds Directorship position in more than 20 (twenty) companies [including 10 (ten) public limited companies and 7 (seven) listed companies]; holds Executive Director position and serves as an Independent Director in more than 3 (three) listed companies; and is a member of more than 10 (ten) Committees (Audit Committee and the Stakeholders Relationship Committee) and/or Chairperson of more than 5 (five) Committees (Audit Committee and the Stakeholders Relationship Committee) across all the Indian Public Limited Companies in which he/she is a Director pursuant to Regulation 26 of the Listing Regulations.

The Board is of the opinion that Independent Directors fulfil conditions specified under the Listing Regulations and are independent of the management of the Company.

**The profiles of the directors are given below.**

**Mr. Vinod Rai** is the Non-Executive Independent Chairman of the Company and has been on the Board of Kalyan Jewellers India Limited since 2022. Mr. Vinod Rai is the former Comptroller and Auditor General of India and former chair of the United Nations Panel of External Auditors. Mr. Vinod Rai has held various positions within the Indian government as well as in the state government of Kerala. Mr. Vinod Rai has been instrumental in many reforms in India, including in overhauling the administrative structure of Indian railways, which includes introducing accrual accounting. He was also Chairman of the Banks Board Bureau, a body set up by the Indian government to reform public banking in India. He has served as a director on the boards of a range of financial institutions, including ICICI Bank, the State Bank of India and the Life Insurance Corporation of India, and is a distinguished visiting research fellow at the Institute of South Asian Studies, National University of Singapore. Mr. Vinod Rai has Master's degrees from the University of Delhi and from Harvard University.

**Mr. T. S. Kalyanaraman** is the Managing Director of the Company. He has been working with the Company since its inception and has been associated with the brand 'Kalyan Jewellers' since 1993. He completed his bachelor's in commerce from University of Calicut and has over 46 years of retail experience, of which over 30 years is in the jewellery industry.

**Mr. T. K. Seetharam** is a Promoter and a whole-time Director of the Company He has been working with the Company since its inception and has been associated with the brand 'Kalyan Jewellers' since 1998. He has qualified as a master of business administration from Bharathiar University, Coimbatore. He has also completed the 'Executive Programme in Leadership:

The Effective Use of Power' course from Stanford University. He has approximately 24 years of experience in the jewellery industry.

**Mr. T. K. Ramesh** is a Promoter and a whole-time Director of the Company He has been working with the Company since its inception and has been associated with the brand 'Kalyan Jewellers' since 2000. He has completed his master's degree in commerce at Karnataka State University. He has approximately 22 years of experience in the jewellery industry.

**Mr. Salil Nair** is a Non-Executive Director of the Company and has been on the Board of Kalyan Jewellers India Limited since 2020. He has completed his master's degree in science at Meerut University. He has approximately -25 years of experience in the retail industry. He has previously acted as Chief Executive Officer of Shoppers Stop Limited.

**Mr. Anish Kumar Saraf** is a Non-Executive, Nominee Director nominated by Highdell and has been on the Board of Kalyan Jewellers India Limited since 2018. He is a qualified chartered accountant and holds a post graduate diploma in management from the Indian Institute of Management, Ahmedabad. He is associated with Warburg Pincus India Private Limited since 2006 where he currently holds the position of Managing Director.

**Mr. A. D. M. Chavali** is an Independent Director of the Company and has been on the Board of Kalyan Jewellers India Limited since 2016. He holds a master of science degree in mathematics from Andhra University. Mr. Chavali has over -31 years of experience in the banking sector and has served in various capacities in prestigious financial institutions, including, as a General Manager of Bank of Baroda and as an Executive Director of Indian Overseas Bank. He retired from Indian Overseas Bank as an Executive Director in the year 2014. Mr. Chavali has also acted as a nominee director of Bank of Baroda, Central Depository Services (India) Limited and The Clearing Corporation of India Limited. In January 2020, he was appointed as a member of the advisory board for Banking and Financial Frauds by the Central Vigilance Commission.

**Mr. T. S. Anantharaman** is an Independent Director of the Company. He has been on the Board of Kalyan Jewellers India Limited since 2018. He has been appointed as a director of Kalyan Jewellers FZE and Kalyan Jewellers LLC UAE, the material subsidiaries of the Company in terms of Regulation 24 of the SEBI Listing Regulations, with effect from August 3, 2020. Mr. T. S. Anantharaman holds a bachelor of commerce degree from University of Kerala. He was admitted as an associate member of the Chartered Management Institute, formerly known as the British Institute of Management on June 22, 1976 and as a fellow of the Institute of Chartered Accountants of India on July 31, 1974. He has several years of experience in various sectors, such as banking and teaching management and accounting.

**Ms. Kishori Udeshi** is an Independent Director of the Company. She has been on the Board of Kalyan Jewellers India Limited since 2018. She holds a master's degree in arts with specialisation in economics from the Bombay University. She has several years of experience in policy and banking sectors. During the course of her career, Ms. Udeshi has held prestigious positions with various institutions and government bodies. She was the first woman Deputy Governor of the RBI and a director of the RBI to be nominated on the board of directors of the State Bank of India. As the Deputy Governor of the RBI, she was also on the board of directors of SEBI, NABARD, Exim Bank and has acted as the chairman of the Bharatiya Reserve Bank Note Mudran Private Limited. Ms. Udeshi was also appointed by the RBI to act as the Chairman of the Banking Codes and Standards Board of India. Ms. Udeshi has also acted as the chairman of the Deposit Insurance and Credit Guarantee Corporation. Presently, she serves as a member (as appointed by the Government of India) of the Financial Sector Legislative Reforms Commission.

**Mr. Anil S. Nair** is an Independent Director of the Company and has been on the Board of Kalyan Jewellers India Limited since 2020. He has completed his bachelor's degree in arts at the University of Kerala. He has over 20 years of experience in the field of advertising. During the course of his career, he has held various positions such as CEO & Managing Partner of Law & Kenneth Saatchi & Saatchi Pvt Limited and Vice President (Branch Head, Mumbai) at Quadrant Communications Limited.



**Attendance of Directors at Board Meetings during the financial year ended March 31, 2023 and at the last Annual General Meeting, outside directorships and board committee memberships and number of shares held as on March 31, 2023:**

Name	Composition and Category	Number of Directorships held in public limited Companies	No. of Board Meetings attended during the financial year ended March 31, 2023	Names of the other listed entities where the person is a director and the category of directorship	No. of Committee Memberships in Other Public Limited Companies	Attended last AGM held on September 22, 2022	No. of Shares held
Mr. Vinod Rai	Chairman, Non-Executive Independent Director	4	4	Apollo Tyres Limited - Non-Executive Independent Director	1	Yes	Nil
Mr. T. S. Kalyanaraman	Promoter, Executive Director	1	5	Nil	Nil	Yes	21,56,89,376
Mr. T. K. Seetharam	Promoter, Executive Director	1	5	Nil	Nil	Yes	18,60,64,242
Mr. T. K. Ramesh	Promoter, Executive Director	1	5	Nil	Nil	Yes	18,60,64,242
Mr. Salil Nair	Non-Executive Director	1	4	Nil	Nil	Yes	12,500
Mr. Anish Saraf	Non-Executive Nominee Director	5	5	Medplus Health Services Ltd. - Non-Executive - Non-Independent Director	4	Yes	Nil
Mr. A. D. M. Chavali	Non-Executive Independent Director	2	5	Nil	1	Yes	Nil
Mr. T. S. Anantharaman	Non-Executive Independent Director	3	5	Nil	Nil	Yes	Nil
Ms. Kishori Udeshi	Non-Executive Independent Director	7	5	Haldyn Glass Ltd., ION Exchange India Ltd., Thomas Cook India Ltd., Cartrade Tech Ltd. Non-Executive Independent Director	5	Yes	Nil
Mr. Anil S. Nair	Non-Executive Independent Director	1	5	Nil	Nil	No	Nil

For Committee memberships, the chairmanship and membership in Audit / Stakeholders Relationship Committee in all public limited companies, alone are considered. The Committee memberships of Directors are within the limits prescribed under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (herein after referred to as "Listing Regulations").

**Board qualifications, expertise and attributes**

The eligibility of a person to be appointed as a Director of the Company is dependent on whether the person possesses the requisite skill sets identified by the Board and whether the person is a proven leader in a business that is relevant to the Company's business or is a proven academician in the field relevant to the Company's business. The Board has adequate mix of skills, expertise and competencies for running the business of the Company as detailed below:

Name Of Director	Business Strategy	Sales and Marketing	Financial Expertise	Operations	Corporate Governance
Mr. Vinod Rai	√		√	√	√
Mr. T. S. Kalyanaraman	√	√		√	
Mr. T. K. Seetharam	√	√	√	√	
Mr. T. K. Ramesh	√	√		√	
Mr. Salil Nair	√	√		√	√
Mr. Anish Saraf	√		√		√
Mr. A. D. M. Chavali	√		√		√
Mr. T. S. Anantharaman	√		√		√
Ms. Kishori Udeshi	√		√		√
Mr. Anil S. Nair	√	√		√	√

**Dates of Board Meeting**

During the financial year ended March 31, 2023, five Board Meetings were held on May 11, 2022, August 4, 2022, November 10, 2022, February 7, 2023, March 31, 2023 and the gap between two meetings did not exceed one hundred and twenty days.

The Board of Directors periodically reviews reports regarding operations, capital expenditure proposals, statutory compliance and other required information as enumerated in Part A of Schedule II of the Listing regulations and as required under relevant provisions of the Companies Act, 2013.

The Company provides the facility to its Directors to attend the meetings through Video Conferencing (VC) or Other Audio-Visual Means (OAVM). All statutory and other matters of significant importance including information as mentioned in Part A of Schedule II to the Listing Regulations are tabled before the Board, to enable it to take appropriate decisions in both strategic and regulatory matters. The Board reviews compliances of all laws, rules, regulations on a quarterly basis. At the Board Meeting, members have full freedom to express their opinion and decisions are taken after detailed deliberations.

**Number of Shares and Convertible instruments held by Non-Executive Directors**

Mr. Salil Nair, Non-Executive Director of the Company was holding No. 12,500 equity shares of the Company as on March 31, 2023. There are no convertible instruments issued by the Company.

**Disclosure of Relationship between directors *inter se***

Mr. T. K. Seetharam & Mr. T. K. Ramesh Whole-time Directors of the Company are brothers and son of Mr. T. S. Kalyanaraman Managing Director of the Company. None of the other Directors are related to any Board Member.

**Meeting of the Independent Directors**

During the year under review, 1 (one) meeting of the Independent Directors of the Company as per the requirements of Schedule IV of the Companies Act, 2013 and Regulation 25 (3) of the SEBI (LODR), Regulations, 2015 was held on March 14, 2023. The Independent Directors *inter alia*, reviewed the performance of Non-Independent Directors, Board as a whole and Chairman of the Company, taking into account the views of Executive Directors and Non-Executive Directors. During the year, no Independent director has resigned before the expiry of his/her tenure.

**COMMITTEES OF THE BOARD**

Your Company's Board of Directors had constituted the following mandatory Committees to comply the requirements under the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 viz.:

- (i) Audit Committee; (ii) Nomination and Remuneration Committee; (iii) Stakeholders' Relationship Committee (iv) Corporate Social Responsibility Committee; and (v) Risk Management Committee.

**Audit Committee**

The powers, role and terms of reference of the Audit Committee covers the areas as mentioned under Regulation 18 of the Listing Regulations and Section 177 of the Companies Act, 2013, besides other terms as may be referred by the Board of Directors. These, *inter alia*, include oversight of Company's financial reporting process, internal financial controls, reviewing the adequacy of the internal audit function, reviewing with management the quarterly/annual financial statements before submission to the Board, recommending the appointment of statutory auditors and fixation of their remuneration, approval of related party transactions, evaluation of risk management systems etc.



The Company's Audit Committee consists of three Directors, of which two are Non-Executive Independent Directors. All the members of the Audit Committee have adequate knowledge in the areas of finance and accounting. The composition of and attendance at Audit Committee meetings are given below.

During the financial year 2022-23, the Audit Committee met eight times on April 26, 2022, May 11, 2022, July 5, 2022, August 4, 2022, November 10, 2022, December 7, 2022, February 7, 2023, March 16, 2023.

The composition and attendance of Audit Committee meetings are given below:

Sl. No.	Name of the Member	Category	No. of Audit Committee Meetings held	No. of Audit Committee Meetings attended
1	Mr. A. D. M. Chaval - Non-Executive Independent Director	Chairman	8	8
2	Mr. M. Ramaswamy - Non-Executive Independent Director	Member	8	8
3	Mr. Anish Saraf - Non-Executive Nominee Director	Member	8	8
4	Mr. T. S. Anantharaman# - Non-Executive Independent Director	Member	1	1

\* Ceased to be a member w.e.f. March 27, 2023

# appointed as the member w.e.f. February 7, 2023

Mr. Jishnu R. G. Company Secretary, is the Secretary of the Committee. Mr. T. K. Seetharam and Mr. T. K. Ramesh - Whole Time Directors of the Company are permanent invitees. The Chief Financial Officer, The Chief Executive Officer, Head of Internal Audit, Statutory Auditors, and other Executives, as considered appropriate, also attend the meetings by invitation. There has been no instance, where the Board has not accepted any recommendation of Audit Committee.

#### Nomination and Remuneration Committee

In accordance with Section 178 of the Companies Act, 2013 and Regulation 19 of the Listing Regulations, the terms of reference of the Committee include the following namely formulation of criteria for determining qualifications, positive attributes and independence of director, recommending to the Board a policy relating to remuneration of directors, key managerial personnel and other employees, formulation of criteria for evaluation of directors performance, devising a policy on Board diversity, identifying persons who are qualified to become directors and who may be appointed in senior management positions in accordance with the criteria laid down and recommend to the Board their appointment and removal and also recommend to the Board remuneration payable to Senior Management

During the financial year 2022-23, Nomination and Remuneration Committee met two times on June 3, 2022 and July 5, 2022.

The composition of and attendance of Nomination and Remuneration Committee meetings are given below:

Sl. No.	Name of the Member	Category	No. of Committee Meetings held	No. of Committee Meetings attended
1	Mr. M. Ramaswamy * - Non-Executive Independent Director	Chairman	2	2
2	Mr. Vinod Rai # - Non-Executive Independent Director	Member	Nil	Nil
3	Mr. ADM Chavali- Non-Executive Independent Director	Member	2	2
4	Mr. Anish Saraf - Non-Executive Nominee Director	Member	2	2

\* Ceased to be a Chairman and member of the committee w.e.f. March 27, 2023.

# appointed as the member w.e.f. February 7, 2023.

Mr. Jishnu R. G., Company Secretary, is the Secretary of the Committee.

#### Performance evaluation criteria for Independent Directors

In terms of Section 178 of the Act and Regulation 19 read with Schedule II to the SEBI LODR Regulations, 2015, the Nomination and Remuneration Committee has laid down the criteria for performance evaluation of the Board as a whole, its Committees and individual Directors. Based thereon, the evaluation was carried out by the Board. The criteria for performance evaluation forms part of the Nomination and Remuneration Policy of

the Company, which is placed on the Company's website at <https://www.kalyanjewellers.net/images/investors-new/pdf/corporate-governance/policies/Nomination%20&%20Remuneration%20Policy.pdf>

#### Pecuniary Relationship of Non-Executive Directors

The Company has no pecuniary relationship or transaction with its Non-Executive and Independent Directors other than payment of sitting fees to them for attending Board and committee meetings and commission as approved by members and Board for their invaluable services to the Company.

#### Remuneration to Non-Executive Directors for the financial Year 2022-23

The Non-Executive Directors of the Company (other than Nominee) are paid remuneration by way of sitting fees and Commission. The Company pays sitting fees of ₹1,00,000/- (Rupees One lakh only) per meeting for attending the Board Meetings.

The travel expenses for attending meetings of the Board of Directors or a Committee thereof, for site visits and other related expenses are borne by the Company, from time to time. In addition to the sitting fees, Commission, as approved by the Shareholders of the Company will also be paid to the Non-Executive Directors. The criteria for making payments to Non-Executive Directors are uploaded on the website of the Company and are accessible at <https://www.kalyanjewellers.net/images/investors-new/pdf/corporate-governance/policies/Criteria-for-making-payment-to-the-Non-Executive-Directors.pdf>

Details of remuneration paid/payable to the Non-Executive Directors for the financial year 2022-23 are as follows:

Sl. No.	Name	Designation	Total Sitting Fees FY2022-23 in million
1	Mr. Vinod Rai	Chairman & Non-Executive Independent Director	0.4
2	Mr. M. Ramaswamy	Non-Executive Independent Director	0.4
3	Mr. A. D. M. Chavali	Non-Executive Independent Director	0.5
4	Ms. Kishori Udeshi	Non-Executive Independent Director	0.5
5	Mr. Anil Nair	Non-Executive Independent Director	0.5
6	Mr. T. S. Anantharaman	Non-Executive Independent Director	0.5
7	Mr. Salil Nair	Non-Executive Director	0.4
8	Mr. Anish Saraf	Non-Executive Nominee Director	Nil

Apart from this the Non-Executive Independent Directors will also be paid with a Commission post approval of the shareholders of the Company in the following manner Mr. Vinod Rai 2.6 million, Mr. M. Ramaswamy 0.6 million, Mr. ADM Chavali 0.5 million, Ms. Kishori Udeshi 0.5 million, Mr. Anil Nair 0.5 million, Mr. T. S. Anantharaman 0.5 million and Mr. Salil Nair 0.5 million.

#### Details of remuneration paid to the Executive Directors for the financial year 2022-23 are as follows:

The remuneration paid/payable to the Executive Directors are in accordance with the approval of the Board and shareholders and as per the Remuneration Policy of the Company.

Particulars	Details of remuneration (In Million)*		
	Mr. T. S. Kalyanaraman Managing Director	Mr. T. K. Seetharam Whole Time Director	Mr. T. K. Ramesh Whole Time Director
Basic Salary	60.64	60.64	60.64
Perquisites and others	Nil	Nil	Nil
Commission	Nil	Nil	Nil
ESOP	Nil	Nil	Nil
Incentive	Nil	Nil	Nil
<b>Total</b>	<b>60.64</b>	<b>60.64</b>	<b>60.64</b>

Mr. T. S. Kalyanaraman, Managing Director, Mr. T. K. Seetharam and Mr. T. K. Ramesh, Executive Directors have also received a yearly aggregate remuneration of AED 60,000 from Kalyan Jewellers FZE, the wholly-owned subsidiary of the Company in Middle east.

\*Note: The Managing Director & Executive Directors have voluntarily waived 50% of their approved remuneration FY2022-23.



### Service Contracts, Severance Fees and Notice Period

The tenure of the office of Managing Director and Whole Time Directors is 5 (five) years from respective dates of their appointment and the notice period for terminating the service contract of Managing Director and Whole Time Director is based on Company's HR Policy. Further, there is no separate provision for payment of severance fees. None of the Executive Directors had been granted any Employee Stock Options of the Company.

As required under the Listing Regulations, the Company has taken a Directors and Officers Liability Insurance (D&O) on behalf of all Directors including Independent Directors of the Company.

### Stakeholders' Relationship Committee

In compliance with Section 178(5) of the Companies Act, 2013 and Regulation 20 read with Part D of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Committee has been formed to specifically focus on the services to shareholders/investors.

During the financial year 2022-23, Stakeholders Relationship Committee met once on March 16, 2023.

The composition of and attendance at Stakeholders Relationship Committee meetings are given below:

Sl. No.	Name of the Member	Category	No. of Committee Meetings held	No. of Committee Meetings attended
1	Mr. T. S. Anantharaman Non-Executive Independent Director	Chairman	1	1
2	Mr. T. K. Seetharam Executive Director	Member	1	1
3	Mr. T. K. Ramesh Executive Director	Member	1	1

Mr. Jishnu R. G. is the Company Secretary and Compliance Officer of the Company, the Company Secretary is also Secretary to the Stakeholders Relationship Committee.

2 investor complaints were received during the financial year ended March 31, 2023. All the complaints were redressed and no complaints were pending at the year end.

### Risk Management Committee

In accordance with Regulation 21 of the Listing Regulations, the terms of reference of the Committee include the following namely formulation of detailed risk management policy, ensuring that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company, monitoring and overseeing implementation of the risk management policy, including evaluating the adequacy of risk management systems, periodically reviewing the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity recommendations and actions to be taken etc.

During the financial year 2022-23, the Risk Management Committee met on June 20, 2022, November 10, 2022 and January 18, 2023.

The composition and attendance at the Risk Management Committee meetings are given below:

Sl. No.	Name of the Member	Category	No. of Committee Meetings held	No. of Committee Meetings attended
1	Mr. Salil Nair - Non-Executive Director	Chairman	3	3
2	Mr. Anil Nair - Non-Executive Independent Director	Member	3	3
3	Mr. T. K. Seetharam - Executive Director	Member	3	3

### Corporate Social Responsibility (CSR) Committee

The composition and attendance of Corporate Social Responsibility Committee are given below:

The meetings of the CSR Committee were held on July 18, 2022, October 26, 2022, January 23, 2023 and March 24, 2023.

Sl. No.	Name of the Member	Category	No. of Committee Meetings held	No. of Committee Meetings attended
1	Mr. T. S. Kalyanaraman - Managing Director	Chairman	4	4
2	Mr. A. D. M. Chavali# - Non-Executive Independent Director	Member	4	1
3	Mr. M. Ramaswamy* - Non-Executive Independent Director	Member	4	4
3	Mr. T. K. Seetharam - Executive Director	Member	4	4

\* Ceased to be a member w.e.f. March 27, 2023

# appointed as the member w.e.f. February 7, 2023

The Company Secretary acts as the Secretary to the Committee.

### Details of the Annual General Meeting

Details of the Annual General Meeting(s) (AGM) of the Company held during the preceding three years are tabulated below:

Financial Year	Date	Time	Location
2019-20	August 17, 2020	11.00 a.m.	TC-32/204/2, Sitaram Mill Road, Punkunnam, Thrissur, Kerala - 680 002
2020-21	September 23, 2021	10.00 a.m.	Meeting held through Video Conferencing ("VC")/other Audio-Visual Means ("OAVM")
2021-22	September 22, 2022	11.30 a.m.	Meeting held through Video Conferencing ("VC")/other Audio-Visual Means ("OAVM")

The Extra Ordinary General Meetings held during the year 2022-23 is: NIL

Details of Special Resolutions passed in the previous three Annual General Meetings.

The following table illustrates the various special resolutions passed in the previous three Annual General Meeting of the Company.

Date of Annual General Meeting	Details of Special Resolutions passed if any
September 22, 2022	<ul style="list-style-type: none"> <li>Appointment of Mr. Vinod Rai (DIN: 00041867) as Chairman &amp; Non-Executive Independent Director of the Company.</li> <li>Continuation of Directorship of Mr. T. S. Anantharaman (DIN: 00480136), as Non-Executive Independent Director in terms of Regulation 17 (1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015</li> <li>Reappointment of Ms. Kishori Udeshi (DIN: 01344073) as an Independent Director for a second term of three (3) years.</li> <li>Payment of Commission to the Non-Executive Directors of the Company</li> </ul>
September 23, 2021	<ul style="list-style-type: none"> <li>Ratification of the Company ESOP / ESPS Schemes of the Company.</li> <li>Retention of right to appoint nominee Director.</li> </ul>
August 17, 2020	<ul style="list-style-type: none"> <li>Increase in authorised capital of the Company.</li> <li>Amendment to the Memorandum of Association of the Company for Increase in Authorised Share Capital.</li> <li>Approval for Initial Public Offer</li> <li>Increase in aggregate limit of Non-Resident Indian or Overseas Citizen of India.</li> <li>Increase in borrowing limits.</li> <li>Payment of Commission to Non-Executive Independent Directors.</li> <li>Revision of remuneration of Managing Director &amp; Executive Directors.</li> </ul>

No Extra Ordinary General Meetings were held during the year 2022-23.

**Postal Ballot**

No Postal Ballot was conducted during the year.

**MEANS OF COMMUNICATION****(a) Financial Results**

The quarterly and annual financial results were published in the leading English newspapers "Economic Times" and Malayalam newspaper "Deepika". The said results are promptly furnished to the Stock Exchanges for display on their respective websites and are also displayed on the Company's website.

**(b) Press Release/Analyst Call**

The official media releases and presentations made to Institutional Investors / Analysts and audio recordings of Analyst Calls and transcripts are posted on the Company's website.

**General Shareholder Information****a) Annual General Meeting:**

Date and Time: Saturday, August 12, 2023 at 11.30 a.m.

Venue: The Company is conducting meeting through Video Conference (VC)/Other Audio Visual Means (OAVM)

**b) Financial Year: April 1 to March 31.****c) Dividend payment date: Will be paid within 30 days from the date of approval at the 15<sup>th</sup> AGM.****Listing on Stock Exchanges:**

Shares of the Company are quoted on the National Stock Exchange of India Limited (NSE) and the BSE Ltd., since March 26, 2021.

Address of the Stock Exchanges are as follows.

BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001	National Stock exchange of India Limited Exchange Plaza, 5 <sup>th</sup> Floor, Plot No. C/1 G Block, Bandra-Kurla Complex, Bandra (East), Mumbai - 400 051
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Company's Equity Shares are traded in Group "A" category in BSE Limited.

Your Company has paid the annual listing fee to both the exchanges. The Company has also paid the custodial fees to the NSDL and CDSL as per the SEBI Circular IR/MRD/DP/05/2011 dated April 27, 2011 for the year 2022-23.

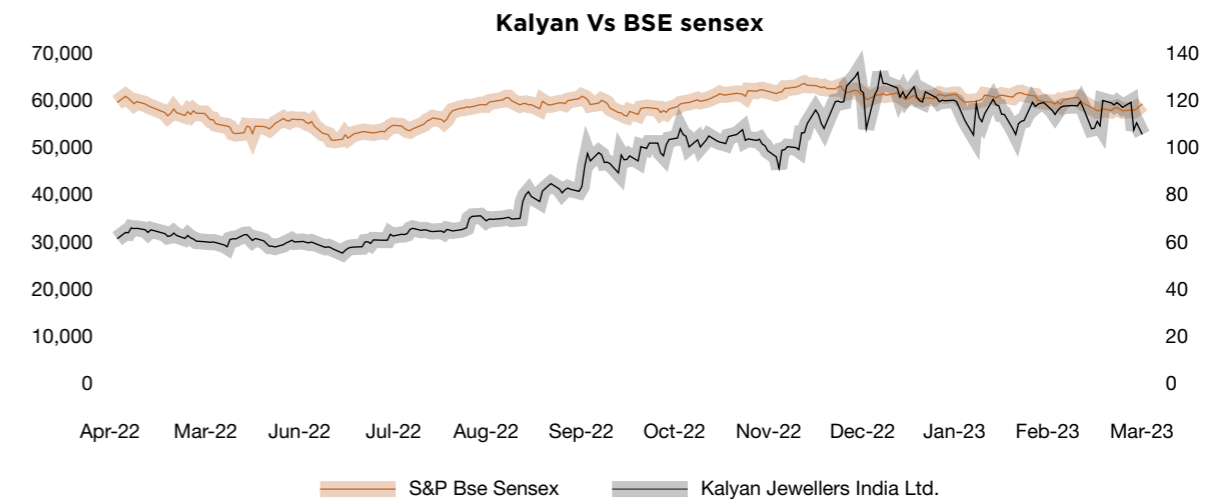
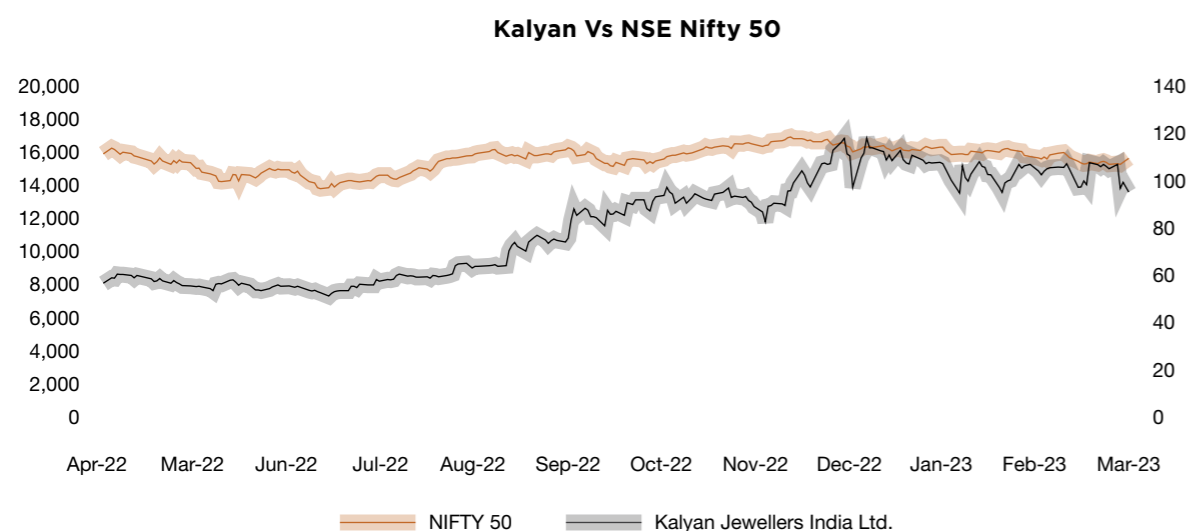
**Details of Stock code**

The stock codes of the Company at the Stock Exchanges are as follows:

BSE Ltd.: Scrip code: 543278  
The National Stock Exchange of India Limited Symbol: KALYANKJIL

Equity ISIN: INE303R01014

There was no suspension from trading in equity shares of the Company during the year 2022-23.

**Stock market price data- high, low during each month in last financial year****Registrar to an issue and share transfer agents**

The Company has appointed Link Intime India Private Limited as Registrar and Share Transfer Agent (RTA). Shareholders/ Investors/ Depository Participants are requested to send all their documents and communications pertaining to both physical and demat shares to the RTA at the following address:

**Link Intime India Private Limited**

Surya 35, Mayflower Avenue,  
Behind Senthil Nagar,  
Sowripalayam Road,  
Coimbatore - 641 28.  
Tel: 0422- 2314792  
E-mail ID: coimbatore@linkintime.co.in

**Share transfer system**

In terms of the Listing Regulations, securities of listed companies can only be transferred in dematerialised form with effect from April 1, 2019. In view of the same, the entire share capital of the Company is in dematerialised form. The shares can be transferred by shareholders through their Depository Participants

**Distribution of shareholding as on March 31, 2023:**

Sl. No.	Shares - Range		Number of Shareholders of the Company	% of Total Shareholders	Total Shares for the Range	% of Issued Capital
	From	To				
1	1	500	216,103	95.0697	20,699,890	2.01
2	501	1,000	5,620	2.4724	4,419,423	0.43
3	1,001	2,000	2,715	1.1944	4,057,159	0.39
4	2,001	3,000	872	0.3836	2,217,609	0.22
5	3,001	4,000	424	0.1865	1,532,730	0.15
6	4,001	5,000	427	0.1878	2,000,139	0.19
7	5,001	10,000	586	0.2578	4,344,849	0.42
8	10,001 and above		563	0.2477	990,781,258	96.19
<b>Total</b>			<b>227,310</b>	<b>100.00</b>	<b>1,030,053,057</b>	<b>100.00</b>

**Category-wise Shareholders as on March 31, 2023**

Category	No. of Shares held	% of shareholding
Body Corporates	531,033	0.88
Promoters and Relatives	623,744,492	60.55
Non-Resident	1,939,614	0.19
FII/Foreign Company	305,382,041	29.65
Mutual Funds	13,582,013	1.32
Public and Others	84,873,864	7.41
<b>Total</b>	<b>1,030,053,057</b>	<b>100</b>

**Dematerialisation of shares and liquidity**

99.9% of total equity capital is held in dematerialised form with NSDL and CDSL as on March 31, 2023.

**Outstanding global depository receipts or American depository receipts or warrants or any convertible instruments, conversion date and likely impact on equity shares as on March 31, 2023: Nil.****Commodity Price Risk or Foreign Exchange Risk and Hedging Activities**

The Company procures gold both through Gold Metal Loan facility from banks and other domestic open market purchases. The Company is exposed to price fluctuations on account of gold prices. The Group's intention is to utilise a combination of gold metal loan together with hedging instruments like Futures/Options on domestic as well as international commodity exchanges, to eventually maintain at most times a majoritarily hedged position with respect to



the Company's gold inventory as well as to manage the cash flow related risks associated with the Gold Metal Loan caused by Gold Metal price fluctuations, while at the same time affording flexibility to the management team to manage liquidity and other operational constraints. The metal loan also exposes the Group to risk of increase in Gold prices in both India and overseas and underlying foreign currency fluctuations in India. On case to case basis, the Group uses hedging instruments such as forward/option contracts to book forward gold rates and in certain cases, also its cash flows in functional currency in which the components of the Group operate. The other disclosures regarding commodity risks are detailed in the notes forming part of the financial statements of the Company.

#### Location of the Corporate Office

TC-32/204/2,  
Sitaram Mill Road, Punnamm  
Thrissur, Kerala - 680 002  
Corporate Identity Number: L36911KL2009PLC024641  
Registration Number: 024641

#### Address for correspondence

Mr. Jishnu R. G.  
Company Secretary and Compliance Officer  
E-mail: cs@kalyanjewellers.net  
Exclusive E-mail ID for purpose of registering Investor complaints is: [compliance@kalyanjewellers.net](mailto:compliance@kalyanjewellers.net)

#### OTHER DISCLOSURES

- a) No penalty or strictures have been imposed on the Company by any Stock Exchange or Securities and Exchange Board of India or any Statutory Authority on any matter related to capital markets during the last three years.
- b) There were no materially significant related party transactions that would have potential conflict with the interests of the Company at large. Details of related party transactions are given in the financial statements of the Annual Report
- c) A Whistle-Blower Policy is adopted by the Company, the whistle-blower mechanism is in vogue and no personnel has been denied access to the Audit Committee.
- d) Pursuant to the SEBI circular no. CIR/CFD/CMD1/27/2019 dated February 8, 2019, the Company has obtained an Annual Secretarial Compliance report from Mr. V Ramkumar Practising Company Secretary, Coimbatore, confirming compliance of SEBI Regulations/ Circulars/ Guidelines issued thereunder and applicable to the Company. There are no observations or adverse remarks in the said report. The report is available on the website of the Company at [www.kalyanjewellers.net](http://www.kalyanjewellers.net).
- e) The Company has not raised any funds through preferential allotment or qualified institutional placement as specified under Regulation 32 (7A) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

- f) During the year under review, the recommendations made by the different Committees have been accepted and there were no instances where the Board of Directors had not accepted any recommendation of the Committees.
- g) Details of information on appointment and reappointment of Directors forms part of the Notice convening the 15<sup>th</sup> Annual General Meeting.
- h) Total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the Statutory Auditors for the financial year ended March 31, 2023 is ₹ 43.92 million
- i) The Audit Committee reviews the financial statements of the unlisted subsidiary companies. The minutes of the Board Meetings of the unlisted subsidiary companies are placed at the Board meeting of the Company including statement of all significant transactions and arrangements entered into by the unlisted subsidiary companies. Your Company has formulated a policy on material subsidiary as required under Regulation 16 of the Listing Regulations and the policy is hosted on the website of the Company under the web link <https://www.kalyanjewellers.net/images/investors-new/pdf/corporate-governance/policies/Policy%20for%20Determining%20Material%20Subsidiary.pdf>

The Company has 9 subsidiaries including two material unlisted Subsidiaries as defined under Regulation 16 of the Listing Regulations. Accordingly, the corporate governance requirements as applicable with respect to material unlisted subsidiary has been complied with.

- (a) Details of the Company's material subsidiaries:
  - (a.1) Name: Kalyan Jewellers FZE  
Date of incorporation: July 15, 2013  
Place of incorporation: UAE  
Name of the Statutory Auditors: Deloitte & Touche (M.E.)  
Date of appointment of statutory auditors: April 1, 2014
  - (a.2) Name: Kalyan Jewellers LLC  
Date of incorporation: September 24, 2013  
Place of incorporation: UAE  
Name of the Statutory Auditors: Deloitte & Touche (M.E.)  
Date of appointment of statutory auditors: April 1, 2014
- j) All the requirements of corporate governance report of sub-paragraphs (2) to (10) Para C of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 has been duly complied with.
- k) The Company has fulfilled the discretionary requirements relating to the financial statements and the same are unqualified.

- l) Your Company has formulated a policy for determination of materiality of any event or information as required under Regulation 30 of the Listing Regulations and the policy is hosted on the website of the Company under the web link <https://www.kalyanjewellers.net/images/investors-new/pdf/corporate-governance/policies/Policy%20for%20Disclosure%20of%20Materiality.pdf>
- m) During FY 2022-23, neither the Company nor any of its subsidiaries have provided 'Loans and advances in the nature of loans' to firms/companies in which the directors are interested.
- n) As per the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the Company has constituted an Internal Complaints Committee. During the year,
  - a) number of complaints filed during the financial year - Nil
  - b) number of complaints disposed of during the financial year - Nil
  - c) number of complaints pending as on end of the financial year - Nil
- o) Disclosure with respect to demat suspense account/unclaimed suspense account: Not applicable

#### Adoption of discretionary requirements specified in Part E of Schedule II of the Listing Regulations.

The Company has adopted the following non mandatory requirements of Part E of Schedule II to the listing Regulations.

- The Chairperson of the Company is in Non-Executive Category.
- The Company's quarterly and half yearly results are published in the newspapers and also uploaded on its website: [www.kalyanjewellers.net](http://www.kalyanjewellers.net) and in Stock Exchange websites namely [www.connect2nse.com](http://www.connect2nse.com) and [listing.bseindia.com](http://listing.bseindia.com). Therefore, no individual communications are sent to the shareholders in this regard.
- The Independent firms of the Internal Auditors of the Company are directly reporting to the Audit Committee of the Board.
- There are no qualifications in the Auditors' Report on the accounts for the financial year ended March 31, 2023.

The Company is fully compliant with the Corporate Governance requirements as specified in Regulation 17 to 27 and clauses (b) to (i) of Sub-Regulation (2) of Regulation 46 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

For and on behalf of the Board of Directors

**T. S. Kalyanaraman**  
Managing Director  
DIN: 01021928

**T. K. Seetharam**  
Whole time Director  
DIN 01021898

**T. K. Ramesh**  
Whole time Director  
DIN 01021868

Place: Thrissur  
Date: May 15, 2023

**Annexure - 3****Certificate on Corporate Governance**

For the year ended 31/03/2023

To the Members of  
**KALYAN JEWELLERS INDIA LIMITED**

I have examined the compliance conditions of Corporate Governance by **KALYAN JEWELLERS INDIA LIMITED** ("the Company"), for the financial year ended March 31, 2023 as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in Listing Regulations.

My examination was limited to a review of the procedures and implementations thereof adopted by the Company for ensuring compliance with the conditions of Corporate Governance as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. It is neither an audit nor an expression of opinion on the financial statements of the Company.

Based on my examination of the relevant records and according to the information and explanations provided to me and the representations by the Management, I certify that the Company has complied with the conditions of Corporate Governance as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the financial year ended March 31, 2023.

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

Place: Coimbatore  
Date: May 15, 2023  
FCS No.: 8304/CoP No.: 3 832

**V. RAMKUMAR**  
Company Secretary in Practice  
FCS No.: 8304 / CoP No.:3832  
Peer Review No.: 732/2020

**Annexure - 4****Annual Report on Corporate Social Responsibility (CSR)****Activities**

[Pursuant to the Companies (Corporate Social Responsibility) Rules, 2014]

**1. BRIEF OUTLINE ON CSR POLICY OF THE COMPANY**

Kalyan Jewellers India Limited has been an early adopter of CSR initiatives. Over the past 25 years, Kalyan Jewellers has created a space for itself in the society not just as a retail brand, but also as a company that 'cares'. Kalyan Jewellers Corporate Social Responsibility endeavours aim to make a difference in the communities in which Kalyan has business presence. The CSR activities carried out by the Company are in accordance with the CSR Policy, as formulated by the CSR Committee and approved by the Board. The Company's contribution to social sector development includes pioneering interventions in the fields of education, health, financial literacy, rural development, eradication of poverty, environment conservation and the like. The CSR policy acts as a self-regulating mechanism for the Company's CSR activities by ensuring adherence to laws, ethical standards, and best practice.

**2. COMPOSITION OF THE CSR COMMITTEE**

Sl. No.	Name of the Director	Position	Category of Directors	No. of meetings of CSR committee held during the year	No. of meetings of CSR committee attended during the year
1	T. S. Kalyanaraman	Chairman	Managing Director	4	4
2	A. D. M. Chavali#	Member	Independent Director	4	1
3	M. Ramaswamy*	Member	Independent Director	4	4
4	T. K. Seetharam	Member	Whole Time Director	4	4

Mr. Jishnu R. G. is the Secretary to the CSR Committee

\* Ceased to be a member w.e.f. March 27, 2023  
# appointed as the member w.e.f. February 7, 2023

**3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the Company.****3.1 Composition of the CSR Committee:**

<https://www.kalyanjewellers.net/images/investors-new/pdf/corporate-governance/composition-of-board-committee/Composition%20of%20Board%20and%20Committees-13-02-2023.pdf>

**3.2 CSR Policy:**

<https://www.kalyanjewellers.net/images/investors-new/pdf/corporate-governance/policies/CSR%20Policy%20Version.pdf>

**3.3 Board Approved CSR Projects:**

<https://www.kalyanjewellers.net/investors/shareholder-information/corporate-social-responsibility.php>

**4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable:**

Not Applicable

- 5.** (i) Average net profits of the Company for the last three financial years ₹2,375.56 million.  
(ii) Two percent of the average net profit of the Company as per Section 135(5): ₹47.51 million.  
(iii) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: Nil  
(iv) Amount required to be set off for the financial year, if any ₹1.63 million.  
(v) Total CSR obligation for the financial year (5b+5c-5d) ₹45.88 million.





6. (i) Amount spent on CSR Projects (including actual spent (₹14.33 million) and amount transferred to unspent account for ongoing projects (₹33.50 million) (both Ongoing Project and other than Ongoing Project): ₹47.83 million
- (ii) Amount spent in Administrative Overheads: Nil
- (iii) Amount spent on Impact Assessment, if applicable: Nil
- (iv) Total amount spent for the Financial Year (i+ii+iii+iv): ₹47.83 million

Note: Amount of ₹29.03 million was spent during the FY2022-23 and amount of ₹18.80 million was transferred to the unspent CSR Account for the ongoing projects, as per Section 135(6). The total CSR spend during the FY2022-23 amounts to ₹47.83 million which includes the amount transferred to unspent CSR account for the ongoing projects.

#### 6 (e) CSR amount spent or unspent for the Financial Year

Total Amount spent for the financial year in million	Amount unspent in millions				
	Total Amount transferred to Unspent CSR Account as per Section 135(6)			Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5)	
	Amount	Date of Transfer	Name of the Fund	Amount	Date of Transfer
₹29.03 *	₹18.80	25/04/2023	Nil	Nil	Nil

\*(₹14.70 for ongoing and ₹14.30 for other than ongoing)

Note: The Company has identified an ongoing Project for which ₹33.50 million was allocated during the year. The entire amount was transferred to the implementing Agency Kalyan Jewellers Foundation as on March 31, 2023. However, the Company had utilised ₹32.80 million (₹18 million allocated in the last year and ₹14.70 million from the current year allocation) for the purchase of land for the ongoing multiyear project. The remaining unspent fund of ₹18.80 million was transferred to the Unspent CSR Account as per Section 135(6).

#### 6 (f) Excess amount for set off, if any

Sl. No.	Particulars	Amount
i	Two percent of average net profit of the Company as per Section 135(5)	47.51
ii	Total amount spent for the Financial Year	47.83
iii	Excess amount spent for the financial year [(ii)-(i)]	0.32
iv	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
v	Amount available for set off in succeeding financial years	0.32

#### 7. Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding financial year	Amount transferred to Unspent CSR Account under Section 135(6) of the Act	Balance Amount in Unspent CSR Account under Section 135(6) of the Act as on April 1, 2023	Amount spent in the reporting financial year	Amount transferred to any fund specified under Schedule VII as per Section 135(5) of the Act, if any		Amount remaining as on March 31, 2023 to be spent in succeeding financial years	Deficiency, if any
					Amount	Date of Transfer		
					1	2021-22		
2	2020-21	Nil	Nil	Nil	Nil	Nil	Nil	
3	2019-20	Nil	Nil	Nil	Nil	Nil	Nil	

#### 8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year

Yes, Asset-wise details are listed below.

Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pin code of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/ Authority/ beneficiary of the registered owner	
					CSR Registration Number, if applicable	Name and Registered address
1	Acquisition of land for construction of Dialysis Unit at Muthuvara, Thrissur	680002	18.11.2022	32.80 million	CSR00017898	Kalyan Jewellers Foundation-Thrissur

#### 9. Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per Section 135(5):

The shortfall in CSR expenditure was on account of delay in implementation of projects and the project duration extending beyond one financial year as per their original schedule of implementation. The unspent amount has been transferred to the Unspent CSR Account and the same will be spent in accordance with the CSR rules on the Ongoing projects.

The CSR Committee of the Board of Directors acknowledges the responsibility for the implementation and monitoring the CSR Policy and accordingly state that the same is in compliance with CSR objectives and Policy of the Company and the Company has complied with all the requirements in this regard.

For and on behalf of the Board of Directors

**T. S. Kalyanaraman**

Managing Director & Chairman CSR Committee

DIN: 01021928

Place: Thrissur

Date: May 15, 2023

**Annexure - 5****Form AOC 1**

(Pursuant to first proviso to sub-section (3) of Section 129 read with rule 5 of Companies (Accounts) Rules, 2014) Statement containing salient features of the financial statement of subsidiaries/ associate companies/ joint venture.

**PART A - SUBSIDIARIES**

Name of the Subsidiary	Kalyan Jewellers FZE, UAE	Kalyan Jewellers LLC, UAE	Kenouz Al Sharq Gold Ind LL	Kalyan Jewellers For Golden Jewellery Company, W.L.L., Kuwait	Kalyan Jewellers LLC, Qatar	Kalyan Jewellers LLC, Oman	Enovate Lifestyles Private Limited	Kalyan Jewellers, INC., USA
Reporting period	01/04/2022 to 31/03/2023	01/04/2022 to 31/03/2023	01/04/2022 to 31/03/2023	01/04/2022 to 31/03/2023	01/04/2022 to 31/03/2023	01/04/2022 to 31/03/2023	01/04/2022 to 31/03/2023	01/04/2022 to 31/03/2023
Reporting currency	AED	AED	AED	KWD	QAR	RO	INR	USD
Share capital	385,000,000	300,000	300,000	50,000	200,000	250,000	3,821,300	1
Reserves and Surplus	(51,172,721)	68,404,174	1,792,467	242,412	(11,205,767)	(1,934,954)	113,678,660	1
Total assets	699,804,682	909,916,825	33,056,690	8,331,069	179,871,448	10,562,073	644,514,808	2495
Total Liabilities	365,977,403	506,212,651	30,964,222	7,907,879	145,486,937	7,247,938	527,014,848	2495
Investments	385,397,600	102,786,392	Nil	Nil	Nil	Nil	Nil	Nil
Turnover	9,326,674	939,632,911	302,531,912	12,703,956	200,838,792	10,796,191	1567,262,589	Nil
Profit/(loss) before taxation	4,474,646	19,621,000	1,272,436	175,933	3,632,619	(370,279)	(104,739,259)	(600)
Profit/(loss) after taxation	4,474,646	19,621,000	1,272,436	175,933	2,573,082	(593,035)	(78,213,042)	(600)
Percentage (%) of Share-holding	100	100	49	49	49	70	85	100
The date since when subsidiary was acquired/ incorporated	15.07.2013	24.09.2013	16.12.2017	20.05.2014	28.08.2014	13.07.2017	24.04.2017	25.10.2017

- Names of subsidiaries which are yet to commence operations - Kalyan Jewellers Bahrain W.L.L, Bahrain.
- Names of Subsidiaries which have been liquidated or sold during the year - Not Applicable.

**PART "B": ASSOCIATE AND JOINT VENTURE - NIL**

For and on behalf of the Board of Directors

**T. S. Kalyanaraman**  
Managing Director  
DIN: 01021928

**T. K. Seetharam**  
Whole time Director  
DIN 01021898

**T. K. Ramesh**  
Whole time Director  
DIN 01021868

Place: Thrissur  
Date: May 15, 2023

**Annexure - 6****Certificate of Non-Disqualification of Directors**

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

To,  
The Members  
Kalyan Jewellers India Limited  
TC-32/204/2 Sitaram Mill Road/Premji Road,  
Punkunnam, Thrissur - 680 002

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of KALYAN JEWELLERS INDIA LIMITED having CIN: L36911KL2009PLC024641 and having registered office at: TC-32/204/2 Sitaram Mill Road /Premji Road, Punkunnam, Thrissur - 680 002, Kerala (hereinafter referred to as 'Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub-clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ended on March 31, 2023 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority:

Sl. No.	Name of Director	DIN	Date of Appointment in Company
1	Anish Saraf	00322784	23/11/2018
2	A. D. M. Chavali	00374673	28/03/2016
3	T. S. Anantharaman	00480136	15/12/2018
4	Ramesh T. K.	01021868	29/01/2009
5	Seetharam T. K.	01021898	29/01/2009
6	T. S. Kalyanaraman	01021928	29/01/2009
7	Kishori Udeshi	01344073	17/01/2018
8	Salil Nair	01955091	29/05/2020
9	Anil S. Nair	08327721	29/05/2020
10	Vinod Rai	00041867	01/07/2022

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

Place: Coimbatore  
Date: May 15, 2023  
UDIN: F008304E000303973

**V. RAMKUMAR**  
Company Secretary in Practice  
FCS No.: 8304/CoP No.: 3832  
Peer Review No.: 732/2020



## Annexure - 7

## Secretarial Audit Report

### FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2023

[Pursuant to Section 204(1) of the Companies Act, 2013 and rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
The Members  
Kalyan Jewellers India Limited  
CIN: L36911KL2009PLC024641  
TC-32/204/2, Sitaram Mill Road,  
Punkunnam, Thrissur - 680 002  
Kerala State

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **KALYAN JEWELLERS INDIA 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 authorised representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the period covered by my audit, that is to say - April 1, 2022 to March 31, 2023 (hereinafter referred to as 'Audit Period') 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 the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2022 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;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') to the extent it was applicable during the Audit Period:

- (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, 2018;
- (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
- (e) SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations 2018;
- (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

(vi) The following Laws/specific Act(s) and Rules made thereunder specifically applicable to the Company namely:

1. Bureau of Indian Standards (BIS) (Hallmarking)
2. The Legal Metrology Act, 2009

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India; and
- (ii) The Listing Agreements entered into by the Company with Stock Exchanges and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the audit period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above. I further report that the compliance of applicable financial laws including Direct and Indirect Tax Laws by the Company has not been reviewed in this Audit since the same has been subject to review by the Statutory Auditors and other designated professionals.

**I further report** that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof on test check basis, the Company has complied with the industry specific laws as applicable to the Company.

#### **I further report that**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The Company appointed Mr Vinod Rai [a non-executive (Independent) director] who is not related to the Managing Director or Chief Executive Officer as Chairperson with effect from July 1, 2022. Mr. M. Ramaswamy is ceased to be an Independent Director of the Company upon completion of his second term of 2 (Two) consecutive years at the close of business hours on March 27, 2023. No other change(s) in the composition of the Board of Directors took place during the period under review.

Adequate notice of meetings of the Board of Directors were given to all directors and agenda

and detailed notes on agenda in respect of such meetings were sent at least seven days in advance, other than those held at shorter notice, 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.

Majority decision is carried through and recorded as part of the Minutes of the Meetings. I did not find any dissenting directors' views in the minutes.

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

**I further report that** during the Audit Period there were no events/ actions [like Public/ Rights/ Preferential Issue of Shares/ debentures/ sweat equity etc, Redemption/ buy-back of securities/ Major decisions taken by members in pursuance to Section 180 of the Companies Act, 2013, Merger/ amalgamation/ reconstruction etc., Foreign Technical Collaboration] having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.

**V. RAMKUMAR**

Place: Coimbatore

Company Secretary in Practice

Date: May 15, 2023

FCS No.: 8304/CoP No.: 3 832

UDIN: FO08304E000303984

Peer Review No.: 732/2020



## Secretarial Audit Report

FOR THE FINANCIAL YEAR ENDED 31/03/2023

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
The Members  
Kalyan Jewellers India Limited  
CIN: L36911KL2009PLC024641  
TC-32/204/2, Sitaram Mill Road,  
Punkunnam, Thrissur - 680002  
Kerala State

### My Report of even date is to be read along with this letter.

- Maintenance of secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
- 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 to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
- I have not verified the correctness and appropriateness of financial records and books of account of the Company.
- Where ever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
- The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
- The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**V. RAMKUMAR**

Company Secretary in Practice  
FCS No.: 8304/CoP No.: 3 832  
Peer Review No.: 732/2020

Place: Coimbatore  
Date: May 15, 2023  
UDIN: FO08304E000303984

## Annexure - 8

## Business Responsibility & Sustainability Report

### SECTION A: GENERAL DISCLOSURES

#### I. Details of the listed entity

<b>1. Corporate Identity Number (CIN) of the Listed Entity</b>	L36911KL2009PLC024641
<b>2. Name of the Listed Entity</b>	Kalyan Jewellers India Limited
<b>3. Year of incorporation</b>	29/01/2009
<b>4. Registered office address</b>	Corporate Office, Tc-32/204/2 Sitaram Mill Road/Premji Road, Punkunnam Thrissur KI 680 002, India
<b>5. Corporate address</b>	Corporate Office Tc-32/204/2 Sitaram Mill Road/Premji Road, Punkunnam Thrissur KI 680 002 India
<b>6. E-mail</b>	<a href="mailto:compliance@kalyanjewellers.net">compliance@kalyanjewellers.net</a>
<b>7. Telephone</b>	0487 2437100
<b>8. Website</b>	<a href="http://www.kalyanjewellers.net">http://www.kalyanjewellers.net</a>
<b>9. Financial year for which reporting is being done</b>	01/04/2022 to 31/03/2023
<b>10. Name of the Stock Exchange(s) where shares are listed</b>	BSE & NSE
<b>11. Paid-up Capital</b>	₹10,300.53 million
<b>12. Name and contact details (telephone, e-mail address) of the person who may be contacted in case of any queries on the BRSR report</b>	Jishnu R. G. Company Secretary and Compliance Officer <a href="mailto:compliance@kalyanjewellers.net">compliance@kalyanjewellers.net</a>
<b>13. Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).</b>	Standalone Basis

#### II. Products/services

##### 14. Details of business activities (accounting for 90% of the turnover)

Sl. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1	Manufacturing and sale of jewellery goods*	Manufacturing and sale of jewellery metals, bullion gold, ornaments, silver, diamonds, coins, metals, precious stones etc	100%

\*Company operates on a job-work model of manufacturing.

##### 15. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

Sl. No.	Product/Service	NIC Code	% of total Turnover contributed
1	Gold, Silver, pearls, gems, diamonds, industrial diamonds and all kinds of precious and semi-precious stones. Also all kinds of diamonds and powered paste and all kinds jewellery and ornaments containing or having diamonds and all or any precious and semi-precious stones.	3211	100%

#### III. Operations

##### 16. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	0	1,151*	1,151
International	0	0	0

\*For the previous year's BRR disclosures, we only reported the retail showrooms. This year we have expanded the scope to include the MyKalyan stores in the report. The breakup of locations is as under:

- 990 MyKalyan Stores
- 1 Corporate Office
- 147 Retail Showrooms (Including franchised showrooms)
- 13 Procurement Centres

**17. Markets served by the entity:****a) Number of locations**

Locations	Number
National (No. of States/Union Territories)	22
International (No. of Countries)	0

**b) What is the contribution of exports as a percentage of the total turnover of the entity?**

0%

**c) A brief on types of customers**

Kalyan Jewellers attracts discerning retail customers seeking exquisite craftsmanship, timeless designs, and exceptional quality that reflects their unique style.

**IV. Employees****18. Details as at the end of Financial Year:****a) Employees and workers (including differently abled):**

Sl. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
<b>EMPLOYEES</b>						
1.	Permanent (D)	9,478	7,952	83.90%	1,526	16.10%
2.	Other than Permanent (E)	0	0	0.00%	0	0.00%
3.	Total employees (D + E)	9,478	7,952	83.90%	1,526	16.10%
<b>WORKERS*</b>						
4.	Permanent (F)					
5.	Other than Permanent (G)			NIL		
6.	<b>Total workers (F + G)</b>					

\*Owing to the nature of our business model, we do not have worker category staff. We ensure that our job workers comply with all mandatory laws and regulations as applicable.

**b) Differently abled employees and workers:**

Sl. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
<b>DIFFERENTLY ABLED EMPLOYEES</b>						
1.	Permanent (D)					
2.	Other than Permanent (E)			NIL		
3.	Total differently abled employees (D + E)					
<b>DIFFERENTLY ABLED WORKERS</b>						
4.	Permanent (F)					
5.	Other than permanent (G)			NIL		
6.	<b>Total differently abled workers (F + G)</b>					

**19. Participation/ Inclusion/ Representation of women**

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	10	1	10%
Key Management Personnel	3	0	0%

**20. Turnover rate for permanent employees and workers (Disclose trends for the past 3 years)**

	FY22-23 (Turnover rate in current FY)			FY21-22 (Turnover rate in previous FY)			FY20-21 (Turnover rate in the year prior to the previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	22.01%	28.77%	23.11%	20.73%	49.20%	24.53%	22.10%	21.11%	22.02%
Permanent Workers				NIL					

**V. Holding, Subsidiary and Associate Companies (including joint ventures)****21. (a) Names of holding/ subsidiary/ associate companies/ joint ventures**

Sl. No.	Name of the holding /subsidiary/ associate companies / joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	Kalyan Jewellers FZE, UAE	Subsidiary	100%	No
2	Kalyan Jewellers LLC, UAE	Subsidiary	100%	No
3	Kalyan Jewellers For Golden Jewelry Company, W.L.L.	Subsidiary	100%	No
4	Kalyan Jewellers LLC, Qatar	Subsidiary	100%	No
5	Kalyan Jewellers LLC, Oman	Subsidiary	100%	No
6	Kenouz Al Sharq Gold Ind. LLC, UAE	Subsidiary	100%	No
7	Kalyan Jewellers, Inc., USA	Subsidiary	100%	No
8	Kalyan Jewellers Bahrain W.L.L.	Subsidiary	100%	No
9	Enovate Lifestyles Private Limited	Subsidiary	85%	No

**VI. CSR Details**

<b>22. (i)</b> Whether CSR is applicable as per Section 135 of Companies Act, 2013: (Yes/No)	<b>Yes</b>
(ii) Turnover (in INR)	115,840.24 Million
(iii) Net worth (in INR)	36,666.22 Million

**VII. Transparency and Disclosures Compliances****23. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:**

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY22-23 Current Financial Year			FY21-22 Previous Financial Year		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes <sup>1*</sup>	0	0	NA	0	0	NA
Investors (other than shareholders)	Yes <sup>2*</sup>	0	0	NA	0	0	NA
Shareholders	Yes <sup>3*</sup>	2	0	NA	49	0	NA
Employees and workers	Yes <sup>4*</sup>	0	0	NA	0	0	NA
Customers	Yes <sup>5*</sup>	0	0	NA	0	0	NA
Value Chain Partners	Yes <sup>6*</sup>	0	0	NA	0	0	NA
Other (please specify)	NA	0	0	NA	0	0	NA

1\*<https://www.kalyanjewellers.net/investors/investors-contact/company-secretary-and-RTA.php>

2\*<https://www.kalyanjewellers.net/images/investors-new/pdf/shareholder-information/Other%20Documents/Contact%20details%20of%20-Material%20Events%20Disclosure%20Authorised%20Personnel-2023-Jan.pdf>

3\*<https://www.kalyanjewellers.net/images/investors-new/pdf/shareholder-information/Other%20Documents/Address%20for%20Investor%20Complaints.pdf>

4\*<https://www.kalyanjewellers.net/investors/investors-contact/company-secretary-and-RTA.php>

5\*<https://www.kalyanjewellers.net/contact-us.php>

6\*<https://www.kalyanjewellers.net/contact-us.php>



## 24. Overview of the entity's material responsible business conduct issues

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format

Sl. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Innovation and Technology	Opportunity	Innovation and technology are essential for a jewellery company to stay competitive and relevant in today's market. They can improve the efficiency of production, enhance product design and quality, increase customer engagement, and provide new channels for sales and marketing. Failing to embrace innovation and technology may lead to a loss of customers and market share.	NA	Positive
2	Data Security and Privacy	Risk	Companies are assessed based on the amount of personal data they collect, their exposure to evolving or increasing privacy regulations, their vulnerability to potential data breaches, and their data protection systems.	At The Company, we are proactively exploring avenues for enhanced data management and software capabilities. Our focus lies in leveraging cloud-based data storage solutions and upgrading our software services. By embracing these possibilities, we aim to optimise efficiency, scalability, and overall performance to meet the evolving needs of our valued stakeholders.	Negative
3	Customer Satisfaction	Risk	Ensuring consumer satisfaction is of paramount importance for the jewellery industry. An unsatisfactory consumer experience may pose a risk to business continuity, while a positive customer experience can ensure enhanced profits and brand reputation.	We conduct surveys and provide comprehensive after-sale customer services to ensure customer satisfaction. Our proactive approach allows us to gather valuable feedback, identify areas for improvement, and deliver exceptional support, fostering strong relationships with our clientele.	Negative
4	Product Design, quality and safety	Opportunity	Product design is crucial for a jewellery company as it plays a significant role in attracting customers and setting the brand apart from competitors. Ensuring product safety is equally important to maintain customer trust and avoid any potential harm, especially in the Indian market with strict regulations regarding jewellery quality and purity.	NA	Positive
5	Product Transparency and Disclosure	Risk	Product transparency and disclosure are crucial for a jewellery company to build trust with customers. Clear and accurate information on materials, sourcing, and production practices help consumers make informed decisions and align with their values. This fosters a positive reputation and loyal customer base, ultimately leading to increased sales and profitability.	We diligently ensure compliance with all requirements by promptly updating BIS and HUID Marks, as well as disclosing pertinent information. Our commitment to adhering to new laws underscores our dedication to regulatory compliance and transparent business practices. By proactively implementing these measures, we maintain our reputation as a responsible and trustworthy organisation, providing our stakeholders with peace of mind.	Negative

## SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
<b>Policy and management processes</b>									
1. a) Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
b) Has the policy been approved by the Board? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
c) Web Link of the Policies, if available	<a href="https://www.kalyanjewellers.net/investors/corporate-governance/policies.php">https://www.kalyanjewellers.net/investors/corporate-governance/policies.php</a>								
2. Whether the entity has translated the policy into procedures. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
4. Name of the national and international codes/ certifications/ labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	Our Company has incorporated the Bureau of Indian Standards (BIS) across its entire range of jewellery products, thereby guaranteeing the quality and dependability of its offerings.								
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	As an organisation, we recognise the importance of setting targets to measure progress towards achieving all principles of the NGRBC. As we are in our first year of ESG adoption, we plan to define our objectives and targets in the upcoming reporting period. We understand the need to align our ESG efforts with our business objectives and are committed to implementing a robust ESG strategy that ensures sustainability and delivers long-term value to all stakeholders.								
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	NA								
<b>Governance, leadership and oversight</b>									
7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)	<p>At Kalyan Jewellers, we understand that conducting business responsibly is not just a duty, but a necessity. As a sustainably conscious organisation, we strive to minimise our environmental impact and prioritise the well-being of our stakeholders. Our primary focus lies in creating a positive impact with the stakeholders we operate with.</p> <p>Through our extensive Corporate Social Responsibility (CSR) programmes, we have made significant contributions to critical areas such as healthcare, education, and infrastructure development. Notably, our flagship project, Bhoomigeetham, has successfully provided housing to individuals as part of the Government of Kerala's initiative. We have also extended support during times of natural calamities and offered home loans to unemployed widows across multiple states. Furthermore, we have sponsored tuition fees for underprivileged students in several states. In the healthcare sector, we have equipped local hospitals with essential medical equipment, including ventilators, and supported medical treatments for the underprivileged in Kerala.</p> <p>We place importance on the well-being of all our employees and their families. Our Company's culture is deeply rooted in professionalism, honesty, integrity, and innovation across every aspect of our operations. This year we have conducted the materiality assessment to identify our critical focus areas. Moving forward, we remain committed to prioritising environmental, social, and governance (ESG) practices, as well as upholding our dedication to good governance and creating value for all stakeholders.</p> <p>Thank you for your continued trust and support.</p>								
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy(ies).	Mr. T. S. Kalyanaraman - Managing Director								
9. Does the entity have a specified Committee of the Board/Director responsible for decision-making on sustainability related issues? (Yes/No). If yes, provide details.	Yes The ESG Committee is responsible for overseeing the implementation and integration of Environmental, Social and Governance (ESG) factors into our corporate strategy and decision-making. The committee ensures our business practices align with ethical and sustainable values, promoting transparency and accountability to our stakeholders.								

**10. Details of Review of NGRBCs by the Company:**

Subject for Review	Indicate whether review was undertaken by Director/ Committee of the Board/ Any other Committee	Frequency (Annually/ Half yearly/ Quarterly/ Any other - please specify)																	
			P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9								
			P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9								
Performance against above policies and follow up action	Committee of the Board	Annually																	
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	Director	Quarterly																	

11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
	No	No	No	No	No	No	No	No	No

**12. If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated:**

Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
The entity does not consider the Principles material to its business (Yes/No)					NA				
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)					NA				
The entity does not have the financial or/human and technical resources available for the task (Yes/No)					NA				
It is planned to be done in the next financial year (Yes/No)					NA				
Any other reason (please specify)					NA				

**SECTION C: PRINCIPLE-WISE PERFORMANCE DISCLOSURE****PRINCIPLE 1:****BUSINESSES SHOULD CONDUCT AND GOVERN THEMSELVES WITH INTEGRITY, AND IN A MANNER THAT IS ETHICAL, TRANSPARENT AND ACCOUNTABLE****Essential Indicators****1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year:**

Segment	Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Board of Directors	2	Familiarisation Programme, Training under PITS Regulation	100%
Key Managerial Personnel	1	Training under PITS Regulation	100%
Employees other than BoD and KMPs	4	- Induction/Orientation - On Job Training - Level 1 Training - Advance Level Training	43.50%
Workers	NA	NA	NA

**2. Details of fines/ penalties/ punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors/KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format**

Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):

Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In INR)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/Fine			NIL		
Settlement			NIL		
Compounding fee			NIL		
Non-Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Brief of the Case	Has an appeal been preferred? (Yes/No)	
Imprisonment			NIL		
Punishment			NIL		

**3. Of the instances disclosed in Question 2 above, details of the Appeal/Revision preferred in cases where monetary or non-monetary action has been appealed.**

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
	NA

**4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.**

Yes, Kalyan values are essential for our success. Transparency is one of our core values wherein we are upfront, visible, and consistent in our actions. We treat everyone equally and are guided by the intent of doing what is right. The Company aims to conduct its business in accordance with the highest ethical standards and in compliance with both the letter and spirit of all applicable laws. "Corruption is recognised to be one of the world's greatest challenges. It is a major hindrance to sustainable development, with a disproportionate impact on poor communities and is corrosive on the very fabric of society." (United Nations Global Compact). Corruption is a crime in many countries, and the Company and its employees can be prosecuted for violating the law whether or not the corrupt practice took place within the governing jurisdiction. In India, any corrupt practices can be penalised under the Indian Penal Code, 1860 and the Prevention of Corruption Act, 1988. Company expects strict adherence to the code of conduct, the Anti Bribery Policy and the relevant laws Weblink: <https://www.kalyanjewellers.net/investors/corporate-governance/policies.php>

**5. Number of Directors/ KMPs/ employees/ workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:**

	FY22-23 (Current Financial Year)	FY21-22 (Previous Financial Year)
Directors		
KMPs		
Employees		NIL
Workers		

**6. Details of complaints with regard to conflict of interest:**

	FY2022-23 (Current Financial Year)		FY2021-22 (Previous Financial Year)	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors			NIL	
Number of complaints received in relation to issues of Conflict of Interest of the KMPs			NIL	

**7. Provide details of any corrective action taken or underway on issues related to fines/ penalties/ action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.**

NA

**PRINCIPLE 2:****BUSINESSES SHOULD PROVIDE GOODS AND SERVICES IN A MANNER THAT IS SUSTAINABLE AND SAFE****Essential Indicators**

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

	Current Financial Year	Previous Financial Year	Details of improvements in environmental and social impacts
R&D	0	0	NA
Capex	0	0	NA

2. a) Does the entity have procedures in place for sustainable sourcing? (Yes/No) No  
 b) If yes, what percentage of inputs were sourced sustainably? 0%
3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste. NA\*
4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes/No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same. No

\* As a company specialising in the production and sale of fine jewellery, product reclaim does not apply to our goods. We take great pride in the craftsmanship and quality of our products and are confident that they meet the highest industry standards.

**PRINCIPLE 3:****BUSINESSES SHOULD RESPECT AND PROMOTE THE WELL-BEING OF ALL EMPLOYEES, INCLUDING THOSE IN THEIR VALUE CHAINS****Essential Indicators**

1. a) Details of measures for the well-being of employees:

Category	Total (A)	% of employees covered by									
		Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
<b>Permanent employees</b>											
Male	7,952	7,952	100%	0	0	0	0%	0	0%	0	0%
Female	1,526	1,526	100%	0	0	1,526	100%	0	0%	0	0%
<b>Total</b>	<b>9,478</b>	<b>9,478</b>	<b>100%</b>	<b>0</b>	<b>0</b>	<b>1,526</b>	<b>16%</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0%</b>
<b>Other than Permanent employees</b>											
Male											
Female											
<b>Total</b>											

- b) Details of measures for the well-being of workers:

Category	Total (A)	% of workers covered by									
		Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
<b>Permanent workers</b>											
Male											
Female											
<b>Total</b>											
<b>Other than Permanent workers</b>											
Male											
Female											
<b>Total</b>											

**2. Details of retirement benefits, for Current Financial Year and Previous Financial Year.**

Benefits	FY2022-23 Current Financial Year			FY2021-22 Previous Financial Year		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/ N/ NA)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/ N/ NA)
PF	100%	NIL	Yes	100%	NIL	Yes
Gratuity	100%		NA	100%		NA
ESI	52%		Yes	52%		Yes
Others - Please Specify	0		0	0		0

**3. Accessibility of workplaces**

Are the premises/offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

No

We are currently engaged in active deliberations regarding the implementation of a ramp that caters to the needs of individuals with disabilities at our corporate premises.

**4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.**

No

**5. Return to work and Retention rates of permanent employees and workers that took parental leave.**

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	0%	0%	0%	0%
Female	92.30%	0%	0%	0%
<b>Total</b>	<b>92.30%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>

**6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.**

	Yes/No (If Yes, then give details of the mechanism in brief)
Permanent Workers	Yes,
Other than Permanent Workers	Alongside our HR employee outreach process, we have developed an extensive Whistle-blower Policy to facilitate open communication of concerns regarding illegal or unethical practices. This policy empowers stakeholders, including Directors and individual employees, to report genuine concerns to the Audit Committee. The mechanism ensures protection of the complainant. For detailed information, please visit our corporate website at: <a href="https://www.kalyanjewellers.net/images/investors-new/pdf/corporate-governance/policies/Whistle%20Blower%20Policy.pdf">https://www.kalyanjewellers.net/images/investors-new/pdf/corporate-governance/policies/Whistle%20Blower%20Policy.pdf</a> .
Permanent Employees	
Other than Permanent Employees	

**7. Membership of employees and worker in association(s) or Unions recognised by the listed entity:**

Category	FY2022-23 (Current Financial Year)			FY2021-22 (Previous Financial Year)		
	Total employees/workers in respective category (A)	No. of employees/workers in respective category, who are part of association(s) or Union (B)	% (B / A)	Total employees/workers in respective category (C)	No. of employees/workers in respective category, who are part of association(s) or Union (D)	% (D / C)
Total Permanent Employees	9,478	0	0%	7,274	0	0%
-Male	7,952	0	0%	6,314	0	0%
-Female	1,526	0	0%	960	0	0%
Total Permanent Workers	0	0	0%	0	0	0%
-Male	0	0	0%	0	0	0%
-Female	0	0	0%	0	0	0%





### 8. Details of training given to employees and workers:

Category	FY2022-23 Current Financial Year				FY2021-22 Previous Financial Year					
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
<b>Employees</b>										
Male	7,952	7,952	100.00%	2,077	26.13%	6,314	6,314	100.00%	1,785	28.27%
Female	1,526	1,526	100.00%	545	35.71%	960	960	100.00%	263	27.40%
<b>Total</b>	<b>9,478</b>	<b>9,478</b>	<b>100.00%</b>	<b>2,622</b>	<b>27.67%</b>	<b>7,274</b>	<b>7,274</b>	<b>100.00%</b>	<b>2,048</b>	<b>28.16%</b>
<b>Workers</b>										
Male										
Female										
<b>Total</b>										

### 9. Details of performance and career development reviews of employees and worker:

Category	FY2022-23 Current Financial Year			FY2021-22 Current Financial Year		
	Total (A)	No. (B)	% (B / A)	Total (C)	No. (D)	% (D / C)
<b>Employees</b>						
Male	7,952	7,952	100.00%	6,314	6,314	100.00%
Female	1,526	1,526	100.00%	960	960	100.00%
<b>Total</b>	<b>9,478</b>	<b>9,478</b>	<b>100.00%</b>	<b>7,274</b>	<b>7,274</b>	<b>100.00%</b>
<b>Workers</b>						
Male						
Female						
<b>Total</b>						

### 10. Health and safety management system:

- a) Whether an occupational health and safety management system has been implemented by the entity? (Yes/No). If yes, the coverage such system?  
The Company's employees are given safety trainings and are covered under safety and occupational health training. Additionally, the Company organise timely evacuation drills and mock drills to ensure preparedness in emergency situations.
- b) What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?  
We have store-level processes and checklists in place.
- c) Whether you have processes for workers to report the work related hazards and to remove themselves from such risks. (Y/N)  
NA This is not applicable for the Company as there are no worker category staff.
- d) Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/No)  
Yes

### 11. Details of safety related incidents, in the following format:

Safety Incident/Number	Category	FY2022-23 Current Financial Year	FY2021-22 Previous Financial Year
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees Workers		NIL
Total recordable work-related injuries	Employees Workers		
No. of fatalities	Employees Workers		
High consequence work-related injury or ill-health (excluding fatalities)	Employees Workers		

\*We would like to clarify that the aforementioned disclosures are not applicable to our organisation as our nature of business is such that probability of injuries are less. We remain committed to maintaining transparency and adhering to all relevant regulations and guidelines.

### 12. Describe the measures taken by the entity to ensure a safe and healthy workplace.

At our Company, we prioritise the health and safety of our customers and employees in all aspects of our business operations, including our jewellery retail showrooms. To this end, we strictly adhere to the recommended health and safety practices set forth by local and national authorities in India. We also maintain a clean and sanitised showroom space with adequate ventilation and follow strict guidelines for handling and displaying our jewellery products. To this end we maintain store-level checklists and procedures.

### 13. Number of Complaints on the following made by employees and workers:

	FY2022-23 (Current Financial Year)			FY2021-22 (Previous Financial Year)		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions			NIL			
Health & Safety			NIL			

### 14. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	0%
Working Conditions	0%

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks/concerns arising from assessments of health & safety practices and working conditions.  
NA

### PRINCIPLE 4:

#### BUSINESSES SHOULD RESPECT THE INTERESTS OF AND BE RESPONSIVE TO ALL ITS STAKEHOLDERS

##### Essential Indicators

#### 1. Describe the processes for identifying key stakeholder groups of the entity.

As a responsible and forward-thinking company, we prioritise stakeholder identification to ensure mutually beneficial relationships. Our methods include analysing revenue generation sources, investment liquidity, and financial facility provision. Additionally, we engage in audit and assurance processes, monitor gold supply, and focus on sales and revenue generation. By identifying and understanding our stakeholders, we can better serve their needs while achieving our business objectives.

#### 2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Stakeholder Group	Whether identified as Vulnerable & Marginalised Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly/ others - please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Customers	No	Events, Mails, SMS, Brochures, Website	On periodical basis	To understand customer preferences, feedback and resolve their grievances.
Shareholders & Investors	No	Shareholder Meets, Email, Stock Exchange (SE) intimations investor/ analysts meet, Conference calls, Media releases, Annual reports	Quarterly, Half yearly and annually	Meeting related communications
Bankers	No	Press Releases, Events	Quarterly	Consortium meetings
Media	No	Meetings	On periodical basis	To create awareness about products and services
Suppliers	No	Meetings, calls, training, workshop and webinar, Website, social media	On periodical basis	Queries/suggestions/ assurance/ complaints etc.
Employees	No	Counselling sessions, Interactive meetings, Internal management development programmes etc.	Daily	To keep employees updated and address their concerns

**PRINCIPLE 5****BUSINESSES SHOULD RESPECT AND PROMOTE HUMAN RIGHTS****Essential Indicators**

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Category	FY2022-23 Current Financial Year			FY2021-22 Previous Financial Year		
	Total (A)	No. employees workers covered (B)	% (B / A)	Total (C)	No. employees workers covered (D)	% (D / C)
Employees						
Permanent	9,478	9,478	100%	7,274	7,274	100%
Other than permanent	0	0	0%	0	0	0%
Total Employees	9,478	9,478	100%	7,274	7,274	100%
Workers						
Permanent						
Other than permanent						
Total Workers						

2. Details of minimum wages paid to employees and workers, in the following format:

Category	FY2022-23 Current Financial Year					FY2021-22 Previous Financial Year				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No.(B)	% (B / A)	No. (C)	% (C / A)		No.(E)	% (E/D)	No.(F)	% (F/D)
<b>Employees</b>										
Permanent	9,478	9,478	100%	0	0%	7,274	7,274	100%	0	0%
Male	7,952	7,952	100%	0	0%	6,314	6,314	100%	0	0%
Female	1,526	1,526	100%	0	0%	960	960	100%	0	0%
Other than permanent	0	0	0%	0	0%	0	0	0%	0	0%
Male	0	0	0%	0	0%	0	0	0%	0	0%
Female	0	0	0%	0	0%	0	0	0%	0	0%
<b>Workers</b>										
Permanent										
Male										
Female										
Other than permanent										
Male										
Female										

3. Details of remuneration/ salary/ wages, in the following format:

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)	6	₹10,00,000	1	₹10,00,000
Key Managerial Personnel	6	₹3,83,05,000	0	0
Employees other than BoD and KMP	7,946	₹3,35,316.78	1,526	₹1,83,009.54
Workers	NIL			

Note - The details of Non Executive Directors are shown under Board of Directors and the Executive Directors were shown under Key Managerial Category.

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)  
Yes

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

We have formed an internal committee in every location. In case of any grievances, employees can report to the committee via e-mail and mobile numbers published on the notice board.

6. Number of Complaints on the following made by employees and workers:

	FY2022-23 Current Financial Year			FY2021-22 Previous Financial Year		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment						
Discrimination at workplace						
Child Labour						
Forced Labour/Involuntary Labour						NIL
Wages						
Other human rights related issues						

7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

Ethics committee contact details are displayed in all showrooms and employees may also raise grievances through the employee mobile application. We have developed an extensive Whistle-blower Policy to facilitate open communication of concerns regarding illegal or unethical practices. This policy empowers stakeholders, including Directors and individual employees, to report genuine concerns to the Audit Committee. The mechanism ensures protection of the complainant. For detailed information, please visit our corporate website at: <https://www.kalyanjewellers.net/images/investors-new/pdf/corporate-governance/policies/Whistle%20Blower%20Policy.pdf>.

8. Do human rights requirements form part of your business agreements and contracts?(Yes/No)  
No

9. Assessments for the year:

	%age of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	0%
Forced/involuntary labour	0%
Sexual harassment	0%
Discrimination at workplace	0%
Wages	0%
Others - please specify	0%

\*We conduct assessments based on a random selection of stores.

10. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from the assessments at Question 9 above.  
No

**PRINCIPLE 6:****BUSINESSES SHOULD RESPECT AND MAKE EFFORTS TO PROTECT AND RESTORE THE ENVIRONMENT****Essential Indicators**

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

Parameter	FY2022-23 (Current Financial Year)	FY2021-22 (Previous Financial Year)
Total electricity consumption (A)	1,04,686.00 (GJ)	81,861.81 (GJ)
Total fuel consumption (B)	24,266.47 (GJ)	28,873.45 (GJ)
Energy consumption through other sources (C)	0	0
Total energy consumption (A+B+C)	1,28,952.47 (GJ)	1,10,735.26 (GJ)
Energy intensity per rupee of turnover (Total energy consumption/million turnover in rupees)	1.11	0.95
Energy intensity (optional) - the relevant metric may be selected by the entity	NA	NA
Note: Indicate if any independent assessment/ evaluation/ assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.	9,478	No

2. Does the entity have any sites/facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

No

3. Provide details of the following disclosures related to water, in the following format:

Parameter	FY2022-23 (Current Financial Year)	FY2021-22 (Previous Financial Year)
Water withdrawal by source (in kilolitres)		
(i) Surface water	0	0
(ii) Groundwater	0	0
(iii) Third party water	14,430	12,900
(iv) Seawater/desalinated water	0	0
(v) Others	0	0
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	14,430	12,900
Total volume of water consumption* (in kilolitres)	14,430	12,900
Water intensity per rupee of turnover (Water consumed/million turnover)	0.124	0.110
Water intensity (optional) - the relevant metric may be selected by the entity	NA	NA
Note: Indicate if any independent assessment/ evaluation/ assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.	No	No

4. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

Our Company operates in the retail sector, does not generate any wastewater as part of its business operations. The primary use of water in our company is for non- industrial purpose such as sanitation, cleaning, and other similar activities, resulting in minimal wastewater production. As a result, we do not generate wastewater in quantities that necessitate the implementation of a Zero Liquid Discharge System

5. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Please specify unit	FY2022-23 (Current Financial Year)	FY2021-22 (Previous Financial Year)
Nox			
Sox			
Particulate matter (PM)			
Persistent organic pollutants (POP)		NIL*	
Volatile organic compounds (VOC)			
Hazardous air pollutants (HAP)			
Others- please specify			
Note: Indicate if any independent assessment/ evaluation/ assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.			No

\*As we do not have any manufacturing plants, the same is not material to us.

6. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Unit	FY2022-23 (Current Financial Year)	FY2021-22 (Previous Financial Year)
Total Scope 1 emissions (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> equivalent	1,527.00	1,816.90
Total Scope 2 emissions (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> equivalent	23,554.35	18,418.91
Total Scope 1 and Scope 2 emissions per million rupee of turnover	NA	0.21	0.174
Total Scope 1 and Scope 2 emission intensity (optional)- the relevant metric may be selected by the entity	NA	NA	NA
Note: Indicate if any independent assessment/ evaluation/ assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.			No

7. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.

No

8. Provide details related to waste management by the entity, in the following format:

Parameter	FY2022-23 (Current Financial Year)	FY2021-22 (Previous Financial Year)
Total Waste generated (in metric tonnes)		
Plastic waste (A)*	0	0
E-waste (B) **	0	0
Bio-medical waste (C)	0	0
Construction and demolition waste (D)	0	0
Battery waste (E)	0	0
Radioactive waste (F)	0	0
Other Hazardous waste. Please specify, if any. (G)	0	0
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	0	0
<b>Total (A+B + C + D + E + F + G + H)</b>	<b>0</b>	<b>0</b>
For each category of waste generated, total waste recovered through recycling, reusing or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	0	0
(ii) Reused	0	0
(iii) Other recovery operations	0	0
<b>Total</b>	<b>0</b>	<b>0</b>
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	0	0
(ii) Landfilling	0	0
(iii) Other disposal operations	0	0
<b>Total</b>	<b>0</b>	<b>0</b>
Note: Indicate if any independent assessment/ evaluation/ assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.		No

\*We don't use plastic in packaging, hence our plastic waste is negligible and hence not being quantified.

\*\* The Company generates a negligible amount of e-waste and is taking necessary measures to ensure that it is disposed of in an environmentally sound manner whenever required.

9. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your Company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

We prioritise the safe and responsible disposal of waste through the utilisation of incineration and collaboration with reputable external agencies for waste collection. We also recognise the importance of sustainable practices and continuously seek eco-friendly alternatives, such as paper and glass materials, to minimise our environmental impact. Our commitment to these initiatives reflects our dedication to environmental stewardship and our responsibility as a corporate entity to protect our planet for future generations.

10. If the entity has operations/ offices in/ around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals/ clearances are required, please specify details in the following format:

Sl. No.	Location of operations/ offices	Type of operations	Whether the conditions of environmental approval /clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
NA			



**11. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:**

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No)	Relevant Web link
NA					

**12. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format: Yes**

Sl. No.	Specify the law/ regulation/ guidelines which was not complied with	Provide details of the non-compliance	Any fines/ penalties/ action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
0		0	0	NA

**PRINCIPLE 7**

**BUSINESSES, WHEN ENGAGING IN INFLUENCING PUBLIC AND REGULATORY POLICY, SHOULD DO SO IN A MANNER THAT IS RESPONSIBLE AND TRANSPARENT**

**Essential Indicators**

1. a) Number of affiliations with trade and industry chambers/associations.  
2
- b) List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.

Sl. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/ National)
1	The Gem & Jewellery Export Promotion Council (GJEPC)	National
2	Federation of Indian Chambers of Commerce & Industry (FICCI)	National

**2. Provide details of corrective action taken or underway on any issues related to anti- competitive conduct by the entity, based on adverse orders from regulatory authorities.**

Name of authority	Brief of the case	Corrective action taken
	Nil	

**PRINCIPLE 8**

**BUSINESSES SHOULD PROMOTE INCLUSIVE GROWTH AND EQUITABLE DEVELOPMENT**

**Essential Indicators**

**1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.**

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No)	Relevant Web link
NIL					

**2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:**

Sl. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In INR)
Nil						

**3. Describe the mechanisms to receive and redress grievances of the community.**

Our team comprises five professionals who are committed to resolving grievances promptly and effectively. Available through both phone and e-mail, our team is well-equipped to provide comprehensive support and address any concerns you may have. We remain steadfast in our commitment to exceptional customer service.

**4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:**

	FY2022-23 Current Financial Year	FY2021-22 Previous Financial Year
Directly sourced from MSMEs/small producers	0	0
Sourced directly from within the district and neighbouring districts	100%	100%

**PRINCIPLE 9**

**BUSINESSES SHOULD ENGAGE WITH AND PROVIDE VALUE TO THEIR CONSUMERS IN A RESPONSIBLE MANNER**

**Essential Indicators**

**1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.**

We offer multiple channels for providing feedback and registering complaints to our valued customers. They may choose to contact us via e-mail or phone. Our dedicated team of professionals is available to assist them with any concerns or queries that they may have. Customer feedback is highly valued, and we strive to continuously improve our services to better serve you. For more information please visit: <https://www.kalyanjewellers.net/contact-us.php>

**2. Turnover of products and/ services as a percentage of turnover from all products/ service that carry information about:**

	As a percentage to total turnover
Environmental and social parameters relevant to the product	0
Safe and responsible usage	100% (Bureau of International Standards)
Recycling and/or safe disposal	0

**3. Number of consumer complaints in respect of the following:**

	FY2022-23 (Current Financial Year)		Remarks	FY2021-22 (Previous Financial Year)		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy	0	0	NA			
Advertising	0	0	NA			
Cyber-security	0	0	NA			
Delivery of essential services	0	0	NA			NIL
Restrictive Trade Practices	0	0	NA			
Unfair Trade Practices	0	0	NIL			
Other	0	0	NA			

**4. Details of instances of product recalls on account of safety issues:**

	Number	Reasons for recall
Voluntary recalls	0	
Forced recalls	0	

**5. Does the entity have a framework/policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.**

Yes, as per Policy on Risk Management <https://www.kalyanjewellers.net/investors/corporate-governance/policies.php>

**6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty/ action taken by regulatory authorities on safety of products/ services.**

NA

**Annexure - 9****Information required under Section 197 of the Act Read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014**

- i. Ratio of the remuneration of each director to the median remuneration of the employees of the Company for the FY2022-23 and the percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the FY2022-23:

Name of the Director and Key Managerial Personnel	Designation	Ratio to median remuneration of the employees	% increase in remuneration
T. S. Kalyanaraman	Managing Director	118	Nil#
T. K. Seetharam	Whole Time Director		
T. K. Ramesh	Whole Time Director		
Salil Nair	Non-Executive Director	2	-
Vinod Rai	Independent Director	6	NA
A. D. M. Chavali	Independent Director	2	-
T. S. Anantharaman	Independent Director	2	-
Kishori Udeshi	Independent Director	2	-
Anil S. Nair	Independent Director	2	-
Anish Saraf	Non-Executive Nominee Director	Nil	NA
Sanjay Raghuraman	Chief Executive Officer	-	-12.98
V. Swaminathan	Chief Financial Officer	-	-12.58
Jishnu R. G.	Company Secretary	-	-5.28

- ii. The percentage increase in the median remuneration of employees in the financial year 2022-23: 5%
- iii. The number of permanent employees on the rolls of the Company as on March 31, 2023: 9,478
- iv. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration: The percentage increase in the salaries of employees other than Managerial Personnel in Financial Year 2022-23 was 5%. The increments given to employees are based on their potential, performance, and contribution, which are benchmarked against applicable Industry norms.
- v. Affirmation that the remuneration is as per the remuneration policy of the Company: It is affirmed that the remuneration paid is as per the Remuneration Policy, applicable for Directors, Key Managerial Personnel and other employees, adopted by the Company.

## Notes:

#The Executive Directors have continued the voluntary waiver of 50% of their approved remuneration for the year 2022-23 also.

For and on behalf of the Board of Directors

**T. S. Kalyanaraman**  
Managing Director  
DIN: 01021928

**T. K. Seetharam**  
Whole time Director  
DIN 01021898

**T. K. Ramesh**  
Whole time Director  
DIN 01021868

Place: Thrissur  
Date: May 15, 2023

**Annexure - 10****CEO / CFO Certification**

(Pursuant to Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the financial year ended March 31, 2023

To,  
The Board of Directors  
Kalyan Jewellers India Limited

We have reviewed the Financial Statements and the Cash Flow Statement for the financial year ended March 31, 2023 and we hereby certify and confirm to the best of our knowledge and belief the following:

- The Financial Statements and Cash Flow statement do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
- The Financial Statements and the Cash Flow Statement together present a true and fair view of the affairs of the Company and are in compliance with existing accounting standards, applicable laws and regulations;
- There are no transactions entered in to by the Company during the year ended March 31, 2023 which are fraudulent, illegal or violative of Company's Code of Conduct;
- We accept responsibility for establishing and maintaining internal controls for Financial Reporting and we have evaluated the effectiveness of these internal control systems of the Company pertaining to financial reporting. Deficiencies noted, if any, are discussed with the Auditors and Audit Committee, as appropriate, and suitable actions are taken to rectify the same;
- There have been no significant changes in the above-mentioned internal controls over financial reporting during the financial year 2022-23;
- That there have been no significant changes in the accounting policies during the financial year 2022-23.
- We have not noticed any significant fraud particularly those involving the, management or an employee having a significant role in the Company's internal control system over Financial Reporting.

Place: Thrissur  
Date: May 15, 2023

**V. Swaminathan**  
Chief Financial Officer

**Sanjay Raghuraman**  
Chief Executive Officer

**Annexure - 11****DECLARATION BY THE MANAGING DIRECTOR / CEO UNDER THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 REGARDING THE COMPLIANCE WITH THE CODE OF CONDUCT**

I, T. S. Kalyanaraman, Managing Director of the Company hereby declare that all the members of Board of Directors and Senior Management Personnel have affirmed compliance with Code of Conduct, as applicable to them, in respect of the financial year 2022-23.

Place: Thrissur  
Date: May 15, 2023

**T. S. Kalyanaraman**  
Managing Director  
DIN: 01021928



## Independent Auditor's Report

To The Members of **Kalyan Jewellers India Limited**

### Report on the Audit of the Standalone Financial Statements

#### Opinion

We have audited the accompanying standalone financial statements of **Kalyan Jewellers India Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and 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 statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, and its profit, total comprehensive income, its cash flows and the changes in equity 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 specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility 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 financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor's Response
1	<p><b>Existence of inventory:</b></p> <p>Refer Note 10 "Inventories" to the Standalone Financial Statements.</p> <p>The Company's inventories primarily comprises jewellery of gold, diamonds, gemstones etc. ("inventory")</p> <p>We have considered existence of inventory to be a key audit matter for our audit due to:</p> <ol style="list-style-type: none"> <li>the high value and nature of inventory involved</li> <li>inventory being held at various locations across the country and third-party job workers which could lead to a significant risk of loss of inventory.</li> </ol>	<p><b>Our principal audit procedures performed, among other procedures, included the following:</b></p> <ul style="list-style-type: none"> <li>obtained an understanding of the management's process for safeguarding and monitoring of inventories including the appropriateness of the Company's procedures for conducting, reconciling and recording physical verification of inventories.</li> <li>evaluated the design and implementation of relevant controls and carried out the testing of operating effectiveness of controls over conducting, reconciling and recording physical verification of inventories.</li> <li>tested the operating effectiveness of controls around the IT systems for recording of inward and outward movements of inventory on occurrence of each transaction.</li> <li>Reviewed the reports submitted by the internal auditor and physical verification reports submitted by the control owners to evaluate the physical verification process carried out during the year on sample basis</li> <li>For a sample of locations, we performed the following procedures: <ul style="list-style-type: none"> <li>attended physical verification of stocks conducted by the Company at / closer to the year end.</li> <li>Tested and agreed the inventory as per physical verification with the book records, including roll back procedures wherever required.</li> <li>Verified the purity (caratage) of the jewellery and performed testing of the calibration certificate of the karat meter used for such verification..</li> </ul> </li> </ul>

Sr. No.	Key Audit Matter	Auditor's Response
		<ul style="list-style-type: none"> <li>Performed surprise inventory counts at select locations on sample basis</li> <li>On a sample basis, verified submissions relating to quantity of inventory made by the Company to banks and obtained the reconciliation of the same with the books.</li> <li>For samples selected using statistical sampling, we obtained independent confirmations of inventories held by third party job workers.</li> </ul>

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's report, but does not include the consolidated financial statements, 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.

#### Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. 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 judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statement 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.

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

#### Auditor's Responsibility for the Audit of the Standalone Financial Statements

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

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the 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

- As required by Section 143(3) of the Act, based on our audit to the extent applicable that:
  - 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.
  - 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.
  - The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account.
  - In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.
  - On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164(2) of the Act.
  - 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 A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
  - 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 remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

- With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

- The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements;
- The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- (a) The Management has represented that, to the best of its knowledge and belief, other than as disclosed in the note 7 to the standalone financial statements, no funds which are material either individually or in the aggregate have been advanced or loaned or invested either from borrowed funds or share premium or any other sources or kind of funds by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (b) The Management has represented, that, to the best of its knowledge and belief, as disclosed in the note 7 to the standalone financial statements, no funds which are material either individually or in the aggregate have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf

of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- Based on the audit procedures that has been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

- As stated in note 44 to the standalone financial statements, the Board of Directors of the Company has proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend proposed is in accordance with section 123 of the Act, as applicable.
  - Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company w.e.f. April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.
- As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **DELOITTE HASKINS & SELLS LLP**  
Chartered Accountants  
(Firm's Registration No. 117366W/W-100018)

**Ananthi Amarnath**  
Partner  
(Membership No. 209252)  
(UDIN: 23209252BGXMKA3365)

Place : Chennai  
Date : May 15, 2023



## Annexure “A” to the Independent Auditor’s Report

(Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)

### Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of Kalyan Jewellers India Limited (“the Company”) as of March 31, 2023 in conjunction with our audit of the standalone 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. 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 respective company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

### Auditor’s Responsibility

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

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

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

### Meaning of Internal Financial Controls Over Financial Reporting

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

### Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to

error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### Opinion

In our opinion, to the best of our information and according to the explanations given to us the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023, based on the criteria for internal financial control over financial

reporting established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **DELOITTE HASKINS & SELLS LLP**  
Chartered Accountants  
(Firm’s Registration No. 117366W/W-100018)

**Ananthi Amarnath**  
Partner  
(Membership No. 209252)  
(UDIN: 23209252BGXMKA3365)

Place : Chennai  
Date : May 15, 2023





## Annexure B to the Independent Auditor's Report

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

- i. (a) (i) The Company has generally maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment, investment properties, capital work in progress and relevant details of right of use assets.
- (ii) The Company has maintained proper records showing full particulars of intangible assets
- (b) The Company has a program of verification of property, plant and equipment, capital work in progress, investment properties and right of use assets so to cover all the items once every three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain Property, Plant and Equipment were due for verification during the year and were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and the records examined by us and based on the examination of the registered sale deed provided to us, we report that, the title deeds of all the immovable properties (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company) disclosed in the financial statements included in property, plant and equipment, capital work in progress and investment property are held in the name of the Company as at the balance sheet date.
- Immovable properties of land and buildings whose title deeds have been pledged as security for loans, guarantees, etc., are held in the name of the Company based on the confirmations directly received by us from lenders / custodians.
- (d) The Company has not revalued any of its property, plant and equipment (including Right of Use assets), and intangible assets during the year.

(e) No proceedings have been initiated during the year or are pending against the Company as at 31<sup>st</sup> March, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

- ii. (a) The inventories except for (stocks held with third parties), were physically verified during the year by the Management at reasonable intervals. In our opinion and based on information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. For stocks held with third parties at the year end, written confirmations have been obtained. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories, when compared with the books of account.
- (b) According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of ₹5 crore, in aggregate, at points of time during the year, from banks or financial institutions on the basis of security of identified current assets. In our opinion and according to the information and explanations given to us, the quarterly returns or statements filed by the Company with such banks or financial institutions are in agreement with the unaudited books of account of the Company of the respective quarters.
- iii. (a) The Company has provided loans or advances in the nature of loans during the year and details of which are given below.

Particulars	₹ in million	
	Loans	Guarantees
A. Aggregate amount granted / provided during the year:		
- Subsidiaries	429.10	212.42
B. Balance outstanding as at balance sheet date:		
- Subsidiaries	1,599.06	11,294.26

The Company has not provided any guarantee or security to any other entity during the year.

- (b) The terms and conditions of the grant of all the above-mentioned loans, during the year are, in our opinion, *prima facie*, not prejudicial to the Company's interest.

- (c) The Company has granted loans or provided advances in the nature of loan that are payable on demand. During the year, the Company has not demanded such loan or advances in the nature of loan. Having regard to the fact that the repayment of principal or payment of interest has not been demanded by the Company, in our opinion, the repayments of principal amounts and receipts of interest are regular.
- (d) According to information and explanations given to us and based on the audit procedures performed, in respect of above-mentioned loans and advances in the nature of loans provided by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.
- (e) None of the loans granted by the Company have fallen due during the year.
- (f) The Company has granted Loans during the year which are repayable on demand, details of which are given below:

Particulars	₹ in million
	Loans
A. Aggregate amount granted / provided during the year:	
- Subsidiary	211.60
B. Balance outstanding as at balance sheet date in respect of above cases:	
- Subsidiary	1381.56

- (b) Details of dues of Service Tax, Sales Tax and Income Tax which have not been deposited as on 31<sup>st</sup> March, 2023 on account of disputes are given below:

Name of the Statute	Nature of the Dues	Amount involved (₹ in million)	Period to which the Amount Relates	Forum where Dispute is Pending
Kerala Value Added Tax Act, 2003	Kerala VAT dues	1851.08 <sup>^</sup>	2012-13 to 2017-18	Deputy/Assistant Commissioner (Appeals)/Appellate Tribunal/ High Court
Maharashtra Value Added Tax, 2006	Maharashtra VAT dues	88.02 <sup>^^</sup>	2015-16 & 2016-17	Deputy Commissioner / Assessing Authority Maharashtra
Orissa Value Added Tax, 2004	Orissa VAT dues	2.53 <sup>^^^</sup>	April 2015 - September 2016	Deputy commissioner of sales tax, Bhubaneswar
The Finance Act, 1994	Service tax dues	31.36 <sup>#</sup>	2013-14 to 2017-18	Assistant Commissioner CESTAT
Income Tax Act, 1961	Income taxes	327.99	2015-16, 2016-17 & 2021-22	Assistant Commissioner of Income Tax
Andhra Pradesh VAT Act of 2005	Andhra VAT dues	6.42 <sup>##</sup>	2018-19	Assistant Commissioner of sales tax, Andhra Pradesh

<sup>^</sup>Net of ₹ 505.39 million paid under protest

<sup>^^</sup>Net of ₹ 4.04 million paid under protest

<sup>^^^</sup>Net of ₹ 2.53 million paid under protest

<sup>#</sup>Net of ₹ 2.47 million paid under protest

<sup>##</sup>Net of ₹ 0.71 million paid under protest

- iv. The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees and securities provided, as applicable.
- v. The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause (v) of the Order is not applicable.
- vi. The maintenance of cost records has not been specified by the Central Government under Section 148(1) of the Act, for the business activities carried out by the Company. Thus reporting under clause (vi) of the Order is not applicable.
- vii. According to the information and explanations given to us, in respect of statutory dues:
- (a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.

There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Cess and other material statutory dues in arrears as at 31<sup>st</sup> March, 2023 for a period of more than six months from the date they became payable.



- viii. There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.
- ix. (a) In our opinion, the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) The Company has not taken any term loan during the year and there are no unutilised term loans at the beginning of the year and hence, reporting under clause (ix)(c) of the Order is not applicable.
- (d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie not been used during the year for long-term purposes by the Company.
- (e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.
- (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries.
- x. (a) The Company has not issued any of its securities (including debt instruments) during the year and hence reporting under clause (x) (a) of the Order is not applicable.
- (b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause (x)(b) of the Order is not applicable to the Company.
- xi. (a) To the best of our knowledge, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) To the best of our knowledge, no report under sub-section 12 of section 143 of the Companies Act has been filed in Form ADT 4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
- (c) As represented to us by the Management there were no whistle-blower complaints received by the Company during the year and up to the date of this report.
- xii. The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- xiii. In our opinion, the Company is in compliance with section 177 and 188 of the Companies Act where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements etc. as required by the applicable accounting standards.
- xiv. (a) In our opinion, the Company has an adequate internal audit system commensurate with the size and the nature of its business
- (b) We have considered, the internal audit reports issued to the Company during the year and covering the period from April 1, 2022 to December 31, 2022 and the draft of the internal audit reports were issued after the balance sheet date for the period from January 1, 2023 to March 31, 2023, for the period under audit.
- xv. In our opinion, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and, hence, provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi. The Company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause (xvi)(a), (b) and (c) of the Order is not applicable.
- xvii. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors of the Company during the year.
- xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. The Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there are no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provision of sub-section 6 of section 135 of the said Act. Accordingly, reporting under clause (xx) of the Order is not applicable for the year.

For **DELOITTE HASKINS & SELLS LLP**  
Chartered Accountants  
(Firm's Registration No. 117366W/W-100018)

**Ananthi Amarnath**  
Partner  
(Membership No. 209252)  
(UDIN: 23209252BGXMKA3365)

Place : Chennai  
Date : May 15, 2023

## Standalone Balance Sheet

as at March 31, 2023

(Amounts in ₹ million, except for shares data or as otherwise stated)

Particulars	Note No.	As at March 31, 2023	As at March 31, 2022
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3A	7,370.84	8,520.28
Capital work-in-progress	3B	193.97	14.94
Right-of-use assets	4	4,904.35	4,835.30
Investment property	5	611.36	611.36
Intangible assets	3C	28.34	45.27
Intangible assets under development	3D	4.37	3.97
Financial assets			
Investments	6	7,675.96	7,675.96
Loans	7	1,668.86	1,126.65
Other financial assets	8	1,512.61	666.15
Deferred tax assets (net)	30	524.51	395.02
Non-current tax assets (net)	22B	-	47.85
Other non-current assets	9	539.32	560.00
<b>Total non-current assets</b>		<b>25,034.49</b>	<b>24,502.75</b>
<b>Current assets</b>			
Inventories	10	57,138.65	47,456.50
Financial assets			
Trade receivables	11	1,075.66	44.63
Cash and cash equivalents	12	640.33	870.35
Bank balances other than cash and cash equivalents	12	5,554.64	3,748.23
Other financial assets	8	645.37	343.89
Other current assets	9	548.49	592.90
<b>Total current assets</b>		<b>65,603.14</b>	<b>53,056.50</b>
Assets held-for-sale	43	1,339.10	-
<b>Total assets</b>		<b>91,976.73</b>	<b>77,559.25</b>
<b>Equity and liabilities</b>			
<b>Equity</b>			
Equity share capital	13	10,300.53	10,300.53
Other equity	14	26,365.69	22,335.04
<b>Total equity</b>		<b>36,666.22</b>	<b>32,635.57</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Financial liabilities			
Lease liabilities	16	6,315.94	5,481.54
Provisions	17	285.65	270.22
<b>Total non-current liabilities</b>		<b>6,601.59</b>	<b>5,751.76</b>
<b>Current liabilities</b>			
Financial liabilities			
Borrowings	15	13,240.61	13,809.24
Metal gold loan	18	10,911.25	10,042.37
Lease liabilities	16	933.65	764.30
Trade payables	19	-	-
Total outstanding dues of micro enterprises and small enterprises		-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises		9,684.98	4,952.55
Other financial liabilities	20	114.81	188.26
Provisions	17	122.21	142.49
Other current liabilities	21	13,495.96	9,272.71
Current tax liabilities (net)	22A	205.45	-
<b>Total current liabilities</b>		<b>48,708.92</b>	<b>39,171.92</b>
<b>Total equity and liabilities</b>		<b>91,976.73</b>	<b>77,559.25</b>

Summary of significant accounting policies (refer note 2).  
See accompanying notes forming part of the standalone financial statements.

In terms of our report attached  
**For Deloitte Haskins & Sells LLP**  
Chartered Accountants  
(Firm's Registration No. 117366W/W-100018)

**Ananthi Amarnath**  
Partner  
(Membership No. 209252)

**T. S. Kalyanaraman**  
Managing Director  
DIN: 01021928

**Sanjay Raghuraman**  
Chief Executive Officer

Place: Chennai  
Date: May 15, 2023

Place: Thrissur  
Date: May 15, 2023

For and on behalf of Board of Directors

**T. K. Ramesh**  
Director  
DIN: 01021868

**T. K. Seetharam**  
Director  
DIN: 01021898

**V. Swaminathan**  
Chief Financial Officer

**Jishnu R. G.**  
Company Secretary

## Standalone Statement of Profit and Loss

for the year ended March 31, 2023

(Amounts in ₹ million, except for shares data or as otherwise stated)

Particulars	Note No.	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Income</b>			
Revenue from operations	23	115,840.24	90,560.87
Other income	24	426.35	424.49
<b>I Total income</b>		<b>116,266.59</b>	<b>90,985.36</b>
<b>Expense</b>			
Cost of materials consumed	25	108,186.30	81,465.30
Changes in inventories of finished goods and work-in-progress	25	(10,446.12)	(4,772.77)
Employee benefits expense	26	3,711.55	2,973.64
Finance costs	27	2,343.19	2,636.04
Depreciation and amortisation expense	3E	1,830.62	1,805.23
Other expenses	28	5,057.72	3,979.35
<b>II Total expenses</b>		<b>110,683.26</b>	<b>88,086.79</b>
<b>III Profit before exceptional items and tax (I - II)</b>		<b>5,583.33</b>	<b>2,898.57</b>
<b>IV Exceptional Items</b>	29	332.51	-
<b>V Profit before tax (III - IV)</b>		<b>5,250.82</b>	<b>2,898.57</b>
<b>VI Tax expense</b>	30		
Current tax		1,526.78	812.94
Deferred tax		(174.07)	(56.09)
<b>Total tax expense</b>		<b>1,352.71</b>	<b>756.85</b>
<b>VII Profit for the year (V - VI)</b>		<b>3,898.11</b>	<b>2,141.72</b>
<b>VIII Other comprehensive income</b>			
<b>Items that will not be reclassified to profit or loss</b>			
Remeasurement of employee defined benefit plans		52.44	33.14
Income tax on above		(13.20)	(8.33)
<b>Items that will be reclassified to profit or loss</b>			
Effective portion of gain and loss on designated portion of hedging instruments in a cash flow hedge		124.68	272.35
Income tax on above		(31.38)	(68.56)
<b>Total comprehensive income for the year (VII + VIII)</b>		<b>4,030.65</b>	<b>2,370.32</b>
<b>Earnings per equity share of face value of ₹ 10/-</b>			
Basic	32	3.78	2.08
Diluted	32	3.78	2.08

Summary of significant accounting policies (refer note 2).  
See accompanying notes forming part of the standalone financial statements.

In terms of our report attached  
**For Deloitte Haskins & Sells LLP**  
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**Ananthi Amarnath**  
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Managing Director  
DIN: 01021928

**Sanjay Raghuraman**  
Chief Executive Officer

Place: Chennai  
Date: May 15, 2023

Place: Thrissur  
Date: May 15, 2023

For and on behalf of Board of Directors

**T. K. Ramesh**  
Director  
DIN: 01021868

**V. Swaminathan**  
Chief Financial Officer

**T. K. Seetharam**  
Director  
DIN: 01021898

**Jishnu R. G.**  
Company Secretary



## Standalone Statement of Cashflows

for the year ended March 31, 2023

(Amounts in ₹ million, except for shares data or as otherwise stated)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>A Cash flow from operating activities</b>		
Profit after tax	3,898.11	2,141.72
Adjustments for		
Depreciation of property, plant and equipment and amortisation of intangible assets	920.69	916.97
Amortisation on right-of-use assets	909.93	888.26
Provision for income tax	1,526.78	812.94
Deferred tax expense/ (credit)	(174.07)	(56.09)
Net loss/ (gain) on disposal of property, plant and equipment	(5.11)	(3.28)
Property, plant and equipment written off	28.54	136.73
Credit impaired trade and other advances written off	34.74	55.07
Provision for expected credit loss	-	2.25
Provision for impairment of ROU on sub lease recognition (refer note 4)	12.85	-
Provision for doubtful insurance claims	56.15	38.04
Interest income	(326.95)	(273.56)
Net unrealised exchange loss/(gain)	(108.83)	(7.93)
Unrealised loss/ (gain) on derivative financial instruments	(38.92)	(164.17)
Gain on lease termination	(2.11)	(160.90)
Gain on lease modification	(4.62)	(27.16)
Gain on mutual funds	(0.56)	-
Exceptional item (Refer note 29)	332.51	-
Liabilities no longer required written back	(61.36)	(24.92)
Finance costs	2,343.19	2,636.04
<b>Operating profit before working capital changes</b>	<b>9,340.96</b>	<b>6,910.01</b>
<b>Adjustments for:</b>		
(Increase)/decrease in inventories	(9,682.15)	(3,575.18)
(Increase)/decrease in trade receivables	(1,031.03)	(6.97)
(Increase)/decrease in loans and other current financial assets	(1.30)	47.06
(Increase)/decrease in other current assets	(46.48)	93.46
(Increase)/decrease in other non-current financial assets	(115.27)	(17.91)
(Increase)/decrease in other non-current assets	26.86	(5.06)
Increase/(decrease) in metal gold loan	868.88	12.36
Increase/(decrease) in trade payables	4,735.23	(603.04)
Increase/(decrease) in non-current and current provisions	47.59	75.10
Increase/(decrease) in other financial liabilities	(5.68)	(60.12)
Increase/(decrease) in other current liabilities	4,281.84	(118.05)
<b>Cash generated from operations</b>	<b>8,419.45</b>	<b>2,751.66</b>
Net income tax paid	(1,273.48)	(1,518.22)
<b>Net cash flow from operating activities [A]</b>	<b>7,145.97</b>	<b>1,233.44</b>
<b>B Cash flow from investing activities</b>		
Payments for property, plant and equipment, intangibles (including capital work-in-progress and capital advances)	(1,608.55)	(757.18)
Proceeds from sale of property, plant and equipment and intangibles	7.24	4.53
Bank balances not considered as cash and cash equivalents	(1,784.87)	2,479.27
Investment in subsidiaries	-	(127.47)
Investment in mutual funds	(37.50)	-
Proceeds from sale of mutual funds	38.06	-
Receipt towards finance lease	36.66	-
Loans given to subsidiaries	(436.43)	(494.52)
Interest received	167.86	335.07
<b>Net cash flow from / (used in) investing activities [B]</b>	<b>(3,617.53)</b>	<b>1,439.70</b>

## Standalone Statement of Cashflows

for the year ended March 31, 2023

(Amounts in ₹ million, except for shares data or as otherwise stated)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>C Cash flow from financing activities</b>		
Repayment of long-term borrowings	(183.69)	(1,550.12)
Proceeds from/ repayment of short-term borrowings (net)	(384.94)	(77.65)
Payment towards lease liabilities	(1,488.38)	(1,400.02)
Finance costs	(1,701.45)	(1,857.05)
<b>Net cash used in financing activities [C]</b>	<b>(3,758.46)</b>	<b>(4,884.84)</b>
<b>Net decrease in Cash and cash equivalents [A+B+C]</b>	<b>(230.02)</b>	<b>(2,211.70)</b>
Cash and cash equivalents at the beginning of the year (refer note 12)	870.35	3,082.05
<b>Cash and cash equivalents at the end of the year (refer note 12)</b>	<b>640.33</b>	<b>870.35</b>

### Changes in liabilities arising from financing activities:

Particulars	As at April 1, 2022	Cash flows	Non-cash changes		As at March 31, 2023
			Fair value changes	Others	
Non-current borrowings (including current maturities)	183.69	(183.69)	-	-	-
Current borrowings	13,625.55	(384.94)	-	-	13,240.61
Lease liabilities	6,245.84	(1,488.38)	-	2,492.13	7,249.59
<b>Total</b>	<b>20,055.08</b>	<b>(2,057.01)</b>	<b>-</b>	<b>2,492.13</b>	<b>20,490.20</b>

Particulars	As at April 1, 2021	Cash flows	Non-cash changes		As at March 31, 2022
			Fair value changes	Others	
Non-current borrowings (including current maturities)	1,733.81	(1,550.12)	-	-	183.69
Current borrowings	13,703.20	(77.65)	-	-	13,625.55
Lease liabilities	6,718.44	(1,400.02)	-	927.42	6,245.84
<b>Total</b>	<b>22,155.45</b>	<b>(3,027.79)</b>	<b>-</b>	<b>927.42</b>	<b>20,055.08</b>

Summary of significant accounting policies (refer note 2).  
See accompanying notes forming part of the standalone financial statements.

In terms of our report attached  
**For Deloitte Haskins & Sells LLP**  
Chartered Accountants  
(Firm's Registration No. 117366W/W-100018)

For and on behalf of Board of Directors

**Ananthi Amarnath**  
Partner  
(Membership No. 209252)

**T. S. Kalyanaraman**  
Managing Director  
DIN: 01021928

**T. K. Ramesh**  
Director  
DIN: 01021868

**T. K. Seetharam**  
Director  
DIN: 01021898

**Sanjay Raghuraman**  
Chief Executive Officer

**V. Swaminathan**  
Chief Financial Officer

**Jishnu R. G.**  
Company Secretary

Place: Chennai  
Date: May 15, 2023

Place: Thrissur  
Date: May 15, 2023



## Standalone Statement of Changes in Equity

for the year ended March 31, 2023

(Amounts in ₹ million, except for shares data or as otherwise stated)

### A Equity shares with voting rights

Particulars	As at			
	March 31, 2023		March 31, 2022	
	No. of shares	₹	No. of shares	₹
<b>Balance at the beginning of the year</b>	1,030,053,057	10,300.53	1,030,053,057	10,300.53
Changes in Equity Share Capital due to prior period errors	-	-	-	-
<b>Restated balance at the beginning of the year</b>	<b>1,030,053,057</b>	<b>10,300.53</b>	<b>1,030,053,057</b>	<b>10,300.53</b>
Transactions during the year	-	-	-	-
<b>Closing balance</b>	<b>1,030,053,057</b>	<b>10,300.53</b>	<b>1,030,053,057</b>	<b>10,300.53</b>

### B Other equity

Particulars	Reserves & Surplus		Other Comprehensive Income		Total equity
	Securities premium	Retained earnings	Fair value change of hedging instruments in cash flow hedge	Employee defined benefit plan	
<b>Balance as at March 31, 2021</b>	<b>16,005.83</b>	<b>4,244.22</b>	<b>(205.25)</b>	<b>(90.85)</b>	<b>19,953.95</b>
Changes in other equity due to changes in accounting policy or prior period errors	-	-	-	-	-
<b>Restated balance at the beginning of the year</b>	<b>16,005.83</b>	<b>4,244.22</b>	<b>(205.25)</b>	<b>(90.85)</b>	<b>19,953.95</b>
Profit for the year (net of taxes)	-	2,141.72	-	-	2,141.72
Add: Share issue expenses adjustment against premium arising on shares issued (refer note 13 (vi))	10.77	-	-	-	10.77
Other Comprehensive Income for the year (net of taxes)	-	-	203.79	24.81	228.60
<b>Balance as at March 31, 2022</b>	<b>16,016.60</b>	<b>6,385.94</b>	<b>(1.46)</b>	<b>(66.04)</b>	<b>22,335.04</b>
Changes in other equity due to changes in accounting policy or prior period errors	-	-	-	-	-
<b>Restated balance at the beginning of the year</b>	<b>16,016.60</b>	<b>6,385.94</b>	<b>(1.46)</b>	<b>(66.04)</b>	<b>22,335.04</b>
Profit for the year (net of taxes)	-	3,898.11	-	-	3,898.11
Other Comprehensive Income for the year (net of taxes)	-	-	93.30	39.24	132.54
<b>Balance as at March 31, 2023</b>	<b>16,016.60</b>	<b>10,284.05</b>	<b>91.84</b>	<b>(26.80)</b>	<b>26,365.69</b>

Summary of significant accounting policies (refer note 2).  
See accompanying notes forming part of the standalone financial statements.

In terms of our report attached  
**For Deloitte Haskins & Sells LLP**  
Chartered Accountants  
(Firm's Registration No. 117366W/W-100018)

For and on behalf of Board of Directors

**Ananthi Amarnath**  
Partner  
(Membership No. 209252)

**T. S. Kalyanaraman**  
Managing Director  
DIN: 01021928

**T. K. Ramesh**  
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**Sanjay Raghuraman**  
Chief Executive Officer

**V. Swaminathan**  
Chief Financial Officer

**Jishnu R. G.**  
Company Secretary

Place: Chennai  
Date: May 15, 2023

Place: Thrissur  
Date: May 15, 2023

## Notes

forming part of standalone financial statements for the year ended March 31, 2023

(Amounts in ₹ million, except for shares data or as otherwise stated)

### 1. GENERAL INFORMATION

Kalyan Jewellers India Limited ('Kalyan' or 'the Company') is a closely held public limited company incorporated in India. Kalyan is one of the leading jewellery chains in India headquartered in the city of Thrissur in Kerala. The Company was formed in year 2009 by conversion of erstwhile business entities of M/s Kalyan Jewellers. As of March 31, 2023, the Company has 145 stores located across India. The Company also has operations in Middle East through a wholly-owned subsidiary and step down subsidiaries.

The company was converted in to a public limited company effective from June 15, 2016.

### 2. SIGNIFICANT ACCOUNTING POLICIES

#### (i) Statement of Compliance

These standalone financial statements of the Company have been prepared in accordance with Indian Accounting Standard (Ind AS) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values, the provisions of the Companies Act, 2013 ('the Act') (to the extent notified). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter.

The Company has consistently applied accounting policies to all years. Comparative Financial information has been regrouped, wherever necessary, to correspond to the figures of the current year.

#### (ii) Basis of preparation and presentation

The standalone financial statements have been prepared on accrual basis under the historical cost convention except for the certain financial instruments that are measured at fair values as required by relevant Ind AS:

- certain financial assets and liabilities (including derivative instruments)
- defined employee benefit plans - plan assets are measured at fair value

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

#### (iii) Use of estimates and judgement

The preparation of standalone financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amount of assets and liabilities, revenues and expenses and disclosure of contingent liabilities. Such estimates and assumptions are based on management's evaluation of relevant facts and circumstances as on the date of standalone financial statements. The actual outcome may diverge from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

#### Useful lives of property, plant and equipment:

The Company reviews the useful life of property, plant and equipment at the end of each reporting period. This re-assessment may result in change in depreciation expense in future periods.

#### Fair value of financial assets and liabilities and investments:

The Company measures certain financial assets and liabilities on fair value basis at each balance sheet date or at the time they are assessed for impairment. Fair value measurement that are based on significant unobservable inputs (Level 3) requires estimates of operating margin, discount rate, future growth rate, terminal values, etc. based on management's best estimate about future developments.

#### (iv) Functional and presentation currency

Items included in the standalone financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates (i.e. the "functional currency"). The standalone financial statements are presented in Indian Rupee, the national currency of India, which is the functional currency of the Company.

#### (v) Revenue Recognition

Revenue is recognised upon transfer of control of promised goods or services to customers in an amount that reflects the consideration the Company expects to receive in exchange for those goods or services.



## Notes

forming part of standalone financial statements for the year ended March 31, 2023

(Amounts in ₹ million, except for shares data or as otherwise stated)

- a) Sale of goods: Revenue from the sale of products is recognised at the point in time when control is transferred to the customer.

Revenue is measured based on the transaction price, which is the consideration, net of customer incentives, discounts, variable considerations, payments made to customers, other similar charges, as specified in the contract with the customer. Additionally, revenue excludes taxes collected from customers, which are subsequently remitted to governmental authorities.

- b) Interest income: Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset of that asset's net carrying amount on initial recognition.

### (vi) Leases

The Company assesses at contract inception whether a contract is, or contains, a lease i.e., if the contract conveys the right to control the use of an identified asset for a period in exchange of consideration.

#### Company as a lessee

The Company's lease asset classes consist of leases for buildings. The Company, at the inception of a contract, assesses whether the contract is a lease or not lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a time in exchange for a consideration. This policy has been applied to contracts existing and entered into on or after April 1, 2019.

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straightline method from the commencement date to the end of the lease term.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the Company's incremental borrowing rate. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Company has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Company recognises the lease payments associated with these leases as an expense over the lease term on a straight-line basis.

#### Company as a lessor

In case of sub-leasing, where the Company, being the original lessee and intermediate lessor, grants a right to use the underlying asset to a third party, the head lease is recognised as lease liability and sub-lease is recognised as lease receivables in the Balance Sheet of the Company. Interest expense is charged on the lease liability and interest income is recognised on lease receivables in the statement of profit or loss.

### (vii) Foreign currencies

Transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the date of the transaction. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in the statement of profit and loss in the period in which they arise except for exchange differences on transactions designated as fair value hedge, if any.

### (viii) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for

## Notes

forming part of standalone financial statements for the year ended March 31, 2023

(Amounts in ₹ million, except for shares data or as otherwise stated)

their intended use or sale are added to the cost of those assets, until such time the assets are substantially ready for their intended use or sale. All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

### (ix) Employee benefits

The Company participates in various employee benefit plans. Post-employment benefits are classified as either defined contribution plans or defined benefit plans. Under a defined contribution plan, the Company's only obligation is to pay a fixed amount with no obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits. The related actuarial and investment risks fall on the employee. The expenditure for defined contribution plans is recognized as expense during the period when the employee provides service. Under a defined benefit plan, it is the Company's obligation to provide agreed benefits to the employees. The related actuarial risks fall on the Company. The present value of the defined benefit obligations is calculated using the projected unit credit method.

#### Short-term employee benefits

All short-term employee benefits such as salaries, wages, bonus, and other benefits which fall within 12 months of the period in which the employee renders related services which entitles them to avail such benefits and non-accumulating compensated absences are recognised on an undiscounted basis and charged to the statement of profit and loss.

A liability is recognised for benefits accruing to employees in respect of wages and salaries in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

#### Defined contribution plan

The Company's contribution to provident fund and employee state insurance scheme are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees.

#### Defined benefit plan

In accordance with the Payment of Gratuity Act, 1972, the Company provides for a lump sum payment to eligible employees, at retirement or termination of employment based on the last drawn salary and years of employment with the Company. The gratuity fund is unfunded. The Company's obligation in respect of the gratuity plan, which is a defined benefit plan, is

provided for based on actuarial valuation using the projected unit credit method. Actuarial gains or losses are recognized in other comprehensive income. Further, the profit or loss does not include an expected return on plan assets. Instead net interest recognized in profit or loss is calculated by applying the discount rate used to measure the defined benefit obligation to the net defined benefit liability or asset. The actual return on the plan assets above or below the discount rate is recognized as part of re-measurement of net defined liability or asset through other comprehensive income.

Remeasurement, comprising actuarial gains and losses is reflected immediately in the balance sheet with charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected in retained earnings and is not reclassified to the statement of profit and loss.

### (x) Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

- a) Current tax: Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws.
- b) Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is highly probable that future economic benefit associated with it will flow to the Company.
- c) Deferred tax: Deferred tax is recognized using the balance sheet approach. Deferred tax assets and liabilities are recognised on temporary differences between the carrying amounts of assets and liabilities in the standalone financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences.

Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.



## Notes

forming part of standalone financial statements for the year ended March 31, 2023

(Amounts in ₹ million, except for shares data or as otherwise stated)

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be utilised.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

### (xi) Property, Plant and Equipment

Land and buildings held for use in the production or supply of goods or services, or for administrative purposes, are stated at cost less accumulated depreciation and accumulated impairment losses. Freehold land is not depreciated.

Property, plant and equipment are carried at cost less accumulated depreciation and impairment losses, if any. The cost of property, plant and equipment comprises its purchase price/ acquisition cost, net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses and interest on borrowings attributable to acquisition of qualifying property, plant and equipment up to the date the asset is ready for its intended use.

Machinery spares which can be used only in connection with an item of Property, plant and equipment and whose use is expected to be irregular are capitalised and depreciated over the useful life of the principal item of the relevant assets. Subsequent expenditure on property, plant and equipment after its purchase / completion is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

Depreciation on Property, plant and equipment (other than freehold land) has been provided on the straightline method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of Aeroplanes/Helicopters

(30 years with an estimated residual value of 5%), in whose case the life of the assets has been assessed as under based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc.

The estimated useful life of the tangible assets and the useful life are reviewed at the end of each financial year and the depreciation period is revised to reflect the changed pattern, if any.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the statement of profit and loss.

### (xii) Investment Property

Investment properties are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes). Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured in accordance with Ind AS 16's requirements for cost model.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognised.

### (xiii) Intangible Assets

Intangible assets are stated at cost less accumulated amortisation and impairment. Intangible assets are amortised over their respective estimated useful lives on a straightline basis, from the date that they are available for use. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition and other economic factors (such as the stability of the industry and known technological advances) and the level of maintenance expenditures required to obtain the expected future cash flows from the asset.

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(Amounts in ₹ million, except for shares data or as otherwise stated)

Estimated useful lives of the intangible assets is 5 years. The estimated useful life of the intangible assets and the amortisation period are reviewed at the end of each financial year and the amortisation period is revised to reflect the changed pattern, if any.

### (xiv) Impairment of tangible and intangible assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss. When an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

### (xv) Inventories

Inventories [other than quantities of gold for which the price is yet to be determined with the suppliers (Unfixed gold)] are stated at the lower of cost and net realisable value. In respect of gold, cost is determined on first-in-first-out basis, for silver cost is determined on annual weighted average basis and in respect of studded jewellery is determined on specific identification basis.

Unfixed gold is valued at the gold prices prevailing on the period closing date.

Cost comprises all costs of purchase including duties and taxes (other than those subsequently recoverable by the Company), freight inwards and other expenditure directly attributable to acquisition. Work-in-progress and finished goods

include appropriate proportion of overheads and, where applicable, excise duty. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

### (xvi) Provisions and contingencies

Provisions: A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of time value of money is material).

Contingent liabilities: Contingent liabilities are not recognised but are disclosed in notes to accounts.

### (xvii) Investment in subsidiaries

Investments representing investments in subsidiaries are measured at cost.

### (xviii) Financial instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.

Financial assets and liabilities are initially recognised at fair value. Transaction costs that are directly attributable to financial assets and liabilities [other than financial assets and liabilities measured at fair value through profit and loss (FVTPL)] are added to or deducted from the fair value of the financial assets or liabilities, as appropriate on initial recognition. Transaction costs directly attributable to acquisition of financial assets or liabilities measured at FVTPL are recognised immediately in the statement of profit and loss.

a) Non-derivative Financial assets: All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.



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All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

### Financial assets at amortised cost

A financial asset is measured at amortised cost if both of the following conditions are met:

- a) the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and
- b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

### Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is that which exactly discounts estimated future cash receipts through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets. Interest income is recognised in profit or loss and is included in the "Other income" line item.

- b) Derecognition of financial assets: A financial asset is derecognised only when the Company
  - has transferred the rights to receive cash flows from the financial asset or
  - retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

When the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Were the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all

risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. When the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

- c) Foreign exchange gains and losses: The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period.

For foreign currency denominated financial assets measured at amortised cost and FVTPL, the exchange differences are recognised in statement of profit and loss.

- d) Financial liabilities: All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

### Financial liabilities at FVTPL

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in statement of profit and loss. The net gain or loss recognised in statement of profit and loss incorporates any interest paid on the financial liability and is included in the 'Other income/Other expenses' line item.

### Financial liabilities subsequently measured at amortised cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

### Foreign exchange gains and losses

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting

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period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments and are recognised in the statement of profit and loss.

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. For financial liabilities that are measured as at FVTPL, the foreign exchange component forms part of the fair value gains or losses and is recognised in the statement of profit and loss.

### Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired.

An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability.

### (xix) Hedge accounting

The Company designates certain hedging instruments as fair value hedges. At the inception of the hedge relationship, the entity documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Company documents whether the hedging instrument is highly effective in offsetting changes in fair values of the hedged item attributable to the hedged risk.

### Fair value hedges

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in statement of profit and loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedging relationship and the nature of the hedged item.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. The fair value adjustment to the carrying amount of the hedged item arising

from the hedged risk is amortised to profit or loss from that date.

### Cash flow hedges

Derivative financial instruments to manage risks associated with gold and foreign currency price fluctuations relating to certain existing liabilities, highly probable forecasted transactions, foreign currency fluctuations relating to certain firm commitments fall under the category of cash flow hedges. The Group has designated derivative financial instruments taken for gold and foreign currency price fluctuations as cash flow hedges relating to certain existing liabilities and highly probable forecast transactions.

Hedging instruments are initially measured at fair value, and are re-measured at subsequent reporting dates. Changes in the fair value of these derivatives that are designated and effective as hedges of future cash flows are recognised in other comprehensive income and accumulated under the heading hedging reserve and the ineffective portion is recognised immediately in the statement of profit and loss. For forecasted transactions, any cumulative gain or loss on the hedging instrument recognized in hedging reserve is retained until the forecast transaction occurs upon which it is recognized in the statement of profit and loss.

- (xx) If a hedged transaction is no longer expected to occur, the net cumulative gain or loss accumulated in hedging reserve is recognized immediately to the statement of profit and loss. The Group has designated derivative financial instruments taken for gold price fluctuations as cash flow hedges relating to highly probable forecasted transactions under the previous GAAP.

### (xxi) Segment reporting

Operating segments are reported in the manner consistent with the internal reporting to the chief operating decision maker (CODM). The Company is reported at an overall level, and hence there are no separate reportable segments as per Ind AS 108.

### (xxii) Cash and cash equivalents

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition) and highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.



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For the purposes of the cash flow statement, cash and cash equivalents include cash on hand, in banks and demand deposits with banks, net of outstanding bank overdrafts that are repayable on demand, book overdraft and are considered part of the Company's cash management system.

### (xxiii) Earnings per share (EPS)

Basic earnings per share are computed using the weighted average number of equity shares outstanding during the period.

Diluted EPS is computed by dividing the profit or loss attributable to ordinary equity holders by the weighted average number of equity shares considered for deriving basic EPS and also weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for bonus shares, as appropriate

### (xxiv) Asset classified as held for sale

The Company classifies a non-current asset (or disposal group) as held for sale if its carrying amount will be recovered principally through a sale transaction rather than through continuing use when the asset (or disposal group) is available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such assets (or disposal groups) and its sale is highly probable. The Company measures a non-current asset (or disposal group) classified as held for sale at the lower of its carrying amount and fair value less costs to sell.

### (xxv) Operating Cycle

Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

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(Amounts in ₹ million, except for shares data or as otherwise stated)

### 3A Property, plant and equipment - owned

Description of Assets	Freehold Land	Helipad	Buildings	Plant & machinery	Office equipment	Computers	Furniture and fixtures	Aeroplanes/helicopters	Vehicles	Total
<b>I. At cost or deemed cost</b>										
<b>Balance as at March 31, 2021</b>	<b>1,861.01</b>	<b>31.82</b>	<b>999.90</b>	<b>47.21</b>	<b>915.14</b>	<b>120.84</b>	<b>5,630.63</b>	<b>2,700.53</b>	<b>390.83</b>	<b>12,697.91</b>
Additions	12.17	-	76.48	0.62	114.84	11.99	1,008.97	-	28.45	1,253.52
Transfer from investment property	-	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	(2.42)	-	(288.97)	-	(13.16)	(304.55)
<b>Balance as at March 31, 2022</b>	<b>1,873.18</b>	<b>31.82</b>	<b>1,076.38</b>	<b>47.83</b>	<b>1,027.56</b>	<b>132.83</b>	<b>6,350.63</b>	<b>2,700.53</b>	<b>406.12</b>	<b>13,646.88</b>
Additions	-	-	75.30	5.53	124.96	13.60	1,194.39	-	34.84	1,448.62
Asset classified as held for sale (refer note 29)	-	-	-	-	-	-	-	(2,265.37)	-	(2,265.37)
Disposals	-	-	-	-	-	-	(96.20)	-	(19.77)	(115.97)
<b>Balance as at March 31, 2023</b>	<b>1,873.18</b>	<b>31.82</b>	<b>1,151.68</b>	<b>53.36</b>	<b>1,152.52</b>	<b>146.43</b>	<b>7,448.82</b>	<b>435.16</b>	<b>421.19</b>	<b>12,714.16</b>
<b>II. Accumulated depreciation</b>										
<b>Balance as at March 31, 2021</b>	<b>-</b>	<b>7.85</b>	<b>166.34</b>	<b>16.73</b>	<b>762.71</b>	<b>106.76</b>	<b>2,533.05</b>	<b>541.22</b>	<b>275.99</b>	<b>4,410.65</b>
Charge for the year	-	1.05	35.79	3.41	79.07	8.69	617.70	89.61	50.21	885.53
Disposals	-	-	-	-	(2.33)	-	(155.35)	-	(11.90)	(169.58)
<b>Balance as at March 31, 2022</b>	<b>-</b>	<b>8.90</b>	<b>202.13</b>	<b>20.14</b>	<b>839.45</b>	<b>115.45</b>	<b>2,995.40</b>	<b>630.83</b>	<b>314.30</b>	<b>5,126.60</b>
Charge for the year	-	1.05	39.01	3.51	76.86	10.17	653.35	89.61	23.03	896.59
Asset classified as held for sale (refer note 29)	-	-	-	-	-	-	-	(593.76)	-	(593.76)
Disposals	-	-	-	-	-	-	(68.06)	-	(18.05)	(86.11)
<b>Balance as at March 31, 2023</b>	<b>-</b>	<b>9.95</b>	<b>241.14</b>	<b>23.65</b>	<b>916.31</b>	<b>125.62</b>	<b>3,580.69</b>	<b>126.68</b>	<b>319.28</b>	<b>5,343.32</b>
Carrying value (I-II)										
<b>Balance as at March 31, 2023</b>	<b>1,873.18</b>	<b>21.87</b>	<b>910.54</b>	<b>29.71</b>	<b>236.21</b>	<b>20.81</b>	<b>3,868.13</b>	<b>308.48</b>	<b>101.91</b>	<b>7,370.84</b>
<b>Balance as at March 31, 2022</b>	<b>1,873.18</b>	<b>22.92</b>	<b>874.25</b>	<b>27.69</b>	<b>188.11</b>	<b>17.38</b>	<b>3,355.23</b>	<b>2,069.70</b>	<b>91.82</b>	<b>8,520.28</b>

### 3B Ageing of capital work in progress

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
<b>Balance as at March 31, 2023</b>					
Projects in progress	193.97	-	-	-	193.97
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>193.97</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>193.97</b>
<b>Balance as at March 31, 2022</b>					
Projects in progress	14.94	-	-	-	14.94
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>14.94</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>14.94</b>

### Notes:

- There are no projects under capital work in progress whose completion is overdue or has exceeded its cost compared to its original plan as at March 31, 2023 and March 31, 2022.
- The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets during the current year and previous year.
- There are no immovable properties whose title deeds are not held in the name of the Company as at March 31, 2023 and March 31, 2022.

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### 3C Intangible assets

Description of Assets	Software
<b>I. At cost or deemed cost</b>	
<b>Balance as at March 31, 2021</b>	236.39
Additions	4.00
Disposals	-
<b>Balance as at March 31, 2022</b>	<b>240.39</b>
Additions	7.57
Disposals	(0.50)
<b>Balance as at March 31, 2023</b>	<b>247.46</b>
<b>II. Accumulated amortisation</b>	
<b>Balance as at March 31, 2021</b>	163.68
Charge for the year	31.44
Disposals	-
<b>Balance as at March 31, 2022</b>	<b>195.12</b>
Charge for the year	24.10
Disposals	(0.10)
<b>Balance as at March 31, 2023</b>	<b>219.12</b>
<b>Carrying value (I-II)</b>	
<b>Balance as at March 31, 2023</b>	<b>28.34</b>
<b>Balance as at March 31, 2022</b>	<b>45.27</b>

### 3D Ageing of intangibles under development

Particulars	Amount in intangibles under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
<b>Balance as at March 31, 2023</b>					
Projects in progress	0.40	0.67	2.70	0.60	4.37
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>0.40</b>	<b>0.67</b>	<b>2.70</b>	<b>0.60</b>	<b>4.37</b>
<b>Balance as at March 31, 2022</b>					
Projects in progress	0.67	2.70	0.60	-	3.97
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>0.67</b>	<b>2.70</b>	<b>0.60</b>	<b>-</b>	<b>3.97</b>

**Note:** There are no intangibles under development whose completion is overdue or has exceeded its cost compared to its original plan as at March 31, 2023 and March 31, 2022.

### 3E Depreciation and amortisation expense

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Depreciation of property, plant and equipment	896.59	885.53
Amortisation of intangible assets	24.10	31.44
Amortisation of right-of-use assets	909.93	888.26
<b>Total</b>	<b>1,830.62</b>	<b>1,805.23</b>

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### 4 Right-of-use assets

Particulars	As at March 31, 2023	As at March 31, 2022
Right-of-use assets (ROU) at the beginning of the year as per IND AS 116	4,835.30	5,337.72
Add: Addition during the year on account of new leases	1,862.50	718.30
Less: ROU derecognised on sub lease recognition	(848.39)	-
Less: Impact on lease modification	(19.13)	(51.82)
Less: Impact on lease termination	(3.15)	(280.64)
Less: Provision for impairment of ROU on sub lease recognition	(12.85)	-
Less: Amortised during the year	(909.93)	(888.26)
<b>Closing balance (Refer note 39)</b>	<b>4,904.35</b>	<b>4,835.30</b>

### 5 Investment property

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Cost or deemed cost</b>		
<b>Opening balance</b>	611.36	611.36
Transfer to property, plant and equipment	-	-
<b>Closing balance</b>	<b>611.36</b>	<b>611.36</b>

(i) The Company's investment properties consist only of free hold land and therefore no depreciation is chargeable.

The Company's investment properties consist of six properties in the nature of free hold land in India. As at March 31, 2023 and March 31, 2022, the fair value of the properties is ₹ 1,886.80 million and ₹ 1,886.80 million respectively. These are based on valuations performed by independent valuers for the purposes of bank financing at the time availing/renewing such financing facility. These valuers are registered valuers as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017. The fair value hierarchy is at level 2, which is derived using the market comparable approach based on recent market prices without any significant adjustments being made to the market observable data. (Refer note 36b for note on fair value hierarchy).

### 6 Investments

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Non-current</b>		
<b>I. Investment in equity instruments (unquoted, carried at cost)</b>		
<b>In wholly owned subsidiary companies</b>		
Kalyan Jewellers FZE (385 shares (31 March 22: 385 shares) of 1,000,000 AED each fully paid up)	7,212.99	7,212.99
(i) Kalyan Jewelers Inc. (1000 shares (31 March 22: 1000) of 0.001 USD each fully paid up)	0.00	0.00
<b>In subsidiaries</b>		
Enovate Lifestyles Private Limited (324,810 shares (March 31, 2022: 324,810 shares) of ₹ 10 each fully paid up)	335.50	335.50
Deemed equity investment: Enovate Lifestyles Private Limited (refer note 7)	127.47	127.47
<b>Total</b>	<b>7,675.96</b>	<b>7,675.96</b>
Aggregate amount of quoted investments and market value thereof	-	-
Aggregate amount of unquoted investments	7,548.49	7,548.49
Aggregate amount of impairment in value of investments	-	-

(i) The value of investment in Kalyan Jewelers, Inc., USA is ₹ 31.10 only on account of the standalone financial statements being rounded off to the nearest ₹ millions, the above item is presented as '0.00' millions.

(ii) The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Companies Act, 2013 read with Companies (Restriction on number of Layers) Rules, 2017 during the current year and previous year.



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### 7 Loans

(Unsecured and considered good, unless otherwise specified)

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Non-current</b>		
<b>Measured at amortised cost</b>		
Investment in redeemable preference shares of subsidiary - considered good (0.94 million redeemable preference shares of ₹ 200 each which are redeemable at part at the end of 10 years from the issue date. The amount disclosed is net of deemed equity investment of ₹ 127.47 accounted in terms of IND AS 32 and the same is disclosed under note 6 - Investments)	69.80	62.32
Loans to subsidiaries (refer note 35)		
- considered good	1,599.06	1,064.33
- which have significant increase in credit risk	-	-
- credit impaired	-	-
	<b>1,668.86</b>	<b>1,126.65</b>
Loans to subsidiaries that are repayable on demand or without repayment terms out of the above:	1,381.56	1,064.33
Percentage to the total loans	82.78%	94.47%
<b>Current</b>		
<b>Measured at amortised cost</b>		
Loans to subsidiaries (refer note 35)		
- considered good	-	-
- which have significant increase in credit risk	-	-
- credit impaired	10.40	10.40
Less: Provision for impairment of doubtful loans	(10.40)	(10.40)
<b>Total</b>	<b>-</b>	<b>-</b>
Loans to subsidiaries that are repayable on demand or without repayment terms out of the above:	-	-
Percentage to the total loans	0.00%	0.00%

- (i) There are no loans or advances in the nature of loans granted to promoters, directors, KMPs and the related parties other than those disclosed in this note.
- (ii) The Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other persons or entities, including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries other than the loan given during the current year (Nil for previous year) to its subsidiary Kalyan Jewellers FZE, UAE (intermediary) which has in turn advanced the funds to another subsidiary Kalyan Jewellers LLC, UAE (ultimate beneficiary) where the same was utilised for working capital purpose as under:

#### Disclosure for year ended March 31, 2023:

Particulars	Date of loan	Amount	Ultimate beneficiary	Purpose of the loan
Loan to Kalyan Jewellers FZE, UAE	23 May 2022	211.60	Kalyan Jewellers LLC, UAE	Working capital
<b>Total</b>		<b>211.60</b>		

The relevant provisions of the Foreign Exchange Management Act, 1999 (42 of 1999) and the Companies Act has been complied with for the above transactions and the transactions are not violative of the Prevention of Money-Laundering Act, 2002 (15 of 2003).

## Notes

forming part of standalone financial statements for the year ended March 31, 2023

(Amounts in ₹ million, except for shares data or as otherwise stated)

### 8 Other financial assets

(Unsecured and considered good, unless otherwise specified)

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Non-current</b>		
<b>Measured at amortised cost</b>		
Security deposits	762.34	644.57
Earmarked deposits with remaining maturity period greater than 12 months	0.04	21.58
Sub-lease receivables	750.23	-
<b>Total</b>	<b>1,512.61</b>	<b>666.15</b>
<b>Current</b>		
<b>Measured at amortised cost unless otherwise specified</b>		
Interest accrued but not due on loans and deposits		
- Loan to subsidiaries (refer note 35)	89.48	50.21
- fixed deposits with banks	61.46	9.45
Sub-lease receivables	80.80	-
Security deposits	290.90	284.23
Derivative financial instruments, carried at fair value (Refer note 36(a))		
- Forward Contracts	122.73	-
<b>Total</b>	<b>645.37</b>	<b>343.89</b>

### 9 Other assets

(Unsecured and considered good, unless otherwise specified)

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Non-current</b>		
Capital advance	14.13	7.95
Balances with revenue authorities - amounts paid under protest		
- Income tax and others	30.52	57.38
- Kerala VAT	494.67	494.67
<b>Total</b>	<b>539.32</b>	<b>560.00</b>
<b>Current</b>		
Balances with revenue authorities	261.73	184.57
Prepaid expenses	164.70	91.68
Advance to suppliers	120.33	230.42
Other assets		
- considered good	1.73	86.23
- considered doubtful	94.19	38.04
Less: Provision for doubtful assets	(94.19)	(38.04)
<b>Total</b>	<b>548.49</b>	<b>592.90</b>

### 10 Inventories

(lower of cost and net realisable value)

Particulars	As at March 31, 2023	As at March 31, 2022
Raw materials	4,134.79	4,898.76
Work-in-progress	10,999.78	9,199.87
Finished goods	42,004.08	33,357.87
<b>Total</b>	<b>57,138.65</b>	<b>47,456.50</b>

Note (i) - The cost of inventories recognised as expense during the year ended is ₹ 97,740.18 (March 31, 2022: ₹ 76,692.53)

Note (ii) - The mode of valuation has been stated in Note 2 (xv)



## Notes

forming part of standalone financial statements for the year ended March 31, 2023

(Amounts in ₹ million, except for shares data or as otherwise stated)

### 11 Trade receivables

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Unsecured</b>		
Trade receivables - considered good	1,068.27	36.47
Trade receivables which have significant increase in credit risk	15.81	16.58
Trade Receivables - credit impaired	-	-
	<b>1,084.08</b>	<b>53.05</b>
Less: Provision for expected credit losses	(8.42)	(8.42)
<b>Total</b>	<b>1,075.66</b>	<b>44.63</b>

(i) The Company generally operates on a cash and carry model except in the case of franchisee partners where there are adequate controls in place, and hence the expected credit loss allowance for trade receivables is insignificant. The concentration of credit risk is also limited due to the fact that the customer base is large and unrelated.

#### (ii) Trade receivables ageing schedule

As at March 31, 2023:

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
<b>Undisputed</b>						
Receivables considered good	1,068.27	-	-	-	-	1,068.27
Receivables which have significant increase in credit risk	10.92	0.57	0.52	0.02	3.78	15.81
Receivables - credit impaired	-	-	-	-	-	-
<b>Disputed</b>						
Receivables considered good	-	-	-	-	-	-
Receivables which have significant increase in credit risk	-	-	-	-	-	-
Receivables - credit impaired	-	-	-	-	-	-
<b>Total</b>	<b>1,079.19</b>	<b>0.57</b>	<b>0.52</b>	<b>0.02</b>	<b>3.78</b>	<b>1,084.08</b>

As at March 31, 2022:

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
<b>Undisputed</b>						
Receivables considered good	36.45	0.02	-	-	-	36.47
Receivables which have significant increase in credit risk	11.91	0.47	0.04	1.10	3.06	16.58
Receivables - credit impaired	-	-	-	-	-	-
<b>Disputed</b>						
Receivables considered good	-	-	-	-	-	-
Receivables which have significant increase in credit risk	-	-	-	-	-	-
Receivables - credit impaired	-	-	-	-	-	-
<b>Total</b>	<b>48.36</b>	<b>0.49</b>	<b>0.04</b>	<b>1.10</b>	<b>3.06</b>	<b>53.05</b>

## Notes

forming part of standalone financial statements for the year ended March 31, 2023

(Amounts in ₹ million, except for shares data or as otherwise stated)

### 12 Cash and cash equivalents

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Cash and cash equivalents</b>		
Cash in hand	278.56	216.56
Balances with banks		
Current accounts	206.14	537.15
Funds in transit	155.63	116.64
<b>Total cash and cash equivalents as per Ind AS 7</b>	<b>640.33</b>	<b>870.35</b>
<b>Bank Balances other than cash and cash equivalents above</b>		
Fixed deposits held as margin money against borrowings and guarantees (maturity of less than 12 months from the balance sheet date)	4,259.97	3,277.88
Balances with banks held as margin money	1,294.67	470.35
<b>Total</b>	<b>5,554.64</b>	<b>3,748.23</b>

The deposits maintained by the Company with banks comprise time deposits, (excluding the fixed deposits held as margin money) which can be withdrawn by the Company at any point without prior notice or penalty on the principal.

### 13 Equity

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of shares	₹	No. of shares	₹
<b>Authorised</b>				
Equity shares of ₹ 10 each with voting rights	1,800,500,000	18,005.00	1,800,500,000	18,005.00
0.001% Compulsorily convertible preference shares of ₹ 10 each	200,000,000	2,000.00	200,000,000	2,000.00
<b>Issued, subscribed and fully paid up</b>				
Equity shares of ₹ 10 each with voting rights	1,030,053,057	10,300.53	1,030,053,057	10,300.53
0.001% Compulsorily convertible preference shares of ₹ 10 each	-	-	-	-
<b>Total</b>	<b>1,030,053,057</b>	<b>10,300.53</b>	<b>1,030,053,057</b>	<b>10,300.53</b>

(i) Pursuant to a confirmation order dated August 7, 2019 under Section 233 of the Companies Act, the Regional Director, Ministry of Corporate Affairs, Chennai had confirmed the scheme of amalgamation between Kalyan Jewellers Mini Stores Private Limited and Kalyan Jewellers India Limited and consequent to that the authorised capital of the Company is increased to ₹ 14,005 divided into 1,200,500,000 equity shares of ₹ 10 each and 200,000,000 Compulsorily convertible preference shares of ₹ 10 each. During the year ended March 31, 2021, the authorised share capital was further increased to ₹ 20,005 divided into 1,80,05,00,000 equity shares of ₹ 10 each and 20,00,00,000 compulsorily convertible preference shares of ₹ 10 each pursuant in connection with Initial Public Offering.

#### (ii) Rights, preferences and restrictions attached to shares

The Company has one classes of equity shares. The ordinary equity shares are entitled to receive dividend as declared from time to time after payment of dividend to preference shareholders. The voting rights of an equity shareholder on a poll (not on show of hands) are in proportion to shareholders' share of the paid-up equity capital of the Company. Voting rights cannot be exercised in respect of shares on which any call or other sums presently payable have not been paid. Failure to pay any amount called up on shares may lead to forfeiture of the shares.

On winding up of the Company, the holders of equity shares will be entitled to receive the residual assets of the Company, remaining after distribution of all preferential amounts in proportion to the number of equity shares held.

## Notes

forming part of standalone financial statements for the year ended March 31, 2023

(Amounts in ₹ million, except for shares data or as otherwise stated)

### (iii) Reconciliation of the shares outstanding at the beginning and at the end of the year

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of shares	₹	No. of shares	₹
<b>Equity shares with voting rights</b>				
Opening balance	1,030,053,057	10,300.53	1,030,053,057	10,300.53
Add: Transactions during the year	-	-	-	-
<b>Closing balance</b>	<b>1,030,053,057</b>	<b>10,300.53</b>	<b>1,030,053,057</b>	<b>10,300.53</b>

### (iv) Shareholders holding more than 5% shares in the Company

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of shares held	%	No. of shares held	%
<b>Equity shares with voting rights</b>				
T.S. Kalyanaraman	215,689,376	20.94%	215,644,676	20.94%
T.K. Seetharam	186,064,242	18.06%	186,064,242	18.06%
T.K. Ramesh	186,064,242	18.06%	186,064,242	18.06%
Highdell Investment Ltd.	245,331,151	23.82%	271,539,787	26.36%

### (v) Shares held by promoters at the end of the year

Name of the promoter	As at March 31, 2023		
	No. of shares	% of total shares	% of change during the year
T.S. Kalyanaraman	215,689,376	20.94%	0.00%
T.K. Seetharam	186,064,242	18.06%	0.00%
T.K. Ramesh	186,064,242	18.06%	0.00%

Name of the promoter	As at March 31, 2022		
	No. of shares	% of total shares	% of change during the year
T.S. Kalyanaraman	215,689,376	20.94%	0.02%
T.K. Seetharam	186,064,242	18.06%	0.02%
T.K. Ramesh	186,064,242	18.06%	0.02%

(vi) The Company completed the Initial Public Offer ('IPO') its equity shares during the previous year in March 2021 and listed its shares on Bombay Stock Exchange and National Stock Exchange on 26 March 2021. Pursuant to IPO, the Company had allotted 91,724,137 fresh equity shares of ₹ 10 each to public and 229,885 fresh equity shares of ₹ 10 each to employees of the Company at a premium of ₹ 77 per equity share and ₹ 69 per equity share respectively on 24 March 2021. The total share premium arising on IPO amounting to ₹ 7,078.62 millions had been accounted under securities premium reserve and the IPO related expenses amounting to ₹ 472.03 millions, being company's share of total IPO expense, post all subsequent settlements (₹ 10.77 millions), had been adjusted against the premium amount as above.

## 14 Other equity

Particulars	As at March 31, 2023	As at March 31, 2022
(i) Securities premium reserve	16,016.60	16,016.60
(ii) Retained earnings	10,284.05	6,385.94
(iii) Other comprehensive income	65.04	(67.50)
<b>Total</b>	<b>26,365.69</b>	<b>22,335.04</b>

## Notes

forming part of standalone financial statements for the year ended March 31, 2023

(Amounts in ₹ million, except for shares data or as otherwise stated)

Particulars	As at March 31, 2023	As at March 31, 2022
<b>(i) Securities premium reserve</b>		
Balance at beginning of the year	16,016.60	16,005.83
Add/ (Less): Expenses relating to IPO netted off against the above (Refer note 13 (vi))	-	10.77
<b>Balance at the end of the year</b>	<b>16,016.60</b>	<b>16,016.60</b>
<b>(ii) Retained earnings</b>		
Balance at beginning of the year	6,385.94	4,244.22
Profit attributable to owners of the Company	3,898.11	2,141.72
<b>Balance at the end of the year</b>	<b>10,284.05</b>	<b>6,385.94</b>
<b>(iii) Other comprehensive income</b>		
Balance at beginning of the year	(67.50)	(296.10)
Remeasurement of defined benefit obligations (net of tax)	39.24	24.81
Effective portion of gain and loss on designated portion of hedging instruments in a cash flow hedge (net of tax)	93.30	203.79
<b>Balance at the end of the year</b>	<b>65.04</b>	<b>(67.50)</b>

### (iv) Nature and purpose of other reserve

Securities premium: Securities premium is used to record the premium received on issue of shares. It is utilised in accordance with the provisions of the Companies Act, 2013.

Retained earnings / Surplus: Retained earnings are the profits / loss that the Company has earned / incurred till date, less any transfers to other reserves, dividends or other distributions paid to its equity shareholders.

Items of other comprehensive income consists of effective portion of gain and loss on designated portion of hedging instruments in a cash flow hedge and remeasurement of net defined benefit liability/asset.

## 15 Borrowings

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Non-current</b>		
<b>(i) Terms loans from banks - secured</b>		
Less: Current maturities of long-term debt	-	(183.69)
<b>Total</b>	<b>-</b>	<b>-</b>
<b>Current</b>		
<b>(ii) Loans repayable on demand from banks - secured</b>		
Current maturities of long-term debt	13,240.61	13,625.55
<b>Total</b>	<b>13,240.61</b>	<b>13,809.24</b>

### (i) Details of terms of repayment of long-term borrowings (non-current) and interest thereon are as follows:

Terms of repayment	As at March 31, 2023	As at March 31, 2022
<b>COVID term loan I</b>		
Repayable in 18 Monthly Instalments of ₹ 45.55 each commencing from December 2020 and ending in May 2022. Interest charged at 7%. Prepayment charges: No prepayment charges as per sanction order. Penal charges: No penal charges as per sanction order.	-	89.77
<b>COVID term loan II</b>		
Repayable in 18 Monthly Instalments of ₹ 12.50 each commencing from January 2021 and ending in May 2022. Interest charged at 7.65%. Prepayment charges: No prepayment charges as per sanction order. Penal charges: No penal charges as per sanction order.	-	93.92

### Details of securities provided to long-term borrowings

COVID term loans from two banks do not have a separate security and are part of the overall security offered for working capital limit of respective banks. Refer SI No. ii for details of security.



## Notes

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(Amounts in ₹ million, except for shares data or as otherwise stated)

### (ii) Details of interest rate and securities provided for loans repayable on demand from various banks

- First *pari passu* charge on the entire current assets of the Company viz. inventory, receivables and other current assets on *pari passu* basis with the member banks in consortium.
- Personal guarantees by Promoter Directors - Mr. T.S. Kalyanaraman, Mr. T.K Seetharam, Mr. T.K Ramesh and their relatives N.V. Ramadevi and T.K. Radhika
- Land and buildings belonging to the Company and Promoter Directors - Mr. T.S. Kalyanaraman, Mr. T.K Seetharam, Mr. T.K Ramesh and their relatives N.V. Ramadevi and T.K. Radhika are offered as collateral security to the working capital consortium.
- Rate of interest on these borrowings are variable and is payable at monthly intervals
- Other charges : No Prepayment charges & Default charges as per sanction order.

(iii) There are no defaults in the repayment of principal or interest to lenders as at March 31, 2023 and March 31, 2022.

(iv) The Company has utilised the borrowings from banks and financial institutions for the specific purpose for which it was taken at the balance sheet date and previous year end.

(v) There are no creation of charges or satisfaction of charges yet to be registered with ROC beyond the statutory period for current year and previous year.

(vi) The Company has not been declared as a 'wilful defaulter' by any bank or financial institution.

(vii) The Company has working capital limit exceeding ₹ 50 million during the year and the Company has submitted quarterly statement of identified current assets to the bankers, and there are no differences between the amounts as per books and amounts reflected in the statements.

(viii) Also refer note 18 with respect to metal gold loan

### 16 Lease liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Non-current</b>		
Opening balance	6,245.84	6,718.44
Add: Addition during the year on account of new leases	1,809.69	686.39
Less: Impact on lease modification	(19.13)	(78.98)
Less: Impact on lease termination	(3.06)	(413.96)
Less: Lease rent payment	(1,488.38)	(1,400.02)
Add: Finance cost on lease liability (refer note 27)	704.63	733.97
Less: Current portion of lease liability	(933.65)	(764.30)
<b>Closing balance (refer note 39)</b>	<b>6,315.94</b>	<b>5,481.54</b>
<b>Current</b>		
Current portion of lease liability	933.65	764.30
<b>Closing balance</b>	<b>933.65</b>	<b>764.30</b>

### 17 Provisions

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Non-current</b>		
Provision for employee benefits - gratuity	263.86	270.22
Provision for employee benefits - compensated absences	21.79	-
<b>Total</b>	<b>285.65</b>	<b>270.22</b>
<b>Current</b>		
Provision for employee benefits - gratuity	112.06	114.68
Provision for employee benefits - compensated absences	10.15	27.81
<b>Total</b>	<b>122.21</b>	<b>142.49</b>

## Notes

forming part of standalone financial statements for the year ended March 31, 2023

(Amounts in ₹ million, except for shares data or as otherwise stated)

### 18 Metal gold loan

Particulars	As at March 31, 2023	As at March 31, 2022
Secured		
Payable to banks [Refer Note (i)]	10,911.25	10,042.37
<b>Total</b>	<b>10,911.25</b>	<b>10,042.37</b>

(i) Represents amounts payable against gold purchased from various banks under gold on loan scheme with variable interest rates ranging from 2.25% to 4.25% and is payable at monthly intervals. The credit period under the aforesaid arrangement is 180 days from the date of delivery of gold. The security is same as that of short-term borrowings. Refer note 15 (ii) for details of security.

### 19 Trade payables

Particulars	As at March 31, 2023	As at March 31, 2022
(i) Total outstanding dues of micro and small enterprises ('MSME')	-	-
(ii) Total outstanding dues of other than micro and small enterprises	9,684.98	4,952.55
<b>Total</b>	<b>9,684.98</b>	<b>4,952.55</b>

(i) There are no dues to enterprises as defined under Micro, Small and Medium Enterprises Development Act, 2006 ('Act') which is on the basis of such parties having been identified by the management and relied upon by the auditors. Hence, disclosures relating to amount unpaid as at year end together with interest paid/payable under this Act have not been given. Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

(ii) The average credit period on purchases is normally 90 days. No interest is charged on the trade payables. The Company has financial risk management policies in place to ensure that payables are paid within the pre-agreed credit terms.

### (iii) Trade payables ageing schedule

#### As at March 31, 2023:

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	Above 3 years	
<b>Undisputed</b>					
MSME	-	-	-	-	-
Others	9,609.32	35.97	22.32	17.37	9,684.98
<b>Disputed</b>					
MSME	-	-	-	-	-
Others	-	-	-	-	-
<b>Total</b>	<b>9,609.32</b>	<b>35.97</b>	<b>22.32</b>	<b>17.37</b>	<b>9,684.98</b>

#### As at March 31, 2022:

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	Above 3 years	
<b>Undisputed</b>					
MSME	-	-	-	-	-
Others	4,905.03	21.14	10.80	15.58	4,952.55
<b>Disputed</b>					
MSME	-	-	-	-	-
Others	-	-	-	-	-
<b>Total</b>	<b>4,905.03</b>	<b>21.14</b>	<b>10.80</b>	<b>15.58</b>	<b>4,952.55</b>



## Notes

forming part of standalone financial statements for the year ended March 31, 2023

(Amounts in ₹ million, except for shares data or as otherwise stated)

### 20 Other financial liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
Interest accrued but not due borrowings	37.87	100.76
Payable on purchase of property, plant and equipment	43.09	9.43
Payable to related parties (refer note 35)	12.66	37.20
Derivative financial instruments, carried at fair value (Refer note 36(a))		
- Forward Contracts	-	40.87
Security deposits from franchisees	21.19	-
<b>Total</b>	<b>114.81</b>	<b>188.26</b>

### 21 Other current liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
Statutory dues	179.55	115.51
Security deposit received from employees	97.35	94.77
Contract liabilities (Advance from customers)	12,945.20	9,062.43
Advance from franchisees	273.86	-
<b>Total</b>	<b>13,495.96</b>	<b>9,272.71</b>

### 22A Current tax liabilities (net)

Particulars	As at March 31, 2023	As at March 31, 2022
Provision for income tax	4,496.18	-
Less: Advance tax	(4,290.73)	-
<b>Current tax liabilities (net)</b>	<b>205.45</b>	<b>-</b>

### 22B Non-current tax assets (net)

Particulars	As at March 31, 2023	As at March 31, 2022
Less: Advance tax	-	3,017.24
Provision for income tax	-	(2,969.39)
<b>Non-current tax assets (net)</b>	<b>-</b>	<b>47.85</b>

### 23 Revenue from operations

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
(i) Revenue from sale of goods	115,461.22	90,196.33
(ii) Other operating revenue	379.02	364.54
<b>Total</b>	<b>115,840.24</b>	<b>90,560.87</b>

#### (i) Reconciliation of revenue recognised in the statement of profit and loss with the contracted price:

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Contracted price	121,501.93	92,890.21
Less: Reductions towards variable consideration components	(6,040.71)	(2,693.88)
<b>Net consideration recognised as revenue</b>	<b>115,461.22</b>	<b>90,196.33</b>

The reduction towards variable consideration comprises of scheme discounts, incentives etc.

#### (ii) Other operating revenue

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Income from gift vouchers	44.53	65.49
Insurance service charges (net)	146.37	116.86
Interest income from margin money deposits	162.80	174.30
Income from franchisees	17.41	-
Others	7.91	7.89
<b>Total</b>	<b>379.02</b>	<b>364.54</b>

## Notes

forming part of standalone financial statements for the year ended March 31, 2023

(Amounts in ₹ million, except for shares data or as otherwise stated)

### 24 Other income

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Interest Income earned on financial assets carried at amortised cost		
Loan to subsidiaries and security deposits	144.85	99.26
Income from sublease	19.30	-
Infrastructure recoveries	16.86	-
Gain on disposal of property, plant and equipment (Net)	5.11	3.28
Net gain on foreign currency transactions and translation	108.73	26.68
Guarantee commission (refer note 35)	26.86	22.89
Gain on lease termination	2.11	160.90
Gain on lease modification	4.62	27.16
Liabilities no longer required written back	2.80	24.92
Income from rent concession (refer note 40)	6.43	40.68
Gain on mutual funds	0.56	-
Miscellaneous income	88.12	18.72
<b>Total</b>	<b>426.35</b>	<b>424.49</b>

### 25 Cost of materials consumed

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Opening stock	4,898.76	6,096.35
Add: Purchases	107,422.33	80,267.71
	<b>112,321.09</b>	<b>86,364.06</b>
Less: Closing stock	(4,134.79)	(4,898.76)
<b>Total</b>	<b>108,186.30</b>	<b>81,465.30</b>
<b>Changes in inventories of finished goods and work-in-progress</b>		
<b>Inventories at the end of the year</b>		
Work-in-progress	10,999.78	9,199.87
Finished goods	42,004.08	33,357.87
<b>Total</b>	<b>53,003.86</b>	<b>42,557.74</b>
<b>Inventories at the beginning of the year</b>		
Work-in-progress	9,199.87	8,646.51
Finished goods	33,357.87	29,138.46
<b>Total</b>	<b>42,557.74</b>	<b>37,784.97</b>
<b>Net (increase) / decrease</b>	<b>(10,446.12)</b>	<b>(4,772.77)</b>

### 26 Employee benefits expense

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Salaries and wages	3,266.21	2,598.16
Contribution to provident and other funds (refer note 34(a))	211.27	175.53
Gratuity (refer note 34(b))	71.22	75.12
Staff welfare expenses	162.85	124.83
<b>Total</b>	<b>3,711.55</b>	<b>2,973.64</b>

### 27 Finance costs

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Interest expense on:		
Borrowings	1,515.16	1,754.71
Lease liabilities	704.63	733.97
Other borrowing costs	123.40	147.36
<b>Total</b>	<b>2,343.19</b>	<b>2,636.04</b>



## Notes

forming part of standalone financial statements for the year ended March 31, 2023

(Amounts in ₹ million, except for shares data or as otherwise stated)

### 28 Other expenses

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Power and fuel	428.48	325.28
Rent including lease rentals (refer note 39)	291.80	238.77
Repairs and maintenance - Vehicles	17.03	16.41
Repairs and maintenance - Others	385.75	290.40
Telephone and leased line expenses	36.26	34.78
Packing materials and compliments	148.04	103.03
Sitting fees and commission to directors	8.80	5.90
Rates and taxes	114.23	29.53
(i) Expenditure on corporate social responsibility	47.83	30.73
Insurance charges	39.88	43.36
Sales promotion	612.06	609.42
Commission and rebates	125.93	94.66
Advertisement expense	1,800.38	1,321.61
(ii) Auditors remuneration and out-of-pocket expenses	16.82	10.21
Legal and other professional costs	103.78	66.23
(iii) Donations and contributions	76.76	54.77
Travelling and conveyance	289.94	180.58
Printing and stationery	23.97	17.14
Credit impaired trade receivables and other advances written off	34.74	55.07
Provision for expected credit loss	-	2.25
Provision for doubtful insurance claims	56.15	38.04
Property, plant and equipment written off	28.54	136.73
Provision for impairment of ROU on sub lease recognition (refer note 4)	12.85	-
Security expenses	36.80	29.55
Bank charges	238.59	188.91
Miscellaneous expenses	82.31	55.99
<b>Total</b>	<b>5,057.72</b>	<b>3,979.35</b>

#### (i) Expenditure towards Corporate Social Responsibility ('CSR')

The total expenditure incurred on CSR activities during the year ended March 31, 2023 is ₹ 47.83 millions (March 31, 2022 - ₹ 30.73 millions). This includes 18.7 million (March 31, 2022 - ₹ 18 million) being unspent amount pertaining to ongoing project. This has been transferred to 'Unspent CSR account' within 30 days from the end of the financial year, in accordance with CSR rules.

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
(a) amount required to be spent by the company during the year	47.51	32.82
(b) amount of expenditure incurred on the purpose other than Construction/ acquisition of any asset.	14.33	12.73
(c) amount of expenditure incurred on Construction/ acquisition of any asset	33.50	18.00
(d) Excess spend of prior years set off during the year	1.62	3.71
(e) shortfall at the end of the year (a-b-c-d), if any	-	-
(f) reason for shortfall,	NA	NA
(g) nature of CSR activities	Refer note (a) & (b)	Refer note (a) & (b)
(h) details of related party transactions - contribution to Kalyan Jewellers Foundation	Refer note (a)	Refer note (a)
(i) where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately.	-	-

#### Notes:

(a) The Company is executing a multi-year ongoing infrastructure project through its implementing agency Kalyan Jewellers Foundation and has transferred an amount of ₹ 33.50 million as current year (31 March 2022: ₹ 18 million) allocation to the project and is proposed to be utilised within a period of three years.

## Notes

forming part of standalone financial statements for the year ended March 31, 2023

(Amounts in ₹ million, except for shares data or as otherwise stated)

(b) Apart from the multi-year ongoing project, the CSR activities under taken by the Company consists of numerous projects and contributions towards improvement of health care (including COVID pandemic relief), providing education and eradication of poverty.

#### (ii) Payment to auditors

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
To statutory auditors (exclusive of GST)		
Audit	7.33	6.63
Taxation matters	2.17	2.30
Certifications and others	7.30	1.17
Reimbursement of expenses	0.02	0.11
<b>Total</b>	<b>16.82</b>	<b>10.21</b>

**Note** - The figures for previous year excludes INR 6 million paid towards comfort letter and expenses for prospective bond issue which was accounted in balance sheet to be amortised in future. During the current year the same has been expensed off and reflected under 'Certifications and others' in the above disclosure.

(iii) Donations and contributions include contributions to political parties amounting to ₹ 7.60 million (31 March 2022: ₹ 4.20 million)

### 29 Exceptional items

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Fair value adjustments on asset held for sale - Aircrafts (Refer note 43)	332.51	-
<b>Total</b>	<b>332.51</b>	<b>-</b>

### 30 Income tax and deferred tax

#### (i) Expense recognised in the statement of profit and loss

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Current tax</b>		
In respect of the current year	1,526.78	812.94
Deferred tax	(174.07)	(56.09)
<b>Total income tax expense recognised during the year</b>	<b>1,352.71</b>	<b>756.85</b>

#### (ii) Expense/ (income) recognised in other comprehensive income

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Deferred tax with respect to:		
Defined benefit obligation	13.20	8.33
Hedging instruments designated as cash flow hedges	31.38	68.56
<b>Total income tax expense/ (income) recognised during the year</b>	<b>44.58</b>	<b>76.89</b>

#### (iii) The reconciliation between the provision of income tax of the Company and amounts computed by applying the Indian statutory income tax rate to profit before taxes is as follows:

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Profit before tax</b>	<b>5,250.82</b>	<b>2,898.57</b>
Enacted income tax rate	25.17%	25.17%
Computed expected tax expense	1,321.63	729.57
<b>Effect of</b>		
Expenses that are not deductible in determining taxable profit	32.62	21.52
Others	(1.54)	5.76
<b>Tax expense reported in the Statement of Profit and Loss</b>	<b>1,352.71</b>	<b>756.85</b>





## Notes

forming part of standalone financial statements for the year ended March 31, 2023

(Amounts in ₹ million, except for shares data or as otherwise stated)

### (iv) Breakup of closing deferred tax (asset)/ liability

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Deferred tax assets</b>		
Employee benefit obligations	(102.66)	(103.87)
Provision for expected credit loss and other doubtful receivables	(25.83)	(11.69)
Fair valuation of derivative financial instruments	30.89	(10.29)
Impact of lease accounting as per IND AS 116	(467.17)	(441.20)
Fair value adjustment relating to asset held for sale	(83.69)	-
Others	(20.49)	(15.24)
<b>Deferred tax liabilities</b>		
Property, plant and equipment	144.44	187.27
<b>Net deferred tax (asset)/ liability</b>	<b>(524.51)</b>	<b>(395.02)</b>

### (v) Movement of deferred tax (asset)/ liability

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Opening balance of deferred tax (asset)/ liability</b>	(395.02)	(415.82)
<b>Recognised in Statement of Profit or loss</b>		
Property, plant and equipment	(42.82)	(76.15)
Employee benefit obligations	(11.98)	(18.90)
Provision for expected credit loss and other doubtful receivables	(14.13)	(10.14)
Fair value adjustment relating to asset held for sale	(83.69)	-
Fair valuation of derivative financial instruments	9.80	41.32
Impact of lease accounting as per IND AS 116	(25.97)	2.77
Others	(5.28)	5.01
<b>Total</b>	<b>(174.07)</b>	<b>(56.09)</b>
<b>Recognised in Other Comprehensive Income</b>		
Defined benefit obligation	13.20	8.33
Fair valuation of derivative financial instruments	31.38	68.56
<b>Total</b>	<b>44.58</b>	<b>76.89</b>
<b>Closing balance of deferred tax (asset)/ liability</b>	<b>(524.51)</b>	<b>(395.02)</b>

## 31 Segment information

The Chief Operating Decision Maker (CODM) of the Company examines the performance from the perspective of the Company as a whole viz. 'jewellery business' and hence there are no separate reportable segments as per Ind AS 108.

There are no material individual markets outside India and hence the same is not disclosed for geographical segments for the segment revenues or results or assets. During the year ended March 31, 2023 and March 31, 2022 respectively, revenue from transactions with a single external customer did not amount to 10 percent or more of the Company's revenues from the external customers.

## 32 Earnings per share (EPS)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Profit attributable to ordinary shareholders	3,898.11	2,141.72
Weighted average number of equity shares used as denominator for calculating Basic EPS	1,030,053,057	1,030,053,057
Weighted average potential equity shares	-	-
<b>Weighted average number of equity shares used in the calculation of Diluted EPS</b>	<b>1,030,053,057</b>	<b>1,030,053,057</b>
Earnings per share of		
Basic (₹)	3.78	2.08
Diluted (₹)	3.78	2.08

## Notes

forming part of standalone financial statements for the year ended March 31, 2023

(Amounts in ₹ million, except for shares data or as otherwise stated)

## 33 Contingent liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Other monies for which the Company is contingently liable:</b>		
Disputed Sales Tax demands (out of which ₹ 512.67 million (March 31, 2022: ₹ 18 million) have been deposited under protest)	2,458.13	1,952.37
Disputed Service Tax demands (out of which ₹ 2.47 million (March 31, 2022: ₹ 1.76 million) have been deposited under protest)	31.36	22.00
Disputed Income Tax demands (out of which Nil (March 31, 2022: Nil) has been deposited under protest)	327.99	249.24
The Company has provided Standby Letter of Credit (SBLC) to banks on behalf of its subsidiary - Kalyan Jewellers FZE	1,578.33	2,058.55
Counter guarantee given to a bank for guarantees issued by it on behalf of the Group companies	9,715.93	9,023.29

(i) Future cash flows in respect of the above matters are determinable only on receipt of judgements/decisions pending at various forums/authorities. Management is hopeful of successful outcome in the appellate proceedings.

## 34 Employee benefit plans

### (a) Defined contribution plans

The Company makes contributions to provident fund and employee state insurance schemes which are defined contribution plans, for qualifying employees. Under the schemes, the Company is required to contribute a specified percentage of the payroll cost to fund the benefits. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes and the company has no obligations beyond its contributions. The contributions recognized in the statement of profit and loss during the year are as under

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Provident fund	185.65	153.19
Employee state insurance scheme	25.62	22.34
<b>Total</b>	<b>211.27</b>	<b>175.53</b>

### (b) Defined benefit plans

The Company offers gratuity benefits, a defined employee benefit scheme to its employees. The said benefit plan is exposed to actuarial risks such as longevity risk and salary risk. The Company has not funded its gratuity obligations. The following table sets out the status of the defined benefit schemes and the amount recognised in the standalone financial statements as per the actuarial valuation done by an independent actuary.

### The principal assumptions used for the purposes of the actuarial valuations of gratuity were as follows

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Discount rate	7.13%	5.64%
Salary escalation	6.00%	6.00%
Attrition rate	26.00%	27.00%
Retirement age (in years)	58	58

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary. The mortality rates considered are as per the published rates in the Indian Assured Lives Mortality (2006-08) Ult table.

## Notes

forming part of standalone financial statements for the year ended March 31, 2023

(Amounts in ₹ million, except for shares data or as otherwise stated)

### Components of defined benefit costs recognised is as follows:

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>In Statement of Profit and Loss</b>		
Current service cost	50.63	55.33
Past service cost	-	-
Interest on net defined benefit liability/ (asset)	20.59	19.79
<b>Net cost recognised in Statement of profit and loss (refer note 26)</b>	<b>71.22</b>	<b>75.12</b>
<b>In Other Comprehensive Income</b>		
<b>Remeasurement on the net defined benefit liability</b>		
Return on plan assets [excluding amounts included in net interest expense] (excess) / Short return	-	-
Actuarial (gains) / losses arising from changes in demographic assumptions	-	-
Actuarial (gains) / losses arising from changes in financial assumptions	(52.44)	(33.14)
Actuarial (gains) / losses arising from experience adjustments	-	-
<b>Components of defined benefit costs recognised in other comprehensive income</b>	<b>(52.44)</b>	<b>(33.14)</b>

The current service cost and the net interest expense for the year are included in the 'Employee benefits expense' line item in the consolidated statement of profit and loss. The remeasurement of the net defined benefit liability is included in other comprehensive income.

### The amount included in the balance sheet arising from the entity's obligation in respect of its defined benefit plans is as follows:

Particulars	As at March 31, 2023	As at March 31, 2022
Present value of defined benefit obligation	375.92	384.90
Fair value of plan assets	-	-
<b>Net liability arising from defined benefit obligation</b>	<b>375.92</b>	<b>384.90</b>
Current	112.06	114.68
Non-current	263.86	270.22

### Movements in the present value of the defined benefit obligation are as follows

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Opening defined benefit obligation</b>	<b>384.90</b>	<b>370.75</b>
<b>Expenses recognised in the statement of profit and loss</b>		
Current service cost	50.63	55.33
Past service cost	-	-
Interest cost	20.59	19.79
<b>Remeasurement (gains)/losses recognised in other comprehensive income</b>		
Actuarial gains and losses arising from changes in demographic assumptions	-	-
Actuarial gains and losses arising from changes in financial assumptions	(52.44)	(33.14)
Actuarial gains and losses arising from experience adjustments	-	-
Benefits paid	(27.76)	(27.83)
<b>Closing defined benefit obligation</b>	<b>375.92</b>	<b>384.90</b>

## Notes

forming part of standalone financial statements for the year ended March 31, 2023

(Amounts in ₹ million, except for shares data or as otherwise stated)

### Movements in the fair value of the plan assets are as follows

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Opening fair value of the asset</b>		
Interest income on plan assets	-	-
Employer contributions	27.76	27.83
Benefits paid	(27.76)	(27.83)
<b>Closing fair value of assets</b>	<b>-</b>	<b>-</b>

### Sensitivity analysis

The key actuarial assumptions to which the defined benefit plans are particularly sensitive to are discount rate and full salary escalation rate. The sensitivity analysis below, have been determined based on reasonably possible changes of the assumptions occurring at end of the reporting period, while holding all other assumptions constant. The result of sensitivity analysis is given below:

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Discount rate</b>		
Defined benefit obligation on plus 50 basis points	364.43	373.19
Defined benefit obligation on minus 50 basis points	375.60	384.81
<b>Salary escalation</b>		
Defined benefit obligation on plus 50 basis points	376.40	385.59
Defined benefit obligation on minus 50 basis points	363.60	372.37

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

### Maturity profile of defined benefit obligation

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Expected total benefit payments</b>		
Within 1 year	101.57	102.09
1 year to 2 years	79.19	80.55
2 years to 3 years	63.24	62.58
3 years to 4 years	50.38	49.47
4 years to 5 years	40.11	38.75
5 years to 10 years	101.78	94.01

### (c) Other long-term benefits - compensated absences

Company has leave encashment policy in the form of compensated absences which is considered as a long-term benefit and accordingly the provision has been created based on actuarial valuation from current year. During the previous year this liability was measured on gross undiscounted basis.

### The principal assumptions used for the purposes of the actuarial valuations of leave were as follows

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Discount rate	7.13%	NA
Salary escalation	6.00%	NA
Attrition rate	26.00%	NA
Retirement age (in years)	58	NA



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forming part of standalone financial statements for the year ended March 31, 2023

(Amounts in ₹ million, except for shares data or as otherwise stated)

### 35 Related party disclosures

#### A List of related parties where control exists and also related parties with whom transactions have taken place and relationships

Nature of relationship	Name of the related parties	
Subsidiary	Kalyan Jewellers FZE, UAE	
	Kalyan Jewellers LLC, UAE	
	Kalyan Jewellers For Golden Jewelry Company, W.L.L.	
	Kalyan Jewellers LLC, Qatar	
	Kalyan Jewellers LLC, Oman	
	Kenouz Al Sharq Gold Ind.LLC, UAE	
	Kalyan Jewelers, Inc., USA	
	Kalyan Jewellers Bahrain W.L.L	
	Enovate Lifestyles Private Limited	
	Entity exercising significant influence over the Company [Entity - ESI]	Highdell Investment Ltd.
	Key Management Personnel [KMP]	T.S. Kalyanaraman (Managing Director)
		T.K. Seetharam (Whole Time Director)
		T.K. Ramesh (Whole Time Director )
		V. Swaminathan (Chief Financial Officer)
Jishnu R.G. (Company Secretary)		
Sanjay Raghuraman (Chief Executive Officer)		
T.K.Radhika (daughter of T.S. Kalyanaraman)		
Relatives of KMP	N.V.Ramadevi (wife of T.S. Kalyanaraman)	
	Maya Seetharam (wife of T.K. Seetharam)	
	Deepa Ramesh (wife of T.K. Ramesh)	
	T.K.Radhika (daughter of T.S. Kalyanaraman)	
Non - Executive Directors [NED]	Vinod Rai (Chairman and Independent director) (with effect from July 1, 2022)	
	Ramaswamy M (Independent Director) (term completed on March 27, 2023)	
	A D M Chavali (Independent Director)	
	Kishori Jayendra Udeshi (Independent Director)	
	Trikkur Sitaraman Anantharaman (Independent Director)	
	Anil Nair (Independent director)	
	Salil S Nair (Non-Executive Director)	
	Anish Kumar Saraf (Nominee director)	
	Enterprises over which KMP are able to exercise significant influence [KMP - ESI]	M/s Kalyan Textile
Kalyan Jewellers Foundation		
M/s Kalyan Developers		

## Notes

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(Amounts in ₹ million, except for shares data or as otherwise stated)

#### B Transactions with related parties

Nature of transactions	KMP	Subsidiaries	NED	KMP - ESI
<b>Revenue from operations</b>				
T.S. Kalyanaraman	16.82	-	-	-
	7.41	-	-	-
T.K. Seetharam	5.87	-	-	-
	9.16	-	-	-
T.K. Ramesh	19.97	-	-	-
	13.19	-	-	-
Enovate Lifestyles Private Limited	-	332.44	-	-
	-	197.98	-	-
<b>Purchase of gold</b>				
T.S. Kalyanaraman	322.47	-	-	-
	75.84	-	-	-
T.K. Seetharam	22.91	-	-	-
	0.98	-	-	-
T.K. Ramesh	43.50	-	-	-
	27.83	-	-	-
<b>Staff welfare expense</b>				
M/s Kalyan Textile	-	-	-	37.96
	-	-	-	23.36
<b>Services received</b>				
Enovate Lifestyles Private Limited	-	0.60	-	-
	-	0.88	-	-
<b>Managerial remuneration</b>				
T.S. Kalyanaraman	60.64	-	-	-
	60.64	-	-	-
T.K. Seetharam	60.64	-	-	-
	60.64	-	-	-
T.K. Ramesh	60.64	-	-	-
	60.64	-	-	-
Sanjay Raghuraman	16.22	-	-	-
	18.64	-	-	-
V. Swaminathan	16.61	-	-	-
	19.00	-	-	-
Jishnu R.G	2.33	-	-	-
	2.46	-	-	-
<b>Sitting fees paid</b>				
Ramaswamy M	-	-	0.40	-
	-	-	0.50	-
A D M Chavali	-	-	0.50	-
	-	-	0.50	-
Kishori Jayendra Udeshi	-	-	0.50	-
	-	-	0.40	-
Trikkur Sitaraman Anantharaman	-	-	0.50	-
	-	-	0.50	-
Anil Nair	-	-	0.50	-
	-	-	0.50	-
Salil S Nair	-	-	0.40	-
	-	-	0.50	-
Vinod Rai	-	-	0.40	-
	-	-	-	-



## Notes

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(Amounts in ₹ million, except for shares data or as otherwise stated)

Nature of transactions	KMP	Subsidiaries	NED	KMP - ESI
<b>Commission to directors</b>				
Ramaswamy M	-	-	0.60	-
	-	-	0.50	-
A D M Chavali	-	-	0.50	-
	-	-	0.50	-
Kishori Jayendra Udeshi	-	-	0.50	-
	-	-	0.50	-
Trikkur Sitaraman Anantharaman	-	-	0.50	-
	-	-	0.50	-
Anil Nair	-	-	0.50	-
	-	-	0.50	-
Salil S Nair	-	-	0.50	-
	-	-	0.50	-
Vinod Rai	-	-	2.50	-
	-	-	-	-
<b>Reimbursement of expenses (incurred on behalf of the Company)</b>				
T.K Ramesh	8.06	-	-	-
	0.17	-	-	-
Sanjay Raghuraman	1.92	-	-	-
	0.60	-	-	-
T.K. Seetharam	1.15	-	-	-
	-	-	-	-
V. Swaminathan	0.45	-	-	-
	-	-	-	-
<b>Reimbursement of expenses (incurred by the Company on behalf of the party)</b>				
T.K Ramesh	-	-	-	-
	1.30	-	-	-
<b>Interest income on loan</b>				
Kalyan Jewellers FZE, UAE	-	79.42	-	-
	-	49.49	-	-
Enovate Lifestyles Private Limited	-	16.92	-	-
	-	5.77	-	-
<b>Loans and advances to subsidiaries given</b>				
Kalyan Jewellers FZE, UAE	-	211.60	-	-
	-	463.40	-	-
Enovate Lifestyles Private Limited	-	217.50	-	-
	-	106.13	-	-
<b>Loan repaid by subsidiary</b>				
Kalyan Jewellers FZE, UAE	-	0.16	-	-
	-	8.74	-	-
Enovate Lifestyles Private Limited	-	-	-	-
	-	87.23	-	-
<b>Deemed equity investment</b>				
Enovate Lifestyles Private Limited	-	-	-	-
	-	127.47	-	-
<b>Corporate guarantees provided/ (released) on behalf of subsidiary</b>				
Kalyan Jewellers FZE, UAE (including stand by letter of credit)	-	212.42	-	-
	-	(769.85)	-	-
<b>Guarantee Commission</b>				
Kalyan Jewellers LLC, UAE	-	26.86	-	-
	-	22.89	-	-
<b>Contribution towards CSR</b>				
Kalyan Jewellers Foundation	-	-	-	33.50
	-	-	-	18.00

## Notes

forming part of standalone financial statements for the year ended March 31, 2023

(Amounts in ₹ million, except for shares data or as otherwise stated)

### C Balance as on the balance sheet date

Balance with related parties	KMP	Subsidiaries	NED	KMP - ESI
<b>Investment (including deemed equity investment)</b>				
Kalyan Jewellers FZE, UAE	-	7212.99	-	-
	-	7,212.99	-	-
Kalyan Jewelers, Inc., USA.	-	0.00	-	-
	-	0.00	-	-
Enovate Lifestyles Private Limited	-	462.97	-	-
	-	462.97	-	-
<b>Receivables / Outstanding (net) from related parties (including interest)</b>				
Kalyan Jewellers FZE, UAE	-	1,462.54	-	-
	-	1,114.54	-	-
Enovate Lifestyles Private Limited	-	307.74	-	-
	-	71.67	-	-
Kalyan Jewellers Foundation	-	-	-	-
	-	-	-	18.00
<b>Payables (net) to related parties</b>				
Kalyan Jewellers LLC, UAE	-	12.66	-	-
	-	37.20	-	-
Highdell Investment Ltd.	-	-	-	-
	-	-	-	-
T.S. Kalyanaraman	2.92	-	-	-
	2.34	-	-	-
T.K. Seetharam	2.92	-	-	-
	2.34	-	-	-
T.K. Ramesh	2.92	-	-	-
	1.04	-	-	-
Sanjay Raghuraman	0.73	-	-	-
	0.69	-	-	-
V. Swaminathan	0.72	-	-	-
	0.72	-	-	-
Jishnu R.G	0.17	-	-	-
	0.12	-	-	-
Ramaswamy M	-	-	0.54	-
	-	-	0.50	-
A D M Chavali	-	-	0.44	-
	-	-	0.50	-
Kishori Jayendra Udeshi	-	-	0.44	-
	-	-	0.50	-
Trikkur Sitaraman Anantharaman	-	-	0.44	-
	-	-	0.50	-
Anil Nair	-	-	0.44	-
	-	-	0.50	-
Salil S Nair	-	-	0.44	-
	-	-	0.50	-
Vinod Rai	-	-	2.24	-
	-	-	-	-
<b>Corporate Guarantees provided</b>				
Kalyan Jewellers FZE, UAE (including stand by letter of credit)	-	11,294.26	-	-
	-	11,081.84	-	-

Amount in italics represents year ended March 31, 2022



## Notes

forming part of standalone financial statements for the year ended March 31, 2023

(Amounts in ₹ million, except for shares data or as otherwise stated)

### Notes:

- (i) Mr. T.S. Kalyanaraman, Mr. T.K. Seetharam and Mr. T.K. Ramesh and their relatives N.V. Ramadevi and T.K. Radhika (indicated under 'Relatives of KMP') have provided joint personal guarantees on behalf of the Company to all its lenders for the various credit facilities extended by the lenders (including non fund based facilities). The details of such personal guarantees received/ (released) during the period and the closing balance of such personal guarantees is given below:

Particulars	As at March 31, 2023		As at March 31, 2022	
	Carrying value	Fair value	Carrying value	Fair value
Personal guarantees received/ (released) during the period	907.21		(308.42)	
Closing balance of personal guarantees received	24,124.25		23,217.04	

- (ii) **The remuneration of directors and other members of key managerial personnel during the period was as follows:**

Particulars	For the year ended March 31, 2023		For the year ended March 31, 2022	
	Carrying value	Fair value	Carrying value	Fair value
Short-term employee benefits (salaries, bonus and other allowances) (note iv)	217.08		222.02	

- (iii) The above information has been determined to the extent such parties have been identified on the basis of information available with the Company and relied upon by the auditors.
- (iv) The above figures do not include provisions for encashable leave, gratuity and pension, as separate actuarial valuation are not available.

## 36 Financial instruments

### Categories of financial instruments

This section gives an overview of the significance of financial instruments for the Company and provides additional information on balance sheet items that contain financial instruments. The details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised in respect of each class of financial asset, and financial liability are disclosed in Note 2(xvii).

#### (a) Financial assets and liabilities

The accounting classification of each category of financial instruments and their carrying amounts, are set out below:

Particulars	As at March 31, 2023		As at March 31, 2022	
	Carrying value	Fair value	Carrying value	Fair value
<b>Financial assets</b>				
<b>Measured at amortised cost</b>				
Investments	7,675.96	7,675.96	7,675.96	7,675.96
Loans	1,668.86	1,668.86	1,126.65	1,126.65
Others financial assets - non current	1,512.61	1,512.61	666.15	666.15
Trade receivables	1,075.66	1,075.66	44.63	44.63
Cash and cash equivalents	640.33	640.33	870.35	870.35
Bank balances other than cash and cash equivalents	5,554.64	5,554.64	3,748.23	3,748.23
Others financial assets - current	522.64	522.64	343.89	343.89
<b>Total financial assets measured at amortised cost</b>	<b>18,650.70</b>	<b>18,650.70</b>	<b>14,475.86</b>	<b>14,475.86</b>
<b>Mandatorily measured at FVTPL</b>				
Derivative financial instruments not designated as hedging, carrying at fair value	122.73	122.73	-	-
<b>Total financial assets</b>	<b>18,773.43</b>	<b>18,773.43</b>	<b>14,475.86</b>	<b>14,475.86</b>

## Notes

forming part of standalone financial statements for the year ended March 31, 2023

(Amounts in ₹ million, except for shares data or as otherwise stated)

Particulars	As at March 31, 2023		As at March 31, 2022	
	Carrying value	Fair value	Carrying value	Fair value
<b>Financial liabilities</b>				
<b>Measured at amortised cost</b>				
Borrowings	13,240.61	13,240.61	13,809.24	13,809.24
Metal gold loan	10,911.25	10,911.25	10,042.37	10,042.37
Lease liabilities	7,249.59	7,249.59	6,245.84	6,245.84
Trade payables	9,684.98	9,684.98	4,952.55	4,952.55
Others financial liabilities	114.81	114.81	147.39	147.39
<b>Total financial assets measured at amortised cost</b>	<b>41,201.24</b>	<b>41,201.24</b>	<b>35,197.39</b>	<b>35,197.39</b>
<b>Mandatorily measured at FVTPL</b>				
Derivative financial instruments not designated as hedging, carrying at fair value	-	-	40.87	40.87
<b>Total financial liabilities</b>	<b>41,201.24</b>	<b>41,201.24</b>	<b>35,238.26</b>	<b>35,238.26</b>

The management assessed that fair values of cash and cash equivalents, trade receivables, other financial assets, trade payables and other financial liabilities recorded at amortised cost is considered to be a reasonable approximation of fair value.

#### Following methods and assumptions were used to estimate fair values:

Fair values of the Company's interest-bearing borrowings are determined by using EIR method using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period. The own non-performance risk as at reporting date was assessed to be insignificant.

#### (b) Fair value hierarchy

The Company uses the following hierarchy for determining and/or disclosing the fair value of financial instruments by valuation techniques. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

#### Quantitative disclosures fair value measurement hierarchy

The derivative instruments in designated hedge accounting relationships is measured at fair value at level 1, with valuation technique being use of market available inputs such as gold prices and foreign exchange rates.

## 37 Financial risk management objective

The Company's activities expose it to a variety of financial risks. The Company's primary focus is to foresee the unpredictability of such risks and seek to minimise potential adverse effects on its financial performance.

The Company has a robust risk management process and framework in place. This process is coordinated by the Board, which meets regularly to review risks as well as the progress against the planned actions. The Board seeks to identify, evaluate business risks and challenges across the Company through such framework. These risks include market risks, credit risk and liquidity risk.



## Notes

forming part of standalone financial statements for the year ended March 31, 2023

(Amounts in ₹ million, except for shares data or as otherwise stated)

### The risk management process aims to:

- improve financial risk awareness and risk transparency
- identify, control and monitor key risks
- identify risk accumulations
- provide management with reliable information on the Company's risk situation
- improve financial returns

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the standalone financial statements:

Risk	Exposure arising from	Risk management
Market risk - prices	Gold price fluctuations	Used as a hedging instrument for gold inventory or through metal gold loan facilities.
Market risk - foreign exchange	Recognised financial assets and liabilities not denominated in Indian rupee (₹)	Periodic review by management
Market risk - interest rate	Borrowings at variable rates	Mix of borrowings taken at fixed and floating rates
Credit risk	Cash and cash equivalents, trade receivables, derivative financial instruments and other financial assets	Bank deposits, diversification of asset base, credit limits and collateral.
Liquidity risk	Borrowings and other liabilities	Availability of committed credit lines and borrowing facilities

### Market risk - price risk

The Company is exposed to fluctuations in gold price (including fluctuations in foreign currency) arising on purchase/ sale of gold. The Company's business objective includes safe-guarding its earnings against adverse price movements of gold as well as foreign exchange risks.

The Company has adopted a structured risk management process to hedge all these risks within an acceptable risk limit and an approved hedge accounting framework which allows for fair value hedges/cash flow hedges, as designated at the inception of the hedge. The forward contracts which are not designated as above are marked to market at each balance sheet date and corresponding gain/ loss is recognised in the Statement of Profit and Loss. The risk management strategy against gold price fluctuation also includes procuring gold on loan basis, with a flexibility to fix price of gold at any time during the tenor of the loan. The Company does not enter into or trade financial instruments including derivative financial instruments, for speculative purposes.

The table below shows the position of hedging against probable forecast sales (commodity price risk) and currency forwards (currency risk) as of the balance sheet date.

As at	Quantity (Kgs)	Carrying amount - receivable/ (payable)		Maturity date
		Designated hedges as per IND AS 109	Other than designated hedges	
March 31, 2023	995	122.73	-	Range - within 6 months
March 31, 2022	895	(40.87)	-	Range - within 6 months

The table below shows the position of metal gold loans as on the balance sheet date:

Particulars	As at March 31, 2023	As at March 31, 2022
Quantity (Kgs)	1,832.00	1,945.00
Carrying amount	10,911.25	10,042.37

### Market risk - Foreign exchange

The Company is exposed to foreign exchange risk arising from foreign currency transactions with subsidiaries, primarily with respect to Arab Emirates Dirhams (AED). Foreign exchange risk arises from recognised assets and liabilities denominated in a currency that is not the Company's functional currency. Exposures to foreign currency balances are periodically reviewed to ensure that the results from fluctuating currency exchange rates are appropriately managed.

## Notes

forming part of standalone financial statements for the year ended March 31, 2023

(Amounts in ₹ million, except for shares data or as otherwise stated)

### Foreign currency sensitivity analysis

The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 10% change in foreign currency rates. A positive number below table an increase in profit where the INR strengthens 10% against the relevant currency. For a 10% weakening of the INR against the relevant currency, there would be an equal and opposite impact on profit and equity. The following table details the Company's sensitivity to a 10% increase and decrease in the INR against the relevant foreign currencies.

Particulars	As at March 31, 2023	As at March 31, 2022
Strengthening of INR by 10% against AED		
Impact on profits - Increase/ (decrease)	144.99	105.45
Impact on equity (net of tax) - Increase/ (decrease)	108.49	78.90
Weakening of INR by 10% against AED		
Impact on profits - Increase/ (decrease)	(144.99)	(105.45)
Impact on equity (net of tax) - Increase/ (decrease)	(108.49)	(78.90)

### Market risk - Interest rate

#### (i) Liabilities

The Company's policy is to minimise interest rate cash flow risk exposures on long-term financing. At the balance sheet date, the Company is exposed to changes in market interest rates through bank borrowings at variable interest rates. Below is the overall exposure of the Company to interest rate risk:

Particulars	As at March 31, 2023	As at March 31, 2022
Variable rate borrowing	13,240.61	13,809.24
Variable rate metal gold loan	10,911.25	10,042.37
Fixed rate borrowing	-	-

#### Interest rate sensitivity analysis:

The sensitivity analyses below have been determined based on the exposure to interest rates for non-derivative instruments at the reporting date. For floating rate borrowings, the analysis is prepared assuming the amount of liability outstanding at the reporting date was outstanding for the whole year. The impact on the Company's profit if interest rates had been 50 basis points higher/lower and all other variables were held constant:

Particulars	As at March 31, 2023	As at March 31, 2022
Increase in borrowing rates by 50 basis points		
Impact on profits - Increase/ (decrease)	(101.40)	(115.80)
Impact on equity (net of tax) - Increase/ (decrease)	(75.88)	(86.65)
Decrease in borrowing rates by 50 basis points		
Impact on profits - Increase/ (decrease)	101.40	115.80
Impact on equity (net of tax) - Increase/ (decrease)	75.88	86.65

#### (ii) Assets

The Company's financial assets are carried at amortised cost and are at fixed rate only. They are, therefore, not subject to interest rate risk since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

#### Credit Risk

Credit risk is the risk that a customer or counterparty to a financial instrument will fail to perform or pay amounts due to the Company causing financial loss. It arises from cash and cash equivalents, deposits with banks and financial institutions, security deposits, loans given and principally from credit exposures to customers relating to outstanding receivables. The Company's maximum exposure to credit risk is limited to the carrying amount of financial assets recognised at reporting date.



## Notes

forming part of standalone financial statements for the year ended March 31, 2023

(Amounts in ₹ million, except for shares data or as otherwise stated)

In respect of trade and other receivables, the Company is not exposed to any significant credit risk exposure to any single counterparty or any company of counterparties having similar characteristics. Credit risk on receivables is limited as the nature of the business is cash and carry except for franchisee partners where there is adequate controls in place. The Company has very limited history of customer default, and considers the credit quality of trade receivables that are not past due or impaired to be good.

Therefore, the Company does not expect any material risk on account of non-performance by any of the Company's counterparties.

The credit risk for cash and cash equivalents, bank deposits, security deposits and loans is considered negligible, since the counterparties are reputable organisations with high quality external credit ratings.

### Liquidity risk

The Company requires funds both for short-term operational needs as well as for long-term expansion programmes. The Company remains committed to maintaining a healthy liquidity ratio, deleveraging and strengthening the balance sheet. The Company manages liquidity risk by maintaining adequate support of facilities from its holding company, and by continuously monitoring forecast and actual cash flows and by matching the maturity profiles of financial assets and liabilities.

The Company's treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management.

The Company's financial liability is represented significantly by long term and short term borrowings from banks and trade payables. The maturity profile of the Company's short term and long term borrowings and trade payables based on the remaining period from the date of balance sheet to the contractual maturity date is given in the table below.

### The below table reflects the maturity profile of financial liabilities of the Company

Particulars	As at March 31, 2023				As at March 31, 2022			
	Less than 1 year	1-3 year	More than 3 year	Total	Less than 1 year	1-3 year	More than 3 year	Total
Borrowings	13,240.61	-	-	13,240.61	13,809.24	-	-	13,809.24
Metal gold loan	10,911.25	-	-	10,911.25	10,042.37	-	-	10,042.37
Lease liabilities	933.65	2,274.06	4,041.88	7,249.59	764.28	1,800.13	3,681.43	6,245.84
Trade payable	9,684.98	-	-	9,684.98	4,952.55	-	-	4,952.55
Other financial liabilities	114.81	-	-	114.81	188.26	-	-	188.26
<b>Total</b>	<b>34,885.30</b>	<b>2,274.06</b>	<b>4,041.88</b>	<b>41,201.24</b>	<b>29,756.70</b>	<b>1,800.13</b>	<b>3,681.43</b>	<b>35,238.26</b>

### (iii) Capital management

The Company's capital management objectives are

- to ensure the Company's ability to continue as a going concern
- to create value for shareholders by facilitating the meeting of long term and short term goals of the Company

The Company determines the amount of capital required on the basis of annual business plan coupled with long term and short term strategic expansion plans. The funding needs are met through equity, cash generated from operations, long term and short term bank borrowings.

The Company monitors the capital structure on the basis of net debt to equity ratio and maturity profile of the overall debt portfolio of the Company. Net debt includes interest bearing borrowings less cash and cash equivalents and other bank balances (including non-current earmarked balances).

## Notes

forming part of standalone financial statements for the year ended March 31, 2023

(Amounts in ₹ million, except for shares data or as otherwise stated)

### The table below summarises the capital, net debt and net debt to equity ratio (Gearing ratio) of the Company

Particulars	As at March 31, 2023	As at March 31, 2022
Equity share capital	10,300.53	10,300.53
Other equity	26,365.69	22,335.04
<b>Total equity [A]</b>	<b>36,666.22</b>	<b>32,635.57</b>
Non-current borrowings	-	-
Metal gold loan	10,911.25	10,042.37
Current borrowings	13,240.61	13,809.24
<b>Gross debts [B]</b>	<b>24,151.86</b>	<b>23,851.61</b>
<b>Total capital [A + B]</b>	<b>60,818.08</b>	<b>56,487.18</b>
Gross debts as above	24,151.86	23,851.61
Less: Cash and cash equivalents	(640.33)	(870.35)
Less: Bank balances other than cash and cash equivalents	(5,554.64)	(3,748.23)
<b>Net debts [C]</b>	<b>17,956.89</b>	<b>19,233.03</b>
<b>Net gearing ratio (times)</b>	<b>0.49</b>	<b>0.59</b>

### 38 Disclosure of ratios

SI No.	Particulars	March 31, 2023	March 31, 2022	% of change	Explanations for change more than 25%
1	Current Ratio - times (Current assets/ current liabilities)	1.35	1.35	-1%	
2	Debt-Equity Ratio - times (Total Debt/ Total Shareholder's Equity)	0.66	0.73	-10%	
3	Debt Service Coverage Ratio - times (Earnings Before Interest, Taxes, Depreciation and Amortisation/ (Interest expense+principal repayments)	3.69	1.65	124%	<p>A. Earnings before interest, taxes, depreciation and amortisation (EBITDA) increased from ₹ 6,915.36 million to ₹ 9,330.79 million. This was on account of:</p> <p>(a) significant increase in revenue due to same stores sales growth, new stores opened during the year and FY 2021-22 being a disrupted year on account of COVID-19 pandemic;</p> <p>(b) increase in gross margins by 31 bps.</p> <p>B. (a) Interest expense reduced by ₹ 292.85 million due to a better mix of Gold Metal Loan in the overall debt;</p> <p>(b) long-term debt has been paid off during the first half FY 2022-23 due to which the principal repayments during the current year is lower than the previous year.</p> <p>Due to the above reasons the Debt Service Coverage Ratio has improved considerably.</p>
4	Return on Equity Ratio - in % (Net Profit after tax/ Average Shareholder's Equity)	11.25%	6.81%	65%	<p>Profit after tax increased from ₹ 2,141.72 million to ₹ 3,898.11 million. This was on account of:</p> <p>(a) significant increase in revenue due to same stores sales growth, new stores opened during the year and FY 2021-22 being a disrupted year on account of COVID-19 pandemic;</p> <p>(b) increase in gross margins by 31 bps;</p> <p>(c) Interest expense reduced by ₹ 292.85 million, due to better mix of Gold Metal Loan in the overall debt.</p> <p>Due to the above reasons the return on equity ratio has increased.</p>



## Notes

forming part of standalone financial statements for the year ended March 31, 2023

(Amounts in ₹ million, except for shares data or as otherwise stated)

Sl No.	Particulars	March 31, 2023	March 31, 2022	% of change	Explanations for change more than 25%
5	Inventory turnover ratio - times (Cost of goods sold/ Average inventories)	1.87	1.68	11%	
6	Trade Receivables turnover ratio - times (Sale of goods/ Average trade receivables)	206.13	2,133.81	-90%	Average trade receivable increased due to sales made to franchisees for stores proposed to be opened in April 2023, as a result of which trade receivables turnover ratio has come down as compared to FY 2021-22.
7	Trade payables turnover ratio - times (Purchases/ Average trade payables)	14.68	15.24	-4%	
8	Net capital turnover ratio - times (Revenue from operations/ working capital)	6.86	6.52	5%	
9	Net profit ratio - in % (Net Profit after tax/ Revenue from operations)	3.37%	2.36%	42%	Net profit ratio has improved on account of: (a) increase in gross margins by 31 bps; (b) Other expenses including employee cost have been reduced by 11 bps; (c) Finance cost has been reduced by 89 bps; (d) depreciation expense has been reduced by 49 bps.
10	Return on Capital employed - in % (Earning before Interest and Taxes (EBIT) /Shareholder's Equity + Long term liabilities)	17.33%	13.31%	30%	Earnings before interest and taxes (EBIT) increased from ₹ 5,110.12 million to ₹ 7,500.17 million. This was on account of: (a) significant increase in revenue due to same stores sales growth, new stores opened during the year and FY 2021-22 being a disrupted year on account of COVID-19 pandemic; (b) increase in gross margins by 31 bps.
11	Return on investment - in %	Note (i) below	Note (i) below	NA	

**Note (i)** - The Company has investments only in the equity shares of subsidiaries and there are no dividends or other returns from the subsidiaries for the current year and previous year as such the disclosure of this ratio is not applicable to the Company.

### 39 Leases

The Company has adopted Ind AS 116 'Leases' with the date of initial application being 01 April 2019. Ind AS 116 replaces Ind AS 17 - Leases and related interpretation and guidance. The Company has applied Ind AS 116 using the modified retrospective approach, under which the cumulative effect of initial application is recognised in retained earnings at 01 April 2019. Refer balance sheet note 4 for movement of Right of use assets and note 16 for movement of lease liabilities.

- The Company has applied a single discount rate to a portfolio of leases with reasonably similar characteristics.
- The Company has treated the leases with remaining lease term of less than 12 months as if they were "short term leases". Expense relating to such short term leases recognised in Profit & Loss account amounts to ₹ 291.80 million (March 31, 2022: ₹ 238.77 million).
- The Company has not applied the requirements of Ind AS 116 for leases of low value assets.
- The Company has used hindsight, in determining the lease term if the contract contains options to extend or terminate the lease.

**40** During the years ended March 31, 2023 and March 31, 2022, the Company renegotiated with certain landlords on the rent reduction/ waiver due to COVID 19 pandemic. The Management believes that such reduction/ waiver in rent is short term in nature and also meets the other conditions specified in the notification issued by the Central Government in consultation with National Financial Reporting Authority dated 24 July 2020

## Notes

forming part of standalone financial statements for the year ended March 31, 2023

(Amounts in ₹ million, except for shares data or as otherwise stated)

as Companies (Indian Accounting Standards) Amendment Rules, 2020 with effect from 1 April 2020. Thus, in accordance with the said notification, the Company has elected to apply exemption as the reduction/ waiver does not necessitate a lease modification as envisaged in the Standard by recording in the "Other income" (net of rent expenses). Accordingly, the Company has recognised ₹ 6.43 million during the year ended March 31, 2023 (March 31, 2022 - ₹ 40.68 millions) in the statement of profit and loss.

**41** The Company has transactions or balances during current year with following companies whose names have been struck off by Registrar of Companies.

Name of the struck off company	Nature of transactions with struck off company	Balance March 31, 2023	Balance March 31, 2022	Relationship with the company
ASTHA GEMS INDIA PRIVATE LIMITED	Purchases	-	1.42	None
ANN NEWS PRIVATE LIMITED	Purchases	-	-	None

### 42 Other statutory information:

- The Company does not have any Benami property and there are no proceeding initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.
- The Company has not traded or invested in crypto currency or virtual currency during the current year and previous year.
- There Company does not have any transactions which are not recorded in the books of accounts that have been surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 during the current year and previous year.
- There are no Schemes of Arrangements which are either pending or have been approved by the Competent Authority in terms of Sections 230 to 237 of the Companies Act, 2013 during the current year and previous year.
- No funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

**43** During the current year, pursuant to the approval of the Board of Directors on March 31, 2023, the Company has taken a decision to dispose off the two aircrafts owned by the Company as part of management's overall strategy to dispose of non-core assets and accordingly, the carrying value of the Aircrafts amounting to ₹ 1,671.61 million has been reclassified from property, plant and equipment to 'Assets held-for-sale' in accordance with Ind AS 105 - 'Non-current Assets Held for Sale and Discontinued Operations'. The estimated fair value of these aircrafts based on firm letter of intent from prospective buyers amounted to ₹ 1339.10 million and accordingly the difference between the carrying value and the fair value amounting to ₹ 332.51 million is accounted for during the current quarter as an exceptional item by virtue of its non routine nature.

**44** The Board of Directors of the Company has recommended a final dividend of ₹0.50 (5%) per equity share of ₹ 10 each for the financial year ended March 31, 2023, subject to the approval of shareholders.

**45** Approval of financial statements: The standalone financial statements were approved for issue by the board of directors on May 15, 2023.

For and on behalf of Board of Directors

**T. S. Kalyanaraman**  
Managing Director  
DIN: 01021928

**T. K. Ramesh**  
Director  
DIN: 01021868

**T. K. Seetharam**  
Director  
DIN: 01021898

**Sanjay Raghuraman**  
Chief Executive Officer

**V. Swaminathan**  
Chief Financial Officer

**Jishnu R. G.**  
Company Secretary

Place: Thrissur  
Date: May 15, 2023





## Independent Auditor's Report

To The Members of **Kalyan Jewellers India Limited**

### Report on the Audit of the Consolidated Financial Statements

#### Opinion

We have audited the accompanying consolidated financial statements of **Kalyan Jewellers India Limited** ("the Parent") and its subsidiaries, (the Parent and its subsidiaries together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2023, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year then ended, and 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, and based on the consideration of reports of the other auditors on separate financial statements of the subsidiaries referred to in the Other Matters section below, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ('Ind AS'), and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2023, and their consolidated profit, their consolidated total comprehensive income, their consolidated cash flows and their consolidated changes in equity for the year ended on that date.

#### Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing specified under section 143 (10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in the sub-paragraphs (a) of the Other Matters section below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated 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 consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor's Response
1	<p><b>Existence of inventory:</b></p> <p>Refer Note 10 "Inventories" to the Consolidated Financial Statements.</p> <p>The Groups inventories primarily comprises jewellery of gold, diamonds, gemstones etc. ("inventory")</p> <p>We have considered existence of inventory to be a key audit matter for our audit due to:</p> <ol style="list-style-type: none"> <li>the high value and nature of inventory involved</li> <li>inventory being held at various locations across the country and third-party job workers which could lead to a significant risk of loss of inventory.</li> </ol>	<p><b>Our principal audit procedures performed, among other procedures, included the following:</b></p> <ul style="list-style-type: none"> <li>obtained an understanding of the management's process for safeguarding and monitoring of inventories including the appropriateness of the Company's procedures for conducting, reconciling and recording physical verification of inventories.</li> <li>evaluated the design and implementation of relevant controls and carried out the testing of operating effectiveness of controls over conducting, reconciling and recording physical verification of inventories.</li> <li>tested the operating effectiveness of controls around the IT systems for recording of inward and outward movements of inventory on occurrence of each transaction.</li> <li>Reviewed the reports submitted by the internal auditor and physical verification reports submitted by the control owners to evaluate the physical verification process carried out during the year on sample basis.</li> </ul>

Sr. No.	Key Audit Matter	Auditor's Response
		<ul style="list-style-type: none"> <li>For a sample of locations, we performed the following procedures: <ul style="list-style-type: none"> <li>attended physical verification of stocks conducted by the Company at / closer to the year end.</li> <li>Tested and agreed the inventory as per physical verification with the book records, including roll back procedures wherever required.</li> <li>Verified the purity (caratage) of the jewellery and performed testing of the calibration certificate of the karat meter used for such verification.</li> <li>Performed surprise inventory counts at select locations on sample basis</li> </ul> </li> <li>On a sample basis, verified submissions relating to quantity of inventory made by the Company to banks and obtained the reconciliation of the same with the books.</li> <li>For samples selected using statistical sampling, we obtained independent confirmations of inventories held by third party job workers.</li> </ul>

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

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

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information, compare with the financial statements of the subsidiaries, to the extent it relates to these entities and, in doing so, place reliance on the work of the other auditors and consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. Other information so far as it relates to the subsidiaries, is traced from their financial statements audited by the other auditors.

If based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

#### Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Parent Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group in accordance with the Ind AS and

other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Parent Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate their respective entities or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

#### Auditor's Responsibility for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue an auditor's



report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with 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 consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial 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 Parent Company and Subsidiary Company incorporated in India 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 ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities

within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by the other auditors, other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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

We communicate with those charged with governance of the Parent Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

#### Other Matters

- a) We did not audit the financial statements of 8 subsidiaries included in the consolidated financial statements, whose financial statements reflect total assets of ₹ 24,566.88 Million as at March 31, 2023, total revenues of ₹ 25,283.03 for the year ended March 31, 2023, total net profit after tax of ₹ 421.26 Million for the year ended March 31, 2023,

total comprehensive income of ₹ 933.94 Million for the year ended March 31, 2023 and net cash inflows of ₹ 148.92 Million for the year ended March 31, 2023, as considered in these Consolidated Financial Statements.

These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.

Certain of these subsidiaries are located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Parent's management has converted the financial statements of such subsidiaries located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Parent's management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries located outside India is based on the report of other auditors and the conversion adjustments prepared by the management of the Company and audited by us.

- b) We did not audit the financial statements of 1 subsidiary, whose financial statements reflect total assets of ₹ 0.20 Million as at March 31, 2023 and total revenues of ₹ Nil Millions for the year ended March 31, 2023, total net loss after tax of ₹ 0.04 Million for the year ended March 31, 2023 and total comprehensive loss of ₹ 0.04 for the year ended March 31, 2023 and net cash out flows of ₹ 0.03 million for the year ended March 31, 2023, as considered in these consolidated financial statements. These financial statements are unaudited and have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the Management, these financial statements are not material to the Group.

Our opinion on the consolidated financial statements above and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with

respect to our reliance on the work done and the reports of other auditors and the financial statements certified by the Management.

#### Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on the separate financial statements of the subsidiaries referred to in the Other Matters section above we report, to the extent applicable that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
  - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books, returns and the reports of the other auditors.
  - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
  - d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.
  - e) On the basis of the written representations received from the directors of the Parent Company as on March 31, 2023 taken on record by the Board of Directors of the Company and the reports of the statutory auditor of subsidiary company incorporated in India, none of the directors of the Group companies, incorporated in India is disqualified as on March 31, 2023 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 and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditors' reports of the Parent company and subsidiary company incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls over financial reporting of those companies for the reasons stated therein.



- 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 remuneration paid by the Parent Company 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, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group;
  - ii) the Group did not have any material foreseeable losses on long-term contracts including derivative contracts.
  - iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Parent Company, and its subsidiary company incorporated in India.
  - iv) (a) The respective Managements of the Parent and its subsidiary, which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditor of such subsidiary, to the best of their knowledge and belief, other than as disclosed in the notes to the accounts, no funds which are material either individually or in the aggregate have been advanced or loaned or invested either from borrowed funds or share premium or any other sources or kind of funds by the Parent or the subsidiary to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Parent or the subsidiary ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (b) The respective Managements of the Parent and its subsidiary, which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditor of such subsidiary, to the best of their knowledge and belief, as disclosed in the notes to accounts, no funds which are material either individually or in the aggregate have been received by the Parent or the subsidiary from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Parent or the subsidiary shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditor of the subsidiary, which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditor to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material mis-statement.
- v) As stated in note 44 to the consolidated financial statements, the Board of Directors of the Parent Company has proposed final dividend for the year which is subject to the approval of the members of the Parent Company at the ensuing Annual General Meeting. The dividend proposed is in accordance with section 123 of the Act, as applicable.
- vi) Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable w.e.f. April 1, 2023 to the Parent Company and its subsidiary company which are companies incorporated in India, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.
2. With respect to the matters specified in paragraphs 3(xx) and 4 of the Companies (Auditor's Report) Order, 2020 ("the Order") ("CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO report issued by the auditor of the subsidiary, included in the consolidated financial statements of the Company, to which reporting under CARO is applicable, provided to us by the Management of the Company, we report that the auditors of such companies have not reported any qualifications or adverse remarks in their CARO reports.

For **DELOITTE HASKINS & SELLS LLP**  
Chartered Accountants  
(Firm's Registration No. 117366W/W-100018)

**Ananthi Amarnath**  
Partner  
(Membership No. 209252)  
(UDIN: 23209252BGXMKB6903)

Place : Chennai  
Date : May 15, 2023



## Annexure “A” to the Independent Auditor’s Report

(Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)

### Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

In conjunction with our audit of the consolidated Ind AS financial statements of the Company as of and for the year ended March 31, 2023, we have audited the internal financial controls over financial reporting of Kalyan Jewellers India Limited (hereinafter referred to as “Parent”) and its subsidiary company incorporated in India, as of that date.

### Management’s Responsibility for Internal Financial Controls

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

### Auditor’s Responsibility

Our responsibility is to express an opinion on the Parent’s and its subsidiary company incorporated in India, internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting

was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditor of the subsidiary company, which is company incorporated in India, in terms of their reports referred to in the Other Matters paragraph below is sufficient and appropriate to provide a basis for our audit opinion on the Group’s internal financial controls system over financial reporting of the Parent and its subsidiary company, which are companies incorporated in India.

### Meaning of Internal Financial Controls Over Financial Reporting

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

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

### Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

### Opinion

In our opinion to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditor referred to in the Other Matters paragraph below, the Parent, its subsidiary company, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023, based on the criteria for internal financial control over financial reporting established

by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

### Other Matter

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to one subsidiary company incorporated in India, is based solely on the corresponding report of the auditors of such company incorporated in India. Our opinion is not modified in respect of the above matter.

For **DELOITTE HASKINS & SELLS LLP**  
Chartered Accountants  
(Firm’s Registration No. 117366W/W-100018)

**Ananthi Amarnath**  
Partner  
(Membership No. 209252)  
(UDIN: 23209252BGXMKB6903)

Place : Chennai  
Date : May 15, 2023

## Consolidated Balance Sheet

as at March 31, 2023

(Amounts in ₹ million, except for shares data or as otherwise stated)

Particulars	Note No.	As at March 31, 2023	As at March 31, 2022
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3A	8,738.18	9,815.55
Capital work-in-progress	3B	200.49	17.35
Right-of-use assets	4	9,579.84	8,667.06
Investment property	5	611.36	611.36
Goodwill on consolidation	6	50.56	50.56
Intangible assets	3C	48.96	69.76
Intangible assets under development	3D	4.37	3.97
<b>Financial assets</b>			
Investments	7	43.50	6.00
Other financial assets	8	1,592.49	733.74
Deferred tax assets (net)	31	561.93	449.74
Non-current tax assets (net)	23B	-	52.78
Other non-current assets	9	539.32	560.00
<b>Total non-current assets</b>		<b>21,971.00</b>	<b>21,037.87</b>
<b>Current assets</b>			
Inventories	10	70,138.75	57,942.59
<b>Financial assets</b>			
Trade receivables	11	2,442.31	1,194.70
Cash and cash equivalents	12	1,409.07	1,490.22
Bank balances other than cash and cash equivalents	12	8,409.68	6,281.79
Other financial assets	8	629.26	305.04
Other current assets	9	790.20	1,199.18
<b>Total current assets</b>		<b>83,819.27</b>	<b>68,413.52</b>
Assets held-for-sale	43	1,339.10	-
<b>Total assets</b>		<b>107,129.37</b>	<b>89,451.39</b>
<b>Equity and liabilities</b>			
<b>Equity</b>			
Equity share capital	13	10,300.53	10,300.53
Other equity	14	26,046.58	21,069.74
Non-controlling interests	15	(2.29)	9.44
<b>Total equity</b>		<b>36,344.82</b>	<b>31,379.71</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
<b>Financial liabilities</b>			
Borrowings	16	77.73	242.72
Lease liabilities	17	6,643.13	5,667.41
Provisions	18	376.54	343.36
<b>Total non-current liabilities</b>		<b>7,097.40</b>	<b>6,253.49</b>
<b>Current liabilities</b>			
<b>Financial liabilities</b>			
Borrowings	16	16,472.12	18,421.01
Metal gold loan	19	18,535.61	14,968.13
Lease liabilities	17	1,226.30	993.93
Trade payables	20	-	-
Total outstanding dues of micro enterprises and small enterprises		10.01	1.84
Total outstanding dues of creditors other than micro enterprises and small enterprises		11,916.88	6,564.06
Other financial liabilities	21	222.22	327.54
Provisions	18	130.58	149.39
Other current liabilities	22	14,966.17	10,392.29
Current tax liabilities (net)	23A	207.26	-
<b>Total current liabilities</b>		<b>63,687.15</b>	<b>51,818.19</b>
<b>Total equity and liabilities</b>		<b>107,129.37</b>	<b>89,451.39</b>

Summary of significant accounting policies (refer note 2).  
See accompanying notes forming part of the consolidated financial statements.

In terms of our report attached  
**For Deloitte Haskins & Sells LLP**  
Chartered Accountants  
(Firm's Registration No. 117366W/W-100018)

**Ananthi Amarnath**  
Partner  
(Membership No. 209252)

**T. S. Kalyanaraman**  
Managing Director  
DIN: 01021928

**Sanjay Raghuraman**  
Chief Executive Officer

Place: Thrissur  
Date: May 15, 2023

For and on behalf of Board of Directors

**T. K. Ramesh**  
Director  
DIN: 01021868

**V. Swaminathan**  
Chief Financial Officer

**T. K. Seetharam**  
Director  
DIN: 01021898

**Jishnu R. G.**  
Company Secretary

Place: Chennai  
Date: May 15, 2023

## Consolidated Statement of Profit and Loss

for the year ended March 31, 2023

(Amounts in ₹ million, except for shares data or as otherwise stated)

Particulars	Note No.	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Income</b>			
Revenue from operations	24	140,714.47	108,179.34
Other income	25	378.91	382.93
<b>I Total income</b>		<b>141,093.38</b>	<b>108,562.27</b>
<b>Expense</b>			
Cost of materials consumed	26	131,041.88	97,091.21
Changes in inventories of finished goods and work-in-progress	26	(12,319.64)	(5,828.33)
Employee benefits expense	27	4,405.66	3,542.69
Finance costs	28	3,025.65	3,223.63
Depreciation and amortisation expense	3E	2,445.84	2,315.77
Other expenses	29	6,446.26	5,228.74
<b>II Total expenses</b>		<b>135,045.65</b>	<b>105,573.71</b>
<b>III Profit before exceptional items and tax (I - II)</b>		<b>6,047.73</b>	<b>2,988.56</b>
<b>IV Exceptional Items</b>	30	332.51	-
<b>V Profit before tax (III - IV)</b>		<b>5,715.22</b>	<b>2,988.56</b>
<b>VI Tax expense</b>	31		
Current tax		1,550.07	812.94
Deferred tax		(154.17)	(64.68)
<b>Total tax expense</b>		<b>1,395.90</b>	<b>748.26</b>
<b>VII Profit for the year (V - VI)</b>		<b>4,319.32</b>	<b>2,240.30</b>
Attributable to owners of the Company		4,331.05	2,242.09
Attributable to non-controlling interests		(11.73)	(1.79)
<b>VIII Other comprehensive income</b>			
<b>Items that will not be reclassified to profit or loss</b>			
Remeasurement of employee defined benefit plans		52.44	33.14
Income tax on above		(13.20)	(8.33)
Foreign operation translation reserve movement		537.30	198.88
Income tax on above		-	-
<b>Items that will be reclassified to profit or loss</b>			
Effective portion of gain and loss on designated portion of hedging instruments in a cash flow hedge		100.06	692.97
Income tax on above		(31.38)	(68.56)
<b>Total other comprehensive income for the year</b>		<b>645.22</b>	<b>848.10</b>
Attributable to owners of the Company		645.22	848.10
Attributable to non controlling interests		-	-
<b>Total comprehensive income for the year (VII + VIII)</b>		<b>4,964.54</b>	<b>3,088.40</b>
Attributable to owners of the Company		4,976.27	3,090.19
Attributable to non controlling interests		(11.73)	(1.79)
<b>Earnings per equity share of face value of ₹ 10/-</b>			
Basic	33	4.20	2.18
Diluted	33	4.20	2.18

Summary of significant accounting policies (refer note 2).  
See accompanying notes forming part of the consolidated financial statements.

In terms of our report attached  
**For Deloitte Haskins & Sells LLP**  
Chartered Accountants  
(Firm's Registration No. 117366W/W-100018)

**Ananthi Amarnath**  
Partner  
(Membership No. 209252)

**T. S. Kalyanaraman**  
Managing Director  
DIN: 01021928

**Sanjay Raghuraman**  
Chief Executive Officer

Place: Chennai  
Date: May 15, 2023

Place: Thrissur  
Date: May 15, 2023

For and on behalf of Board of Directors

**T. K. Ramesh**  
Director  
DIN: 01021868

**V. Swaminathan**  
Chief Financial Officer

**T. K. Seetharam**  
Director  
DIN: 01021898

**Jishnu R. G.**  
Company Secretary



## Consolidated Statement of Cash Flows

for the year ended March 31, 2023

(Amounts in ₹ million, except for shares data or as otherwise stated)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>A Cash flow from operating activities</b>		
Profit after tax	4,319.32	2,240.30
<b>Adjustments for</b>		
Exchange difference in translating the financial statements of foreign operations	221.36	122.23
Depreciation of property, plant and equipment and amortisation of intangible assets	1,098.63	1,076.94
Amortisation on right-of-use assets	1,347.21	1,238.83
Provision for income tax	1,550.07	812.94
Deferred tax expense/ (credit)	(154.17)	(64.68)
Net loss/ (gain) on disposal of property, plant and equipment	(5.26)	(3.32)
Property, plant and equipment written off	39.39	162.22
Impairment of Right of Use Asset on sub lease recognition	12.85	-
Reversal of provision for amortisation Right of Use Assets	(308.13)	-
Credit impaired trade and other advances written off	36.37	55.88
Provision for expected credit loss on financial assets	-	2.25
Provision for doubtful insurance claims	56.15	38.04
Interest income	(272.62)	(227.76)
Unrealised loss/ (gain) on derivative financial instruments	(221.30)	(224.96)
Gain on lease termination	(2.11)	(160.90)
Gain on lease modification	(4.62)	(27.16)
Gain on mutual funds	(0.56)	-
Exceptional item (Refer note 30)	332.51	-
Liabilities no longer required written back	(72.60)	(24.92)
Provision for customer loyalty programs	1.39	1.80
Finance costs	3,025.65	3,223.63
<b>Operating profit before working capital changes</b>	<b>10,999.53</b>	<b>8,241.36</b>
<b>Adjustments for:</b>		
(Increase)/decrease in inventories	(12,196.16)	(4,911.70)
(Increase)/decrease in trade receivables	(1,248.99)	(70.31)
(Increase)/decrease in other current financial assets	(6.78)	38.07
(Increase)/decrease in other current assets	352.83	342.82
(Increase)/decrease in other non-current financial assets	(162.53)	(35.43)
(Increase)/decrease in other non-current assets	26.86	-
Increase/(decrease) in metal gold loan (net)	3,567.48	788.61
Increase/(decrease) in trade payables	5,375.03	(312.05)
Increase/(decrease) in non-current and current provisions	65.42	80.71
Increase/(decrease) in other financial liabilities	21.19	(38.59)
Increase/(decrease) in other current liabilities	4,629.86	46.68
<b>Cash generated from operations</b>	<b>11,423.74</b>	<b>4,170.17</b>
Net income tax paid	(1,290.03)	(1,529.15)
<b>Net cash flow from operating activities [A]</b>	<b>10,133.71</b>	<b>2,641.02</b>
<b>B Cash flow from investing activities</b>		
Payments for property, plant and equipment, intangibles (including capital work-in-progress and capital advances)	(1,871.18)	(912.63)
Proceeds from sale of property, plant and equipment and intangibles	8.62	4.53
Bank balances not considered as cash and cash equivalents	(2,107.75)	1,350.40
Investments in mutual funds	(75.00)	(6.00)
Proceeds from sale of mutual funds	38.06	-
Receipts from finance lease	36.66	-
Interest received	131.62	199.44
<b>Net cash flow from / (used in) investing activities [B]</b>	<b>(3,838.97)</b>	<b>635.74</b>

## Consolidated Statement of Cash Flows

for the year ended March 31, 2023

(Amounts in ₹ million, except for shares data or as otherwise stated)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>C Cash flow from financing activities</b>		
Proceeds from long-term borrowings	-	490.57
Repayment of long-term borrowings	(365.67)	(1,614.08)
Proceeds from/ repayment of short-term borrowings (net)	(1,780.28)	262.54
Infusion of capital by non-controlling interests	-	15.12
Payment towards lease liabilities	(1,938.99)	(2,182.08)
Finance costs	(2,290.95)	(2,407.17)
<b>Net cash used in financing activities [C]</b>	<b>(6,375.89)</b>	<b>(5,435.10)</b>
<b>Net decrease in Cash and cash equivalents [A+B+C]</b>	<b>(81.15)</b>	<b>(2,158.34)</b>
Cash and cash equivalents at the beginning of the year	1,490.22	3,648.56
<b>Cash and cash equivalents at the end of the year (refer note 12)</b>	<b>1,409.07</b>	<b>1,490.22</b>

### Changes in liabilities arising from financing activities:

Particulars	As at 1 April 2022	Cash flows	Non cash changes		As at March 31, 2023
			Fair value changes	Others	
Non-current borrowings (including current maturities)	597.63	(365.67)	-	32.07	264.03
Current borrowings	18,066.10	(1,780.28)	-	-	16,285.82
Lease liabilities	6,661.34	(1,938.99)	-	3,147.08	7,869.43
<b>Total</b>	<b>25,325.07</b>	<b>(4,084.94)</b>	<b>-</b>	<b>3,179.15</b>	<b>24,419.28</b>

Particulars	As at 1 April 2021	Cash flows	Non cash changes		As at March 31, 2022
			Fair value changes	Others	
Non-current borrowings (including current maturities)	1,796.58	(1,123.51)	-	(75.44)	597.63
Current borrowings	17,803.56	262.54	-	-	18,066.10
Lease liabilities	6,982.63	(2,182.08)	-	1,860.79	6,661.34
<b>Total</b>	<b>26,582.77</b>	<b>(3,043.05)</b>	<b>-</b>	<b>1,785.35</b>	<b>25,325.07</b>

Summary of significant accounting policies (refer note 2).  
See accompanying notes forming part of the consolidated financial statements.

In terms of our report attached  
**For Deloitte Haskins & Sells LLP**  
Chartered Accountants  
(Firm's Registration No. 117366W/W-100018)

For and on behalf of Board of Directors

**Ananthi Amarnath**  
Partner  
(Membership No. 209252)

**T. S. Kalyanaraman**  
Managing Director  
DIN: 01021928

**T. K. Ramesh**  
Director  
DIN: 01021868

**T. K. Seetharam**  
Director  
DIN: 01021898

**Sanjay Raghuraman**  
Chief Executive Officer

**V. Swaminathan**  
Chief Financial Officer

**Jishnu R. G.**  
Company Secretary

Place: Chennai  
Date: May 15, 2023

Place: Thrissur  
Date: May 15, 2023

## Consolidated Statement of Changes in Equity

for the year ended March 31, 2023

(Amounts in ₹ million, except for shares data or as otherwise stated)

### A Equity shares with voting rights

Particulars	As at			
	March 31, 2023		March 31, 2022	
	No. of shares	₹	No. of shares	₹
<b>Balance at the beginning of the year</b>	1,030,053,057	10,300.53	1,030,053,057	10,300.53
Changes in Equity Share Capital due to prior period errors	-	-	-	-
<b>Restated balance at the beginning of the year</b>	<b>1,030,053,057</b>	<b>10,300.53</b>	<b>1,030,053,057</b>	<b>10,300.53</b>
Transactions during the year	-	-	-	-
<b>Closing balance</b>	<b>1,030,053,057</b>	<b>10,300.53</b>	<b>1,030,053,057</b>	<b>10,300.53</b>

### B Other equity

Particulars	Reserves & Surplus			Other Comprehensive Income			Total equity
	Securities premium	Statutory reserves	Retained earnings	Fair value change of hedging instruments in cash flow hedge	Employee defined benefit plan	Foreign operation translation reserve	
<b>Balance as at March 31, 2021</b>	<b>16,005.83</b>	<b>5.67</b>	<b>2,230.76</b>	<b>(601.25)</b>	<b>(90.86)</b>	<b>409.62</b>	<b>17,959.77</b>
Changes in other equity due to changes in accounting policy or prior period errors	-	-	-	-	-	-	-
<b>Restated balance at the beginning of the year</b>	<b>16,005.83</b>	<b>5.67</b>	<b>2,230.76</b>	<b>(601.25)</b>	<b>(90.86)</b>	<b>409.62</b>	<b>17,959.77</b>
Profit/ (loss) for the year (net of taxes)	-	-	2,242.09	-	-	-	2,242.09
Foreign currency exchange differences during the year	-	0.16	-	-	-	198.88	199.04
Adjustment on account of further infusion by non-controlling interests	-	-	8.85	-	-	-	8.85
Add: Share issue expenses adjustment against premium arising on shares issued (refer note 13 (vi))	10.77	-	-	-	-	-	10.77
Other Comprehensive Income for the year (net of taxes)	-	-	-	624.41	24.81	-	649.22
<b>Balance as at March 31, 2022</b>	<b>16,016.60</b>	<b>5.83</b>	<b>4,481.70</b>	<b>23.16</b>	<b>(66.05)</b>	<b>608.50</b>	<b>21,069.74</b>
Changes in other equity due to changes in accounting policy or prior period errors	-	-	-	-	-	-	-
<b>Restated balance at the beginning of the year</b>	<b>16,016.60</b>	<b>5.83</b>	<b>4,481.70</b>	<b>23.16</b>	<b>(66.05)</b>	<b>608.50</b>	<b>21,069.74</b>
Profit for the year (net of taxes)	-	-	4,331.05	-	-	-	4,331.05
Adjustment on account of further infusion by non-controlling interests	-	-	-	-	-	-	-
Foreign currency exchange differences during the year	-	0.57	-	-	-	-	0.57
Other Comprehensive Income for the year (net of taxes)	-	-	-	68.68	39.24	537.30	645.22
<b>Balance as at March 31, 2023</b>	<b>16,016.60</b>	<b>6.40</b>	<b>8,812.75</b>	<b>91.84</b>	<b>(26.81)</b>	<b>1,145.80</b>	<b>26,046.58</b>

Summary of significant accounting policies (refer note 2).  
See accompanying notes forming part of the consolidated financial statements.

In terms of our report attached  
**For Deloitte Haskins & Sells LLP**  
Chartered Accountants  
(Firm's Registration No. 117366W/W-100018)

For and on behalf of Board of Directors

**Ananthi Amarnath**  
Partner  
(Membership No. 209252)

**T. S. Kalyanaraman**  
Managing Director  
DIN: 01021928

**T. K. Ramesh**  
Director  
DIN: 01021868

**T. K. Seetharam**  
Director  
DIN: 01021898

**Sanjay Raghuraman**  
Chief Executive Officer

**V. Swaminathan**  
Chief Financial Officer

**Jishnu R. G.**  
Company Secretary

Place: Chennai  
Date: May 15, 2023

Place: Thrissur  
Date: May 15, 2023

## Notes

forming part of consolidated financial statements for the year ended March 31, 2023

(Amounts in ₹ million, except for shares data or as otherwise stated)

### 1. GENERAL INFORMATION

Kalyan Jewellers India Limited ('the Company' or 'the Holding Company'), together with its subsidiaries Kalyan Jewellers, Inc., USA, Enovate Lifestyles Private Limited, Kalyan Jewellers FZE, UAE and its step down subsidiaries - Kalyan Jewellers LLC, UAE, Kalyan Jewellers for Golden Jewelry Company, W.L.L., Kalyan Jewellers LLC., Qatar, Kalyan Jewellers LLC, Oman, Kalyan Jewellers Bahrain W.L.L., Kenouz Al Sharq Gold Ind. LLC (collectively referred to as 'the Group') is a leading international retail Jewellery Chain, into the manufacture and retailing of primarily gold and precious stone studded jewellery.

The Company is headquartered in the city of Thrissur in Kerala, India, and has offices in USA, UAE, Kuwait, Qatar and Oman.

### 2. SIGNIFICANT ACCOUNTING POLICIES

#### (i) Statement of Compliance

The consolidated financial statements of the Group have been prepared in accordance with Indian Accounting Standard ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 read with section 133 of the Companies Act, 2013.

The Group has consistently applied accounting policies to all years. Comparative Financial information has been regrouped, wherever necessary, to correspond to the figures of the current year.

#### (ii) Basis of preparation and presentation

The consolidated financial statements have been prepared on accrual basis under the historical

The subsidiary companies which are included in the consolidation and the Company's holdings therein are as under:

Name of the Company	Relationship	Country of Incorporation	Ownership held by	Ownership interest	
				March 31, 2023	March 31, 2022
Enovate Lifestyles Private Limited	Subsidiary	India	Kalyan Jewellers India Limited	85%	85%
Kalyan Jewellers FZE, UAE	Subsidiary	United Arab Emirates (UAE)	Kalyan Jewellers India Limited	100%	100%
Kalyan Jewellers, Inc., USA	Subsidiary	USA	Kalyan Jewellers India Limited	100%	100%
Kalyan Jewellers LLC, UAE	Step down subsidiary	United Arab Emirates (UAE)	Kalyan Jewellers FZE, UAE	100%	100%
Kalyan Jewellers for Golden Jewelry Company, W.L.L.	Step down subsidiary	Kuwait	Kalyan Jewellers LLC, UAE	100%	100%
Kalyan Jewellers LLC, Qatar	Step down subsidiary	Qatar	Kalyan Jewellers LLC, UAE	100%	100%
Kalyan Jewellers LLC, Oman	Step down subsidiary	Oman	Kalyan Jewellers FZE, UAE	100%	100%

cost convention except for the certain financial instruments that are measured at fair values as required by relevant Ind AS:

- certain financial assets and liabilities (including derivative instruments)
- defined employee benefit plans - plan assets are measured at fair value

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

#### (iii) Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries). Control exists when the parent has power over an investee, exposure or rights to variable returns from its involvement with the investee and ability to use its power to affect those returns. Power is demonstrated through existing rights that give the ability to direct relevant activities, those which significantly affect the entity's returns. Subsidiaries are consolidated from the date control commences until the date control ceases.

The financial statements of subsidiaries are consolidated on a line-by-line basis and intra-group balances and transactions including un-realised gain/ loss from such transactions are eliminated upon consolidation. The financial statements are prepared by applying uniform policies in use at the Group.



## Notes

forming part of consolidated financial statements for the year ended March 31, 2023

(Amounts in ₹ million, except for shares data or as otherwise stated)

Name of the Company	Relationship	Country of Incorporation	Ownership held by	Ownership interest	
				March 31, 2023	March 31, 2022
Kenouz Al Sharq Gold Ind. LLC, UAE	Step down subsidiary	United Arab Emirates (UAE)	Kalyan Jewellers LLC, UAE	100%	100%
Kalyan Jewellers Bahrain W.L.L.	Step down subsidiary	Bahrain	Kalyan Jewellers FZE, UAE	100%	100%

The consolidated financial statements prepared by Kalyan Jewellers FZE, UAE includes 100% of the assets, liabilities and results of operations of its following subsidiaries, reflecting its controlling and beneficial equity interest in the subsidiaries through agreement with legal owners:

Name of the Company	Place of registration and operation	Ownership %	Control and beneficial interest %	Principal Activity
Kalyan Jewellers LLC, UAE	Dubai, UAE	49	100	Trading in jewellery, watches and perfumes
Kalyan Jewellers for Golden Jewelry Company, W.L.L.	Kuwait	49	100	Trading in jewellery, watches and perfumes
Kalyan Jewellers LLC, Qatar	Doha, Qatar	49	100	Trading in jewellery, watches and perfumes
Kalyan Jewellers LLC, Oman	Oman	70	100	Trading in jewellery, watches and perfumes
Kenouz Al Sharq Gold Ind. LLC, UAE	Sharjah, UAE	49	100	Manufacturing of jewellery
Kalyan Jewellers Bahrain W.L.L.	Bahrain	49	100	Trading in jewellery, watches and perfumes

The financial statements of the subsidiary companies which are included in the consolidation are drawn up to the same reporting date as that of the Company i.e. 31 March, 2023. The financial statements of the subsidiaries included in consolidation are audited except Kalyan Jewellers Inc., USA which is not material to the group.

### (iv) Use of estimates and judgement

The preparation of consolidated financial statements in conformity with Ind AS, requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amount of assets and liabilities, revenues and expenses and disclosure of contingent liabilities. Such estimates and assumptions are based on management's evaluation of relevant facts and circumstances as on the date of financial statements. The actual outcome may diverge from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

**Useful lives of property, plant and equipment:**  
The Group reviews the useful life of property, plant and equipment at the end of each reporting

period. This re-assessment may result in change in depreciation expense in future periods.

### Fair value of financial assets, liabilities, and investments:

The Group measures certain financial assets and liabilities on fair value basis at each balance sheet date or at the time, they are assessed for impairment. Fair value measurement that are based on significant unobservable inputs (Level 3) requires estimates of operating margin, discount rate, future growth rate, terminal values, etc. based on management's best estimate about future developments.

### (v) Functional and presentation currency

Items included in the financial statements of the Group are measured using the currency of the primary economic environment in which the Group operates (i.e. the "functional currency"). The consolidated financial statements are presented in Indian Rupee, the national currency of India, which is the functional currency of the Holding Company.

### (vi) Revenue Recognition

Revenue is recognised upon transfer of control of promised goods or services to customers in an amount that reflects the consideration the Group expects to receive in exchange for those goods or services.

## Notes

forming part of consolidated financial statements for the year ended March 31, 2023

(Amounts in ₹ million, except for shares data or as otherwise stated)

- a) Sale of goods: Revenue from the sale of products is recognised at the point in time when control is transferred to the customer.

Revenue is measured based on the transaction price, which is the consideration, net of customer incentives, discounts, variable considerations, payments made to customers, other similar charges, as specified in the contract with the customer. Additionally, revenue excludes taxes collected from customers, which are subsequently remitted to governmental authorities.

- b) Interest income: Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset of that asset's net carrying amount on initial recognition.

### (vii) Leases

The Group assesses at contract inception whether a contract is, or contains, a lease i.e., if the contract conveys the right to control the use of an identified asset for a period in exchange of consideration.

#### Group as a lessee

The Group's lease asset classes consist of leases for buildings. The Group, at the inception of a contract, assesses whether the contract is a lease or not lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a time in exchange for a consideration. This policy has been applied to contracts existing and entered into on or after April 1, 2019.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the Group's incremental borrowing rate. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or if the Group changes its assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Group recognises the lease payments associated with these leases as an expense over the lease term.

#### Group as a lessor

In case of sub-leasing, where the Group, being the original lessee and intermediate lessor, grants a right to use the underlying asset to a third party, the head lease is recognised as lease liability and sub-lease is recognised as lease receivables in the Balance Sheet of the Group. Interest expense is charged on the lease liability and interest income is recognised on lease receivables in the statement of profit or loss.

### (viii) Foreign currencies

In preparing the financial statements of the Group, transactions in currencies other than the entity's functional currency (foreign currencies) are recognized at the rates of exchange prevailing at the date of the transaction. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in the statement of profit and loss in the period in which they arise except for exchange differences on transactions designated as fair value hedge.

### (ix) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily





## Notes

forming part of consolidated financial statements for the year ended March 31, 2023

(Amounts in ₹ million, except for shares data or as otherwise stated)

take a substantial period to get ready for their intended use or sale, are added to the cost of those assets, until such time the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

### (x) Employee benefits

The Group participates in various employee benefit plans. Post-employment benefits either are classified as defined contribution plans or defined benefit plans. Under a defined contribution plan, the Group's only obligation is to pay a fixed amount with no obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits. The related actuarial and investment risks fall on the employee. The expenditure for defined contribution plans is recognized as expense during the period when the employee provides service. Under a defined benefit plan, it is the Group's obligation to provide agreed benefits to the employees. The related actuarial risks fall on the Group. The present value of the defined benefit obligations is calculated using the projected unit credit method.

#### Short-term employee benefits

All short-term employee benefits such as salaries, wages, bonus, and other benefits, which fall within 12 months of the period in which the employee renders related services which entitles them to avail such benefits and non-accumulating compensated absences are recognised on an undiscounted basis and charged to the statement of profit and loss.

A liability is recognised for benefits accruing to employees in respect of wages and salaries in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

#### Defined contribution plan

The Group's contribution to provident fund and employee state insurance scheme are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees.

#### Defined benefit plan

In accordance with the Payment of Gratuity Act, 1972, the Group provides for a lump sum payment to eligible employees, at retirement or termination of employment based on the last drawn salary and years of employment with the Group. The gratuity fund is unfunded. The Group's obligation in respect of the gratuity plan, which is a defined

benefit plan, is provided for based on actuarial valuation using the projected unit credit method. Actuarial gains or losses are recognized in other comprehensive income. Further, the profit or loss does not include an expected return on plan assets. Instead net interest recognized in profit or loss is calculated by applying the discount rate used to measure the defined benefit obligation to the net defined benefit liability or asset. The actual return on the plan assets above or below the discount rate is recognized as part of re-measurement of net defined liability or asset through other comprehensive income.

Remeasurement, comprising actuarial gains and losses is reflected immediately in the balance sheet with charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected in retained earnings and is not reclassified to the statement of profit and loss.

### (xi) Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

- a) Current tax: Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws.
- b) Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Group will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is highly probable that future economic benefit associated with it will flow to the Group.
- c) Deferred tax: Deferred tax is recognized using the balance sheet approach. Deferred tax assets and liabilities are recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences.

Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those

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deductible temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be utilised.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

### (xii) Property, Plant and Equipment

Land and buildings held for use in the production or supply of goods or services, or for administrative purposes, are stated at cost less accumulated depreciation and accumulated impairment losses. Freehold land is not depreciated. Property, plant and equipment are carried at cost less accumulated depreciation and impairment losses, if any. The cost of property, plant and equipment comprises its purchase price/ acquisition cost, net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses and interest on borrowings attributable to acquisition of qualifying property, plant and equipment up to the date the asset is ready for its intended use. Machinery spares which can be used only in connection with an item of Property, plant and equipment and whose use is expected to be irregular are capitalised and depreciated over the useful life of the principal item of the relevant assets. Subsequent expenditure on property, plant and equipment after its purchase / completion is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

Depreciation on Property, plant and equipment (other than freehold land) has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act,

2013 except in respect of eroplanes/Helicopters (30 years with an estimated residual value of 5%), in whose case the life of the assets has been assessed as under based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc.:

The estimated useful life of the tangible assets and the useful life are reviewed at the end of the each financial year and the depreciation period is revised to reflect the changed pattern, if any.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the statement of profit and loss.

### (xiii) Investment Property

Investment properties are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes). Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured in accordance with Ind AS 16's requirements for cost model.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognised.

### (xiv) Intangible Assets

Intangible assets are stated at cost less accumulated amortisation and impairment. Intangible assets are amortised over their respective estimated useful lives on a straight-line basis, from the date that they are available for use. The estimated useful life of an identifiable intangible assets is based on a number of factors including the effects of obsolescence, demand, competition and other economic factors (such as the stability of the industry and known technological advances) and the level of maintenance expenditures required to obtain the expected future cash flows from the asset.



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Estimated useful lives of the intangible assets is 5 years.

The estimated useful life of the intangible assets and the amortisation period are reviewed at the end of the each financial year and the amortisation period is revised to reflect the changed pattern, if any.

### (xv) Impairment of tangible and intangible assets

At the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss. When an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

Goodwill is tested for impairment on an annual basis and whenever there is an indication that goodwill may be impaired, relying on a number of factors including operating results, business plans and future cash flows.

### (xvi) Inventories

Inventories [other than quantities of gold for which the price is yet to be determined with the suppliers (Unfixed gold)] are stated at the lower of cost and net realizable value. In respect of gold, cost is determined on first-in-first-out basis, for silver cost is determined on annual weighted average basis and in respect of studded jewellery is determined on specific identification basis.

Unfixed gold is valued at the gold prices prevailing on the period closing date.

Cost comprises all costs of purchase including duties and taxes (other than those subsequently recoverable by the Group), freight inwards and other expenditure directly attributable to acquisition. Work-in-progress and finished goods include appropriate proportion of overheads and, where applicable, excise duty.

Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

### (xvii) Provisions and contingencies

**Provisions:** A provision is recognised when the Group has a present obligation because of past events and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount in the present value of those cash flows (when the effect of time value of money is material).

**Contingent liabilities:** Contingent liabilities are not recognised but are disclosed in notes to accounts.

### (xviii) Business combination and Goodwill

Business combinations are accounted for using the purchase (acquisition) method. The cost of an acquisition is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange. The cost of acquisition also includes the fair value of any contingent consideration.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair value on the date of acquisition. Transaction costs incurred in connection with a business combination are expensed as incurred.

The excess of the cost of acquisition over the Group's share in the fair value of the acquiree's identifiable assets, liabilities and contingent liabilities is recognized as goodwill. If the excess

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is negative, a bargain purchase gain is recognized in capital reserve.

### (xix) Financial instruments

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instruments.

Financial assets and liabilities are initially recognised at fair value. Transaction costs that are directly attributable to financial assets and liabilities [other than financial assets and liabilities measured at fair value through profit and loss (FVTPL)] are added to or deducted from the fair value of the financial assets or liabilities, as appropriate on initial recognition. Transaction costs directly attributable to acquisition of financial assets or liabilities measured at FVTPL are recognised immediately in the statement of profit and loss.

**a) Non-derivative Financial assets:** All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace. All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

#### Financial assets at amortised cost

A financial asset is measured at amortised cost if both of the following conditions are met:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

#### Effective interest method:

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate that exactly discounts estimated future cash receipts through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets. Interest income is recognised in profit or loss and is included in the "Other income" line item.

**b) Derecognition of financial assets:** A financial asset is derecognised only when the

- Group has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

When the entity has transferred an asset, the Group evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Whether the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Group has not retained control of the financial asset. When the Group retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

**c) Foreign exchange gains and losses:** The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period.

For foreign currency denominated financial assets measured at amortised cost and FVTPL, the exchange differences are recognised in statement of profit and loss.

**d) Financial liabilities:** All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, financial guarantee contracts issued by the Group, and commitments issued by the Group to provide a loan at below-market interest rate



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are measured in accordance with the specific accounting policies set out below.

### Financial liabilities at FVTPL

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in statement of profit and loss. The net gain or loss recognised in statement of profit and loss incorporates any interest paid on the financial liability and is included in the 'Other income/Other expenses' line item.

Financial liabilities subsequently measured at amortised cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

### Foreign exchange gains and losses

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments and are recognised in the statement of profit and loss.

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. For financial liabilities that are measured as at FVTPL, the foreign exchange component forms part of the fair value gains or losses and is recognised in the statement of profit and loss.

### De-recognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired.

An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability

### (xx) Hedge accounting

The Group designates certain hedging instruments as fair value hedges/cash flow hedges. At the inception of the hedge relationship, the entity documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. The use of derivative financial instruments is governed by the Group's policies approved by the Board of Directors, which provide written principles on the use of such instruments consistent with the Group's risk management strategy. Furthermore, at the inception of the hedge and on an ongoing basis, the Group documents whether the hedging instrument is highly effective in offsetting changes in fair values of the hedged item attributable to the hedged risk.

### Fair value hedges

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in statement of profit and loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedging relationship and the nature of the hedged item.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. The fair value adjustment to the carrying amount of the hedged item arising from the hedged risk is amortised to profit or loss from that date.

### Cash flow hedges

Derivative financial instruments to manage risks associated with gold and foreign currency price fluctuations relating to certain existing liabilities, highly probable forecasted transactions, foreign currency fluctuations relating to certain firm commitments fall under the category of cash flow hedges. The Group has designated derivative financial instruments taken for gold and foreign currency price fluctuations as cash flow hedges relating to certain existing liabilities and highly probable forecast transactions.

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Hedging instruments are initially measured at fair value, and are re-measured at subsequent reporting dates. Changes in the fair value of these derivatives that are designated and effective as hedges of future cash flows are recognised in other comprehensive income and accumulated under the heading hedging reserve and the ineffective portion is recognised immediately in the statement of profit and loss. For forecasted transactions, any cumulative gain or loss on the hedging instrument recognized in hedging reserve is retained until the forecast transaction occurs upon which it is recognized in the statement of profit and loss.

If a hedged transaction is no longer expected to occur, the net cumulative gain or loss accumulated in hedging reserve is recognized immediately to the statement of profit and loss. The Group has designated derivative financial instruments taken for gold price fluctuations as cash flow hedges relating to highly probable forecasted transactions under the previous GAAP.

### (xxi) Segment reporting

Operating segments are reported in the manner consistent with the internal reporting to the chief operating decision maker (CODM). The Group is reported at an overall level, and hence there are no separate reportable segments as per Ind AS 108.

### (xxii) Cash and cash equivalents

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition) and highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

For the purposes of the cash flow statement, cash and cash equivalents include cash on hand, in banks and demand deposits with banks, net of outstanding bank overdrafts that are repayable on

demand, book overdraft and are considered part of the Group's cash management system.

### (xxiii) Earnings per share (EPS)

Basic earnings per share are computed using the weighted average number of equity shares outstanding during the period.

Diluted EPS is computed by dividing the profit or loss attributable to ordinary equity holders by the weighted average number of equity shares considered for deriving basic EPS and also weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for bonus shares, as appropriate

### (xxiv) Assets classified as held for sale

The Group classifies a non-current asset (or disposal group) as held for sale if its carrying amount will be recovered principally through a sale transaction rather than through continuing use when the asset (or disposal group) is available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such assets (or disposal groups) and its sale is highly probable. The Company measures a non-current asset (or disposal group) classified as held for sale at the lower of its carrying amount and fair value less costs to sell.

### (xxv) Operating Cycle

Based on the nature of products / activities of the Group and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Group has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.



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### 3A Property, plant and equipment - owned

Description of Assets	Freehold Land	Helipad	Buildings	Plant & machinery	Office equipment	Computers	Furniture and fixtures	Aeroplanes/helicopters	Vehicles	Total
<b>I. At cost or deemed cost</b>										
<b>Balance as at March 31, 2021</b>	<b>1,861.01</b>	<b>30.80</b>	<b>1,000.92</b>	<b>543.05</b>	<b>917.60</b>	<b>264.85</b>	<b>7,297.67</b>	<b>2,700.53</b>	<b>414.22</b>	<b>15,030.65</b>
Additions	12.17	-	76.48	2.16	117.09	21.86	1,091.33	-	28.65	1,349.74
Disposals	-	-	-	-	(2.78)	(3.45)	(378.38)	-	(14.65)	(399.26)
Effect of foreign currency exchange differences	-	-	-	7.78	-	4.39	61.98	-	0.73	74.88
<b>Balance as at March 31, 2022</b>	<b>1,873.18</b>	<b>30.80</b>	<b>1,077.40</b>	<b>552.99</b>	<b>1,031.91</b>	<b>287.65</b>	<b>8,072.60</b>	<b>2,700.53</b>	<b>428.95</b>	<b>16,056.01</b>
Additions	-	-	75.30	8.19	128.20	25.24	1,310.12	-	41.61	1,588.66
Asset classified as held for sale (refer note 30)	-	-	-	-	-	-	-	(2,265.37)	-	(2,265.37)
Disposals	-	-	-	(0.03)	-	(1.72)	(183.02)	-	(24.62)	(209.39)
Effect of foreign currency exchange differences	-	-	-	22.74	-	12.58	166.14	-	1.93	203.39
<b>Balance as at March 31, 2023</b>	<b>1,873.18</b>	<b>30.80</b>	<b>1,152.70</b>	<b>583.89</b>	<b>1,160.11</b>	<b>323.75</b>	<b>9,365.84</b>	<b>435.16</b>	<b>447.87</b>	<b>15,373.30</b>
<b>II. Accumulated depreciation</b>										
<b>Balance as at March 31, 2021</b>	<b>-</b>	<b>6.83</b>	<b>167.36</b>	<b>173.57</b>	<b>764.06</b>	<b>233.37</b>	<b>3,235.47</b>	<b>541.22</b>	<b>291.71</b>	<b>5,413.59</b>
Charge for the year	-	1.05	35.79	28.11	79.58	23.63	722.22	89.61	51.77	1,031.76
Disposals	-	-	-	-	(2.34)	(3.38)	(219.30)	-	(13.03)	(238.05)
Effect of foreign currency exchange differences	-	-	-	1.45	-	4.06	27.15	-	0.50	33.16
<b>Balance as at March 31, 2022</b>	<b>-</b>	<b>7.88</b>	<b>203.15</b>	<b>203.13</b>	<b>841.30</b>	<b>257.68</b>	<b>3,765.54</b>	<b>630.83</b>	<b>330.95</b>	<b>6,240.46</b>
Charge for the year	-	1.05	39.01	30.32	77.77	19.22	777.09	89.61	25.02	1,059.09
Asset classified as held for sale (refer note 30)	-	-	-	-	-	-	-	(593.76)	-	(593.76)
Disposals	-	-	-	(0.01)	-	(1.52)	(144.27)	-	(21.21)	(167.01)
Effect of foreign currency exchange differences	-	-	-	5.95	-	12.01	77.04	-	1.34	96.34
<b>Balance as at March 31, 2023</b>	<b>-</b>	<b>8.93</b>	<b>242.16</b>	<b>239.39</b>	<b>919.07</b>	<b>287.39</b>	<b>4,475.40</b>	<b>126.68</b>	<b>336.10</b>	<b>6,635.12</b>
Carrying value (I-II)										
<b>Balance as at March 31, 2023</b>	<b>1,873.18</b>	<b>21.87</b>	<b>910.54</b>	<b>344.50</b>	<b>241.04</b>	<b>36.36</b>	<b>4,890.44</b>	<b>308.48</b>	<b>111.77</b>	<b>8,738.18</b>
<b>Balance as at March 31, 2022</b>	<b>1,873.18</b>	<b>22.92</b>	<b>874.25</b>	<b>349.86</b>	<b>190.61</b>	<b>29.97</b>	<b>4,307.06</b>	<b>2,069.70</b>	<b>98.00</b>	<b>9,815.55</b>

### 3B Ageing of capital work in progress

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
<b>Balance as at March 31, 2023</b>					
Projects in progress	200.49	-	-	-	200.49
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>200.49</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>200.49</b>
<b>Balance as at March 31, 2022</b>					
Projects in progress	17.35	-	-	-	17.35
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>17.35</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>17.35</b>

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### Notes:

- There are no projects under capital work in progress whose completion is overdue or has exceeded its cost compared to its original plan as at March 31, 2023 and March 31, 2022.
- The Group has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets during the current year and previous year.

### 3C Intangible assets

Description of Assets	Software	Total
<b>I. At cost or deemed cost</b>		
<b>Balance as at March 31, 2021</b>	270.43	270.43
Additions	20.48	20.48
Disposals	-	-
<b>Balance as at March 31, 2022</b>	<b>290.91</b>	<b>290.91</b>
Additions	19.14	19.14
Disposals	(0.50)	(0.50)
<b>Balance as at March 31, 2023</b>	<b>309.55</b>	<b>309.55</b>
<b>II. Accumulated amortisation</b>		
<b>Balance as at March 31, 2021</b>	175.97	175.97
Charge for the year	45.18	45.18
Disposals	-	-
<b>Balance as at March 31, 2022</b>	<b>221.15</b>	<b>221.15</b>
Charge for the year	39.54	39.54
Disposals	(0.10)	(0.10)
<b>Balance as at March 31, 2023</b>	<b>260.59</b>	<b>260.59</b>
<b>Carrying value (I-II)</b>		
<b>Balance as at March 31, 2023</b>	<b>48.96</b>	<b>48.96</b>
<b>Balance as at March 31, 2022</b>	<b>69.76</b>	<b>69.76</b>

### 3D Ageing of intangibles under development

Particulars	Amount in intangibles under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
<b>Balance as at March 31, 2023</b>					
Projects in progress	0.40	0.67	2.70	0.60	4.37
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>0.40</b>	<b>0.67</b>	<b>2.70</b>	<b>0.60</b>	<b>4.37</b>
<b>Balance as at March 31, 2022</b>					
Projects in progress	0.67	2.70	0.60	-	3.97
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>0.67</b>	<b>2.70</b>	<b>0.60</b>	<b>-</b>	<b>3.97</b>

**Note:** There are no intangibles under development whose completion is overdue or has exceeded its cost compared to its original plan as at March 31, 2023 and March 31, 2022.

### 3E Depreciation and amortisation expense

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Depreciation of property, plant and equipment	1,059.09	1,031.76
Amortisation of intangible assets	39.54	45.18
Amortisation of right-of-use assets	1,347.21	1,238.83
<b>Total</b>	<b>2,445.84</b>	<b>2,315.77</b>



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### 4 Right-of-use assets

Particulars	As at March 31, 2023	As at March 31, 2022
Right-of-use assets (ROU) at the beginning of the year	8,667.06	8,613.39
Add: Addition during the year on account of new leases	2,495.41	1,535.11
Less: ROU derecognised on sub lease recognition	(848.39)	-
Less: Impact on lease modification	(19.13)	(51.82)
Less: Impact on lease termination	(14.97)	(304.67)
Add: Reversal of impairment on ROU on actual write off	308.13	-
Less: Provision for impairment of ROU on sub lease recognition	(12.85)	-
Less: Amortised during the year	(1,347.21)	(1,238.83)
Add: Effects of foreign currency exchange differences	351.79	113.88
<b>Closing balance (Refer Note 39)</b>	<b>9,579.84</b>	<b>8,667.06</b>

### 5 Investment property

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Cost or deemed cost</b>		
<b>Opening balance</b>	611.36	611.36
Additions/(Disposals)	-	-
Transfer to property, plant and equipment	-	-
<b>Closing balance</b>	<b>611.36</b>	<b>611.36</b>

(i) The Group's investment properties consist only of free hold land and therefore no depreciation is chargeable.

The Group's investment properties consist of six properties in the nature of free hold land in India. As at March 31, 2023 and March 31, 2022, the fair value of the properties is ₹ 1,886.80 millions and ₹ 1,886.80 millions respectively. These are based on valuations performed by independent valuers for the purposes of bank financing at the time availing/renewing such financing facility. These valuers are registered valuers as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017. The fair value hierarchy is at level 2, which is derived using the market comparable approach based on recent market prices without any significant adjustments being made to the market observable data. (Refer note 37(b) for note on fair value hierarchy).

### 6 Goodwill on consolidation

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Cost</b>		
<b>Opening balance</b>	50.56	50.56
Additions/(Disposals)	-	-
<b>Closing balance</b>	<b>50.56</b>	<b>50.56</b>

### 7 Investments

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Investments in mutual funds (Quoted) (Fair value through profit and loss)</b>		
HDFC Liquid Growth Fund	6.00	6.00
IDFC Mutual Fund Investment	37.50	-
<b>Total</b>	<b>43.50</b>	<b>6.00</b>
Aggregate amount of quoted investments and market value thereof	43.50	6.00
Aggregate amount of unquoted investments	-	-
Aggregate amount of impairment in value of investments	-	-

## Notes

forming part of consolidated financial statements for the year ended March 31, 2023

(Amounts in ₹ million, except for shares data or as otherwise stated)

### 8 Other financial assets

(Unsecured and considered good)

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Non-current</b>		
<b>Measured at amortised cost</b>		
Security deposits	840.82	712.16
Earmarked deposits with remaining maturity period greater than 12 months	1.44	21.58
Sub-lease receivables	750.23	-
<b>Total</b>	<b>1,592.49</b>	<b>733.74</b>
<b>Current</b>		
<b>Measured at amortised cost unless otherwise specified</b>		
Interest accrued but not due		
- Deposits with banks and others	91.38	18.19
Sub-lease receivables	80.80	-
Security deposits	293.63	286.85
Derivative financial instruments, carrying at fair value (Refer note 37(c))		
- Forward Contracts	163.45	-
<b>Total</b>	<b>629.26</b>	<b>305.04</b>

**Note:** There are no loans granted to promoters, directors, KMPs and the related parties.

### 9 Other assets

(Unsecured and considered good, unless otherwise specified)

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Non-current</b>		
Capital advance	14.13	7.95
Balances with revenue authorities - amounts paid under protest		
- Income tax and others	30.52	57.38
- Kerala VAT	494.67	494.67
<b>Total</b>	<b>539.32</b>	<b>560.00</b>
<b>Current</b>		
Balances with revenue authorities	349.31	244.90
Prepaid expenses	170.60	142.88
Advance to suppliers	267.03	722.31
Other assets		
- considered good	3.26	89.09
- considered doubtful	94.19	38.04
Less: Provision for doubtful assets	(94.19)	(38.04)
<b>Total</b>	<b>790.20</b>	<b>1,199.18</b>

### 10 Inventories

(lower of cost and net realisable value)

Particulars	As at March 31, 2023	As at March 31, 2022
Raw materials	4,601.94	5,591.79
Work-in-progress	11,021.56	9,235.86
Finished goods	54,515.25	43,114.94
<b>Total</b>	<b>70,138.75</b>	<b>57,942.59</b>

Note (i) - The cost of inventories recognised as expense during the year ended is ₹ 118,722.24 (March 31, 2022: ₹ 91,262.88 million)

Note (ii) - The mode of valuation has been stated in Note 2(xvi)

## Notes

forming part of consolidated financial statements for the year ended March 31, 2023

(Amounts in ₹ million, except for shares data or as otherwise stated)

### 11 Trade receivables

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Unsecured</b>		
Trade receivables - considered good	2,434.92	1,186.54
Trade receivables which have significant increase in credit risk	33.32	32.71
Trade Receivables - credit impaired	-	-
	<b>2,468.24</b>	<b>1,219.25</b>
Less: Provision for expected credit losses	(25.93)	(24.55)
<b>Total</b>	<b>2,442.31</b>	<b>1,194.70</b>

(i) The Group generally operates on a cash and carry model except in the case of franchisee partners where there are adequate controls in place, and hence the expected credit loss allowance for trade receivables is insignificant. The concentration of credit risk is also limited due to the fact that the customer base is large and unrelated.

### (ii) Trade receivables ageing schedule

As at March 31, 2023:

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
<b>Undisputed</b>						
Receivables considered good	2,410.70	21.82	2.07	0.33	-	2,434.92
Receivables which have significant increase in credit risk	27.76	1.02	0.52	0.24	3.78	33.32
Receivables - credit impaired	-	-	-	-	-	-
<b>Disputed</b>						
Receivables considered good	-	-	-	-	-	-
Receivables which have significant increase in credit risk	-	-	-	-	-	-
Receivables - credit impaired	-	-	-	-	-	-
<b>Total</b>	<b>2,438.46</b>	<b>22.84</b>	<b>2.59</b>	<b>0.57</b>	<b>3.78</b>	<b>2,468.24</b>

As at March 31, 2022:

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
<b>Undisputed</b>						
Receivables considered good	1,148.06	30.15	0.77	7.52	0.04	1,186.54
Receivables which have significant increase in credit risk	27.42	0.88	0.04	1.31	3.06	32.71
Receivables - credit impaired	-	-	-	-	-	-
<b>Disputed</b>						
Receivables considered good	-	-	-	-	-	-
Receivables which have significant increase in credit risk	-	-	-	-	-	-
Receivables - credit impaired	-	-	-	-	-	-
<b>Total</b>	<b>1,175.48</b>	<b>31.03</b>	<b>0.81</b>	<b>8.83</b>	<b>3.10</b>	<b>1,219.25</b>

## Notes

forming part of consolidated financial statements for the year ended March 31, 2023

(Amounts in ₹ million, except for shares data or as otherwise stated)

### 12 Cash and cash equivalents

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Cash and cash equivalents</b>		
Cash in hand	346.77	266.78
Balances with banks		
Current accounts	883.66	1,076.38
Funds in transit	157.64	118.16
Fixed deposits	21.00	28.90
<b>Total cash and cash equivalents as per Ind AS 7</b>	<b>1,409.07</b>	<b>1,490.22</b>
<b>Bank Balances other than cash and cash equivalents above</b>		
Fixed deposits held as margin money against borrowings and guarantees (maturity of less than 12 months from the balance sheet date)	7,115.01	5,811.44
Balances with banks held as margin money/ Escrow account	1,294.67	470.35
<b>Total</b>	<b>8,409.68</b>	<b>6,281.79</b>

The deposits maintained by the Group with banks comprise time deposits, (excluding the fixed deposits held as margin money) which can be withdrawn by the Group at any point without prior notice or penalty on the principal.

### 13 Equity

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of shares	₹	No. of shares	₹
<b>Authorised</b>				
Equity shares of ₹ 10 each with voting rights	1,800,500,000	18,005.00	1,800,500,000	18,005.00
0.001% Compulsorily convertible preference shares of ₹ 10 each	200,000,000	2,000.00	200,000,000	2,000.00
<b>Issued, subscribed and fully paid up</b>				
Equity shares of ₹ 10 each with voting rights	1,030,053,057	10,300.53	1,030,053,057	10,300.53
0.001% Compulsorily convertible preference shares of ₹ 10 each	-	-	-	-
<b>Total</b>	<b>1,030,053,057</b>	<b>10,300.53</b>	<b>1,030,053,057</b>	<b>10,300.53</b>

(i) Pursuant to a confirmation order dated 07 August 2019 under Section 233 of the Companies Act, the Regional Director, Ministry of Corporate Affairs, Chennai had confirmed the scheme of amalgamation between Kalyan Jewellers Mini Stores Private Limited and Kalyan Jewellers India Limited and consequent to that the authorized capital of the Company is increased to ₹ 14,005 divided into 1,200,500,000 equity shares of ₹ 10 each and 200,000,000 Compulsorily convertible preference shares of ₹ 10 each. During the year ended March 31, 2021, the authorised share capital was further increased to ₹ 20,005 divided into 1,80,05,00,000 equity shares of ₹ 10 each and 20,00,00,000 compulsorily convertible preference shares of ₹ 10 each pursuant in connection with Initial Public Offering.

### (ii) Rights, preferences and restrictions attached to shares

The Company has one class of equity shares. The ordinary equity shares are entitled to receive dividend as declared from time to time after payment of dividend to preference shareholders. The voting rights of an equity shareholder on a poll (not on show of hands) are in proportion to shareholders' share of the paid-up equity capital of the Company. Voting rights cannot be exercised in respect of shares on which any call or other sums presently payable have not been paid. Failure to pay any amount called up on shares may lead to forfeiture of the shares.

On winding up of the Company, the holders of equity shares will be entitled to receive the residual assets of the Company, remaining after distribution of all preferential amounts in proportion to the number of equity shares held.

## Notes

forming part of consolidated financial statements for the year ended March 31, 2023

(Amounts in ₹ million, except for shares data or as otherwise stated)

### (iii) Reconciliation of the shares outstanding at the beginning and at the end of the year

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of shares	₹	No. of shares	₹
<b>Equity shares with voting rights</b>				
Opening balance	1,030,053,057.00	10,300.53	1,030,053,057.00	10,300.53
Add: Transactions during the year	-	-	-	-
<b>Closing balance</b>	<b>1,030,053,057.00</b>	<b>10,300.53</b>	<b>1,030,053,057.00</b>	<b>10,300.53</b>

### (iv) Shareholders holding more than 5% shares in the Company

Particulars	As at March 31, 2023		As at March 31, 2022	
	No. of shares held	%	No. of shares held	%
<b>Equity shares with voting rights</b>				
T.S. Kalyanaraman	215,644,676	20.94%	215,644,676	20.94%
T.K. Seetharam	186,019,542	18.06%	186,019,542	18.06%
T.K. Ramesh	186,019,542	18.06%	186,019,542	18.06%
Highdell Investment Ltd.	245,331,151	23.82%	271,539,787	26.36%

### (v) Shares held by promoters at the end of the year

Name of the promoter	As at March 31, 2023		
	No. of shares	% of total shares	% of change during the year
T.S. Kalyanaraman	215,689,376	20.94%	0.00%
T.K. Seetharam	186,064,242	18.06%	0.00%
T.K. Ramesh	186,064,242	18.06%	0.00%

Name of the promoter	As at March 31, 2022		
	No. of shares	% of total shares	% of change during the year
T.S. Kalyanaraman	215,689,376	20.94%	0.02%
T.K. Seetharam	186,064,242	18.06%	0.02%
T.K. Ramesh	186,064,242	18.06%	0.02%

(vi) The Company completed the Initial Public Offer ('IPO') its equity shares during the previous year in March 2021 and listed its shares on Bombay Stock Exchange and National Stock Exchange on 26 March 2021. Pursuant to IPO, the Company had allotted 91,724,137 fresh equity shares of ₹ 10 each to public and 229,885 fresh equity shares of ₹ 10 each to employees of the Company at a premium of ₹ 77 per equity share and ₹ 69 per equity share respectively on 24 March 2021. The total share premium arising on IPO amounting to ₹ 7,078.62 millions had been accounted under securities premium reserve and the IPO related expenses amounting to ₹ 472.03 millions, being company's share of total IPO expense, post all subsequent settlements (₹ 10.77), had been adjusted against the premium amount as above.

## 14 Other equity

Particulars	As at March 31, 2023	As at March 31, 2022
(i) Securities premium reserve	16,016.60	16,016.60
(ii) Statutory reserve	6.40	5.83
(iii) Retained earnings	8,812.75	4,481.70
(iv) Foreign currency translation reserve	1,145.80	608.50
(v) Other comprehensive income	65.03	(42.89)
<b>Total</b>	<b>26,046.58</b>	<b>21,069.74</b>

## Notes

forming part of consolidated financial statements for the year ended March 31, 2023

(Amounts in ₹ million, except for shares data or as otherwise stated)

Particulars	As at March 31, 2023	As at March 31, 2022
<b>(i) Securities premium reserve</b>		
Balance at beginning of the year	16,016.60	16,005.83
Add/ (Less): Expenses relating to IPO netted off against the above (Refer note 13 (vi))	-	10.77
<b>Balance at the end of the year</b>	<b>16,016.60</b>	<b>16,016.60</b>
<b>(ii) Statutory reserve</b>		
Balance at beginning of the year	5.83	5.67
Transactions during the year	-	-
Effect of foreign currency rate variations during the year	0.57	0.16
<b>Balance at the end of the year</b>	<b>6.40</b>	<b>5.83</b>
<b>(iii) Retained earnings</b>		
Balance at beginning of the year	4,481.70	2,230.76
Adjustment on account of further infusion by non-controlling interests	-	8.85
Profit attributable to owners of the Company	4,331.05	2,242.09
<b>Balance at the end of the year</b>	<b>8,812.75</b>	<b>4,481.70</b>
<b>(iv) Foreign currency translation reserve</b>		
Balance at beginning of the year	608.50	409.62
Movement for the year	537.30	198.88
<b>Balance at the end of the year</b>	<b>1,145.80</b>	<b>608.50</b>
<b>(v) Other comprehensive income</b>		
Balance at beginning of the year	(42.89)	(692.11)
Remeasurement of defined benefit obligations (net of tax)	39.24	24.81
Effective portion of gain and loss on designated portion of hedging instruments in a cash flow hedge (net of tax)	68.68	624.41
<b>Balance at the end of the year</b>	<b>65.03</b>	<b>(42.89)</b>

### (vi) Nature and purpose of other reserve

Securities premium: Securities premium is used to record the premium received on issue of shares. It is utilised in accordance with the provisions of the Companies Act, 2013.

Statutory reserve: Statutory reserve is a reserve required to be maintained as per the legal requirements of the country of one of the subsidiaries.

Retained earnings / Surplus: Retained earnings are the profits / loss that the Company has earned / incurred till date, less any transfers to other reserves, dividends or other distributions paid to its equity shareholders.

Foreign currency translation reserve: Represents the cumulative difference on translation of foreign operations.

Items of other comprehensive income consists of effective portion of gain and loss on designated portion of hedging instruments in a cash flow hedge and remeasurement of net defined benefit liability/asset.

## 15 Non-controlling interests

Particulars	As at March 31, 2023	As at March 31, 2022
Balance at beginning of the year	9.44	4.96
Share of profit/ (loss) for the year	(11.73)	(1.79)
Further infusion of capital by non-controlling interest	-	15.12
Adjustment from retained earnings on account of further infusion by non-controlling interests	-	(8.85)
<b>Closing balance</b>	<b>(2.29)</b>	<b>9.44</b>



## Notes

forming part of consolidated financial statements for the year ended March 31, 2023

(Amounts in ₹ million, except for shares data or as otherwise stated)

### 16 Borrowings

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Non-current</b>		
<b>(i) Terms loans from banks</b>	264.03	597.63
Less: Current maturities of long-term debt	(186.30)	(354.91)
<b>Total</b>	<b>77.73</b>	<b>242.72</b>
<b>Current</b>		
<b>(ii) Loans repayable on demand from banks - secured</b>	16,285.82	18,066.10
Current maturities of long-term debt	186.30	354.91
<b>Total</b>	<b>16,472.12</b>	<b>18,421.01</b>

#### (i) Details of terms of repayment of long-term borrowings (non-current) and interest thereon are as follows:

Terms of repayment	As at March 31, 2023	As at March 31, 2022
<b>COVID term loan I</b>		
Repayable in 18 Monthly Instalments of ₹ 45.55 each commencing from December 2020 and ending in May 2022. Interest charged at 7%. Prepayment charges: No prepayment charges as per sanction order. Penal charges: No penal charges as per sanction order.	-	89.77
<b>COVID term loan II</b>		
Repayable in 12 Monthly Instalments of ₹ 20.83 each commencing from March 2021 and ending in March 2022. Interest charged at 9.25%. Prepayment charges: No prepayment charges as per sanction order. Penal charges: No penal charges as per sanction order.	-	93.92
<b>Term loan I</b>		
Repayable in 36 monthly installments and carries an interest at 5% per annum over one month EIBOR, subject to variation.	264.03	413.94

#### Details of securities provided to long-term borrowings (non-current)

COVID term loans from two banks do not have a separate security and are part of the overall security offered for working capital limit of respective banks. Refer SI No. ii for details of security.

#### Term loan I

- Standby letter of credit issued by the company in favour of the Bank.
- Irrevocable personal guarantees of Mr. T.S. Kalyanaraman, Mr. T.K. Seetharam, Mr. T.K. Ramesh.

#### (ii) Details of interest rate and securities provided for loans repayable on demand from various banks

- First pari passu charge on the entire current assets of the Company and respective subsidiaries viz. inventory, receivables and other current assets on pari passu basis with the member banks in consortium.
- Personal guarantees by Promoter Directors - Mr. T.S. Kalyanaraman, Mr. T.K. Seetharam, Mr. T.K. Ramesh and their relatives N.V. Ramadevi and T.K. Radhika.
- Land and buildings belonging to the Company and Promoter Directors - Mr. T.S. Kalyanaraman, Mr. T.K. Seetharam, Mr. T.K. Ramesh and their relatives N.V. Ramadevi and T.K. Radhika are offered as collateral security to the working capital consortium.
- Rate of interest on these borrowings are variable and is payable at monthly intervals.
- Other charges: No Prepayment charges & Default charges as per sanction order.

(iii) There are no defaults in the repayment of principal or interest to lenders as at March 31, 2023 and March 31, 2022.

(iv) The Group has used the borrowings from banks and financial institutions for the specific purpose for which it was taken at the balance sheet date and previous year end.

## Notes

forming part of consolidated financial statements for the year ended March 31, 2023

(Amounts in ₹ million, except for shares data or as otherwise stated)

(v) There are no creation of charges or satisfaction of charges yet to be registered with ROC beyond the statutory period for current year and previous year.

(vi) The Company or any of the subsidiaries have not been declared as a 'wilful defaulter' by any bank or financial institution.

(vii) The Company has working capital limit exceeding ₹ 50 million during the year and the Company has submitted quarterly statement of identified current assets to the bankers, and there are no differences between the amounts as per books and amounts reflected in the statements.

(viii) Also refer note 19 with respect to metal gold loan.

### 17 Lease liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Non-current</b>		
Opening balance	6,661.34	6,982.63
Add: Addition during the year on account of new leases	2,407.45	1,222.97
Less: Impact on lease modification	(19.13)	(78.98)
Less: Impact on lease termination	(15.24)	(438.65)
Less: Lease rent payment	(1,938.99)	(1,797.84)
Add: Finance cost on lease liability (refer note 28)	736.65	760.69
Effects of foreign currency exchange differences	37.35	10.52
Less: Current portion of lease liability	(1,226.30)	(993.93)
<b>Closing balance (refer note 39)</b>	<b>6,643.13</b>	<b>5,667.41</b>
<b>Current</b>		
Current portion of lease liability	1,226.30	993.93
<b>Closing balance</b>	<b>1,226.30</b>	<b>993.93</b>

### 18 Provisions

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Non-current</b>		
Provision for employee benefits - gratuity (refer note 35(b))	354.75	343.36
Provision for employee benefits - compensated absences (refer note 35(c))	21.79	-
<b>Total</b>	<b>376.54</b>	<b>343.36</b>
<b>Current</b>		
Provision for employee benefits - gratuity (refer note 35(b))	112.37	114.91
Provision for employee benefits - compensated absences (refer note 35(c))	10.15	27.81
Provision for customer loyalty programmes	8.06	6.67
<b>Total</b>	<b>130.58</b>	<b>149.39</b>

### 19 Metal gold loan

Particulars	As at March 31, 2023	As at March 31, 2022
Secured		
Payable to banks	18,535.61	14,968.13
<b>Total</b>	<b>18,535.61</b>	<b>14,968.13</b>

(i) Represents amounts payable against gold purchased from various banks under gold on loan scheme with variable interest rates ranging from 2.25% to 6% and is payable at monthly intervals. The credit period under the aforesaid arrangement is 180 days from the date of delivery of gold. The security is same as that of short-term borrowings. Refer note 16 (ii) for details of security.



## Notes

forming part of consolidated financial statements for the year ended March 31, 2023

(Amounts in ₹ million, except for shares data or as otherwise stated)

### 20 Trade payables

Particulars	As at March 31, 2023	As at March 31, 2022
Total outstanding dues of micro and small enterprises ('MSME')	10.01	1.84
Total outstanding dues of other than micro and small enterprises	11,916.88	6,564.06
<b>Total</b>	<b>11,926.89</b>	<b>6,565.90</b>

#### (i) Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006, (MSMED Act)

	March 31, 2023	March 31, 2022
(i) The principal amount remaining unpaid to any supplier as at the end of each accounting year.	10.01	1.84
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year.	-	-
(iii) The amount of interest paid by the buyer in terms of Section 16 of the MSMED Act, 2006 along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
(iv) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act.	-	-
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year.	-	-
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23.	-	-

The information as required under the MSMED Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company and has been relied upon by the auditors.

(ii) The average credit period on purchases is normally 90 days. No interest is charged on the trade payables. The Company has financial risk management policies in place to ensure that payables are paid within the pre-agreed credit terms.

#### (iii) Trade payables ageing schedule

As at March 31, 2023:

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	Above 3 years	Total
<b>Undisputed</b>					
MSME	10.01	-	-	-	10.01
Others	11,753.26	78.75	46.25	38.62	11,916.88
<b>Disputed</b>					
MSME	-	-	-	-	-
Others	-	-	-	-	-
<b>Total</b>	<b>11,763.27</b>	<b>78.75</b>	<b>46.25</b>	<b>38.62</b>	<b>11,926.89</b>

As at March 31, 2022:

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	Above 3 years	Total
<b>Undisputed</b>					
MSME	1.84	-	-	-	1.84
Others	6,467.01	47.65	15.32	34.08	6,564.06
<b>Disputed</b>					
MSME	-	-	-	-	-
Others	-	-	-	-	-
<b>Total</b>	<b>6,468.85</b>	<b>47.65</b>	<b>15.32</b>	<b>34.08</b>	<b>6,565.90</b>

## Notes

forming part of consolidated financial statements for the year ended March 31, 2023

(Amounts in ₹ million, except for shares data or as otherwise stated)

### 21 Other financial liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Current</b>		
Interest accrued but not due on borrowings	157.94	159.89
Payable on purchase of property, plant and equipment	43.09	9.74
Derivative financial instruments, carrying at fair value (Refer note 37(C))		
- Forward Contracts	-	157.91
Security deposits from franchisees	21.19	-
<b>Total</b>	<b>222.22</b>	<b>327.54</b>

### 22 Other current liabilities

Particulars	As at March 31, 2023	As at March 31, 2022
Statutory dues	224.90	158.94
Security deposit received from employees	97.35	94.77
Contract liabilities (Advance from customers)	14,370.06	10,138.58
Advance from franchisees	273.86	-
<b>Total</b>	<b>14,966.17</b>	<b>10,392.29</b>

### 23A Current tax liabilities (net)

Particulars	As at March 31, 2023	As at March 31, 2022
Provision for income tax	4,504.08	-
Less: Advance tax	(4,296.82)	-
<b>Current tax liabilities (net)</b>	<b>207.26</b>	<b>-</b>

### 23B Non-current tax assets (net)

Particulars	As at March 31, 2023	As at March 31, 2022
Less: Advance tax	-	3,022.17
Provision for income tax	-	(2,969.39)
<b>Non-current tax assets (net)</b>	<b>-</b>	<b>52.78</b>

### 24 Revenue from operations

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
(i) Revenue from sale of goods	140,250.10	107,808.27
(ii) Other operating revenue	464.37	371.07
<b>Total</b>	<b>140,714.47</b>	<b>108,179.34</b>

#### (i) Reconciliation of revenue recognised in the statement of profit and loss with the contracted price:

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Contracted price	146,511.69	110,691.87
Less: Reductions towards variable consideration components	(6,261.59)	(2,883.60)
<b>Net consideration recognised as revenue</b>	<b>140,250.10</b>	<b>107,808.27</b>

The reduction towards variable consideration comprises of scheme discounts, incentives etc

#### (ii) Other operating revenue

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Income from gift vouchers	44.53	65.49
Insurance service charges (net)	151.35	116.86
Interest income from margin money deposits	203.41	180.73
Gain on derivative financial instruments (net)	39.76	-
Income from franchisees	17.41	-
Others	7.91	7.99
<b>Total</b>	<b>464.37</b>	<b>371.07</b>



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(Amounts in ₹ million, except for shares data or as otherwise stated)

### 25 Other income

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Interest Income earned on financial assets carried at amortised cost		
Fixed deposit with banks	49.91	47.03
Income from sublease	19.30	-
Infrastructure recoveries	16.86	-
Gain on disposal of property, plant and equipment (Net)	5.26	3.32
Net gain on foreign currency transactions and translation	108.73	28.06
Gain on lease termination	2.11	160.90
Gain on lease modification	4.62	27.16
Reversal of excess provision for impairment of Right of Use Assets	35.58	-
Liabilities no longer required written back	14.04	24.92
Income from rent concession (refer note 40)	6.43	40.68
Gain on mutual funds	0.56	-
Miscellaneous income	115.51	50.86
<b>Total</b>	<b>378.91</b>	<b>382.93</b>

### 26 Cost of materials consumed

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Opening stock	5,591.79	6,796.99
Add: Purchases	130,000.83	95,866.16
	135,592.62	102,663.15
Less: Closing stock	(4,601.94)	(5,591.79)
Effect of foreign currency exchange differences	51.20	19.85
<b>Total</b>	<b>131,041.88</b>	<b>97,091.21</b>
<b>Changes in inventories of finished goods and work-in-progress</b>		
<b>Inventories at the end of the year</b>		
Work-in-progress	11,021.56	9,235.86
Finished goods	54,515.25	43,114.94
<b>Total</b>	<b>65,536.81</b>	<b>52,350.80</b>
<b>Inventories at the beginning of the year</b>		
Work-in-progress	9,235.86	8,675.54
Finished goods	43,114.94	37,558.36
<b>Total</b>	<b>52,350.80</b>	<b>46,233.90</b>
<b>Effect of foreign currency exchange differences</b>	<b>866.37</b>	<b>288.57</b>
<b>Net (increase) / decrease</b>	<b>(12,319.64)</b>	<b>(5,828.33)</b>

### 27 Employee benefits expense

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Salaries and wages	3,915.92	3,128.17
Contribution to provident and other funds (refer note 35(a))	214.09	177.33
Gratuity (refer note 35(b))	88.79	89.73
Staff welfare expenses	186.86	147.46
<b>Total</b>	<b>4,405.66</b>	<b>3,542.69</b>

### 28 Finance costs

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Interest expense on:		
Borrowings	2,129.06	2,271.89
Lease liabilities	736.65	760.69
Other borrowing costs	159.94	191.05
<b>Total</b>	<b>3,025.65</b>	<b>3,223.63</b>

## Notes

forming part of consolidated financial statements for the year ended March 31, 2023

(Amounts in ₹ million, except for shares data or as otherwise stated)

### 29 Other expenses

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Power and fuel	466.92	356.86
Freight and forwarding	39.68	29.22
Rent including lease rentals (refer note 39)	392.13	332.94
Repairs and maintenance - Vehicles	17.71	17.24
Repairs and maintenance - Others	437.53	333.25
Telephone and leased line expenses	71.56	63.10
Packing materials and compliments	196.70	141.31
Sitting fees and commission to directors	8.80	5.90
Rates and taxes	185.20	91.82
Expenditure on corporate social responsibility	47.83	30.73
Insurance charges	61.74	52.45
Sales promotion	831.20	799.64
Commission and rebates	160.49	129.05
Advertisement expense	2,049.51	1,523.90
Auditors remuneration and out-of-pocket expenses (refer note (i) below)	43.92	46.56
Legal and other professional costs	146.11	83.04
Donations and contributions (refer note (ii) below)	77.29	54.93
Travelling and conveyance	347.03	219.16
Printing and stationery	32.10	27.70
Credit impaired trade and other advances written off	36.37	55.88
Provision for expected credit loss on financial assets	-	2.25
Provision for doubtful insurance claims	56.15	38.04
Property, plant and equipment written off	39.39	162.22
Provision for impairment of ROU on sub lease recognition (refer note 4)	12.85	-
Loss on derivative financial instruments (net)	-	139.54
Net loss on foreign currency transactions and translation	37.90	-
Security expenses	38.47	30.98
Bank charges	509.12	380.11
Miscellaneous expenses	102.56	80.92
<b>Total</b>	<b>6,446.26</b>	<b>5,228.74</b>

(i) The figures for previous year excludes INR 6 million paid towards comfort letter and expenses for prospective bond issue which was accounted in balance sheet to be amortised in future. During the current year the same has been expensed off and reflected under the expense head.

(ii) Donations and contributions include contributions to political parties amounting to ₹ 7.60 million (31 March 2022: ₹ 4.20 million).

### 30 Exceptional items

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Fair value adjustments on asset held for sale - Aircrafts (Refer note 43)	332.51	-
<b>Total</b>	<b>332.51</b>	<b>-</b>

### 31 Income tax and deferred tax

#### (i) Expense recognised in the statement of profit and loss

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Current tax</b>		
In respect of the current year	1,550.07	812.94
Deferred tax	(154.17)	(64.68)
<b>Total income tax expense recognised during the year</b>	<b>1,395.90</b>	<b>748.26</b>

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forming part of consolidated financial statements for the year ended March 31, 2023

(Amounts in ₹ million, except for shares data or as otherwise stated)

### (ii) Expense/ (income) recognised in other comprehensive income

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Deferred tax with respect to:		
Defined benefit obligation	(13.20)	(8.33)
Hedging instruments designated as cash flow hedges	(31.38)	(68.56)
<b>Total income tax expense/ (income) recognised during the year</b>	<b>(44.58)</b>	<b>(76.89)</b>

### (iii) The reconciliation between the provision of income tax of the Company and amounts computed by applying the Indian statutory income tax rate to profit before taxes is as follows:

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Profit/ (loss) before tax</b>	<b>5,715.22</b>	<b>2,988.56</b>
Enacted income tax rate	25.17%	25.17%
Computed expected tax expense	1,438.52	752.22
<b>Effect of</b>		
Effect of loss of subsidiaries in the consolidated profits	-	4.67
Effect of profits of foreign subsidiaries in the consolidated profits	(73.53)	(27.32)
Expenses that are not deductible in determining taxable profit	32.62	21.52
Adjustments recognised in the current year in relation to prior years	-	-
Others	(1.71)	(2.83)
<b>Income tax expense recognised in the Statement of Profit or Loss</b>	<b>1,395.90</b>	<b>748.26</b>

### (iv) Breakup of closing deferred tax (asset)/ liability

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Deferred tax assets</b>		
Employee benefit obligation	(105.55)	(105.61)
Provision for expected credit loss and other doubtful receivables	(25.83)	(11.69)
Fair valuation of derivative financial instruments	30.89	(10.29)
Tax losses	(31.63)	(83.34)
Impact of lease accounting as per IND AS 116	(467.17)	(441.20)
Fair value adjustment relating to asset held for sale	(83.69)	-
Others	(20.49)	(15.24)
<b>Deferred tax liabilities</b>		
Property, plant and equipment	141.54	217.63
<b>Net deferred tax (asset)/ liability</b>	<b>(561.93)</b>	<b>(449.74)</b>

### (v) Movement of deferred tax (asset)/ liability

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Opening balance of deferred tax (asset)/ liability</b>	<b>(449.74)</b>	<b>(460.58)</b>
Effect of foreign currency exchange differences	(2.60)	(1.37)
<b>Recognised in Statement of Profit or loss</b>		
Property, plant and equipment	(78.01)	(72.19)
Brought forward tax losses	56.24	(12.00)
Employee benefit obligations	(13.13)	(19.45)
Provision for expected credit loss and other doubtful receivables	(14.13)	(10.14)
Fair value adjustment relating to asset held for sale	(83.69)	-
Fair valuation of derivative financial instruments	9.80	41.32
Impact of lease accounting as per IND AS 116	(25.97)	2.77
Others	(5.28)	5.01
<b>Total</b>	<b>(154.17)</b>	<b>(64.68)</b>
<b>Recognised in Other Comprehensive Income</b>		
Defined benefit obligation	13.20	8.33
Hedging instruments designated as cash flow hedges	31.38	68.56
<b>Total</b>	<b>44.58</b>	<b>76.89</b>
<b>Closing balance deferred tax (asset)/ liability</b>	<b>(561.93)</b>	<b>(449.74)</b>

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forming part of consolidated financial statements for the year ended March 31, 2023

(Amounts in ₹ million, except for shares data or as otherwise stated)

### 32 Segment information

The Chief Operating Decision Maker (CODM) of the Group examines the performance from the perspective of the Group as a whole viz. 'jewellery business' and hence there are no separate reportable segments as per Ind AS 108.

During the year ended March 31, 2023 and March 31, 2022 respectively, revenue from transactions with a single external customer did not amount to 10 percent or more of the Company's revenues from the external customers.

Particulars	Revenue from External customers		Non-current assets	
	For the year 31 March 2023	For the year 31 March 2022	As at March 31, 2023	As at March 31, 2022
India	117,074.46	91,775.01	15,928.51	15,817.01
Middle East	23,640.01	16,404.33	6,042.49	5,220.86
	<b>140,714.47</b>	<b>108,179.34</b>	<b>21,971.00</b>	<b>21,037.87</b>

### 33 Earnings per share (EPS)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Profit attributable to ordinary shareholders	4,331.05	2,242.09
Weighted average number of equity shares used as denominator for calculating Basic EPS	1,030,053,057	1,030,053,057
Weighted average potential equity shares	-	-
<b>Weighted average number of equity shares used in the calculation of Diluted EPS</b>	<b>1,030,053,057</b>	<b>1,030,053,057</b>
Earnings per share of		
Basic (₹)	4.20	2.18
Diluted (₹) (Refer Note (i) below)	4.20	2.18

### 34 Contingent liabilities and commitments

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Other monies for which the Group is contingently liable:</b>		
Disputed Sales Tax demands (out of which ₹ 512.67 million (March 31, 2022: ₹ 18 million) have been deposited under protest)	2,458.13	1,952.37
Disputed Service Tax demands (out of which ₹ 2.47 million (March 31, 2022: ₹ 1.76 million) have been deposited under protest)	31.36	22.00
Disputed Income Tax demands (out of which Nil (March 31, 2022: Nil) has been deposited under protest)	327.99	249.24
<b>Commitments</b>		
Estimated amount of contracts remaining to be executed on capital account (net of advances)	10.00	-

(i) Future cash flows in respect of the above matters are determinable only on receipt of judgements/decisions pending at various forums/authorities. Management is hopeful of successful outcome in the appellate proceedings.

### 35 Employee benefit plans

#### (a) Defined contribution plans

The Company and its Indian subsidiary makes contributions to provident fund and employee state insurance schemes which are defined contribution plans, for qualifying employees. Under the schemes, the Company and its Indian subsidiary is required to contribute a specified percentage of the payroll cost to fund the benefits. The contributions payable to these plans are at rates specified in the rules of the schemes and the company has no obligations beyond its contributions. The contributions recognized in the statement of profit and loss during the year are as under:

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Provident fund	188.47	154.99
Employee state insurance scheme	25.62	22.34
<b>Total</b>	<b>214.09</b>	<b>177.33</b>

## Notes

forming part of consolidated financial statements for the year ended March 31, 2023

(Amounts in ₹ million, except for shares data or as otherwise stated)

### (b) Defined benefit plans

The Company and its subsidiary company in India offers gratuity benefits, a defined employee benefit scheme to its employees. The said benefit plan is exposed to actuarial risks such as longevity risk and salary risk. The Company has not funded its gratuity obligations. The following table sets out the status of the defined benefit schemes and the amount recognised in the financial statements as per the actuarial valuation done by an independent actuary.

The principal assumptions used for the purposes of the actuarial valuations were as follows

#### The Company:

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Discount rate	7.13%	5.64%
Salary escalation	6.00%	6.00%
Attrition rate	26.00%	27.00%
Retirement age (in years)	58	58

#### Subsidiary company in India:

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Discount rate	7.50%	6.82%
Salary escalation	9.00%	9.00%
Attrition rate	5.00%	5.00%
Retirement age (in years)	58	58

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary. The mortality rates considered are as per the published rates in the Indian Assured Lives Mortality (2006-08) Ult table.

Components of defined benefit costs recognised is as follows:

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>In Statement of Profit and Loss</b>		
Current service cost	53.74	57.44
Past service cost	-	-
Interest on net defined benefit liability/ (asset)	21.07	20.10
<b>Net cost recognised in Statement of profit and loss</b>	<b>74.81</b>	<b>77.54</b>
Add: Cost pertaining to foreign subsidiary accounted on undiscounted basis	13.98	12.19
<b>Total cost recognised in Statement of profit and loss (refer note 27)</b>	<b>88.79</b>	<b>89.73</b>
<b>In Other Comprehensive Income</b>		
<b>Remeasurement on the net defined benefit liability</b>		
Return on plan assets [excluding amounts included in net interest expense] (excess) / Short return	-	-
Actuarial (gains) / losses arising from changes in demographic assumptions	-	-
Actuarial (gains) / losses arising from changes in financial assumptions	(52.44)	(33.14)
Actuarial (gains) / losses arising from experience adjustments	-	-
<b>Components of defined benefit costs recognised in other comprehensive income</b>	<b>(52.44)</b>	<b>(33.14)</b>

The current service cost and the net interest expense for the year are included in the 'Employee benefits expense' line item in the consolidated statement of profit and loss. The remeasurement of the net defined benefit liability is included in other comprehensive income.

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The amount included in the balance sheet arising from the entity's obligation in respect of its defined benefit plans is as follows:

Particulars	As at March 31, 2023	As at March 31, 2022
Present value of defined benefit obligation	385.87	391.58
Fair value of plan assets	-	-
<b>Net liability arising from defined benefit obligation</b>	<b>385.87</b>	<b>391.58</b>
Add: Liability pertaining to foreign subsidiary accounted on undiscounted basis	81.25	66.69
<b>Total gratuity liability as per Note 18</b>	<b>467.12</b>	<b>458.27</b>
Current	112.37	114.91
Non-current	354.75	343.36

Movements in the present value of the defined benefit obligation are as follows

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Opening defined benefit obligation</b>	391.58	375.29
<b>Expenses recognised in the statement of profit and loss</b>		
Current service cost	53.74	57.44
Past service cost	-	-
Interest cost	21.07	20.10
<b>Remeasurement (gains)/losses recognised in other comprehensive income</b>		
Actuarial gains and losses arising from changes in financial assumptions	(52.44)	(33.14)
Actuarial gains and losses arising from experience adjustments	-	-
Acquisition / Divestiture	-	-
Benefits paid	(28.08)	(28.11)
<b>Closing defined benefit obligation</b>	<b>385.87</b>	<b>391.58</b>

Movements in the fair value of the plan assets are as follows

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
<b>Opening fair value of the asset</b>		
Interest income on plan assets	-	-
Employer contributions	28.08	28.11
Benefits paid	(28.08)	(28.11)
<b>Closing fair value of assets</b>	<b>-</b>	<b>-</b>

### Sensitivity analysis

The key actuarial assumptions to which the defined benefit plans are particularly sensitive to are discount rate and full salary escalation rate. The sensitivity analysis below, have been determined based on reasonably possible changes of the assumptions occurring at end of the reporting period, while holding all other assumptions constant. The result of sensitivity analysis is given below:

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Discount rate</b>		
Defined benefit obligation on plus 50 basis points	373.81	379.48
Defined benefit obligation on minus 50 basis points	386.24	391.97
<b>Salary escalation</b>		
Defined benefit obligation on plus 50 basis points	386.94	392.69
Defined benefit obligation on minus 50 basis points	373.05	378.70

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.



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### Maturity profile of defined benefit obligation

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Expected total benefit payments</b>		
Within 1 year	101.88	102.31
1 year to 2 years	79.57	80.82
2 years to 3 years	63.64	62.88
3 years to 4 years	50.87	49.79
4 years to 5 years	40.67	39.12
5 years to 10 years	105.15	96.14

### (c) Other long-term benefits - compensated absences

Company has leave encashment policy in the form of compensated absences which is considered as a long-term benefit and accordingly the provision has been created based on actuarial valuation from current year.

#### The principal assumptions used for the purposes of the actuarial valuations of leave were as follows

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Discount rate	7.13%	NA
Salary escalation	6.00%	NA
Attrition rate	26.00%	NA
Retirement age (in years)	58	NA

## 36 Related party disclosures

### A List of related parties where control exists and also related parties with whom transactions have taken place and relationships

Nature of relationship	Name of the related parties
Entity exercising significant influence over the Company [Entity - ESI]	Highdell Investment Ltd.
Key Management Personnel [KMP]	T.S. Kalyanaraman (Managing Director) T.K. Seetharam (Whole-time Director) T.K. Ramesh (Whole-time Director) Sanjay Raghuraman (Chief Executive Officer) V. Swaminathan (Chief Financial Officer) Jishnu R.G. (Company Secretary)
Relatives of KMP	N.V. Ramadevi (wife of T.S. Kalyanaraman) Maya Seetharam (wife of T.K. Seetharam) Deepa Ramesh (wife of T.K. Ramesh) T.K. Radhika (daughter of T.S. Kalyanaraman)
Non - Executive Directors [NED]	Vinod Rai (Chairman and Independent director) (with effect from 01 July 2022) Ramaswamy M (Independent Director) (term completed on 27 March 2023) A D M Chavali (Independent Director) Kishori Jayendra Udeshi (Independent Director) Trikkur Sitaraman Anantharaman (Independent Director) Anil Nair (Independent director) Salil S Nair (Non Executive Director) Anish Kumar Saraf (Nominee director)
Enterprises over which KMP are able to exercise significant influence [KMP - ESI]	M/s Kalyan Textile Kalyan Jewellers Foundation M/s Kalyan Developers

## Notes

forming part of consolidated financial statements for the year ended March 31, 2023

(Amounts in ₹ million, except for shares data or as otherwise stated)

### B Transactions with related parties

Nature of transactions	KMP	Entity - ESI	NED	KMP - ESI
<b>Revenue from operations</b>				
T.S. Kalyanaraman	16.82	-	-	-
	7.41	-	-	-
T.K. Seetharam	5.87	-	-	-
	9.16	-	-	-
T.K. Ramesh	19.97	-	-	-
	13.19	-	-	-
<b>Purchase</b>				
T.S. Kalyanaraman	322.47	-	-	-
	75.84	-	-	-
T.K. Seetharam	22.91	-	-	-
	0.98	-	-	-
T.K. Ramesh	43.50	-	-	-
	27.83	-	-	-
<b>Staff welfare expense</b>				
M/s Kalyan Textile	-	-	-	37.96
	-	-	-	23.36
<b>Managerial remuneration</b>				
T.S. Kalyanaraman	61.95	-	-	-
	61.85	-	-	-
T.K. Seetharam	61.95	-	-	-
	61.85	-	-	-
T.K. Ramesh	61.95	-	-	-
	61.85	-	-	-
Sanjay Raghuraman	16.22	-	-	-
	18.64	-	-	-
V. Swaminathan	16.61	-	-	-
	19.00	-	-	-
Jishnu R.G	2.33	-	-	-
	2.46	-	-	-
<b>Sitting fees paid</b>				
Ramaswamy M	-	-	0.40	-
	-	-	0.50	-
A D M Chavali	-	-	0.50	-
	-	-	0.50	-
Kishori Jayendra Udeshi	-	-	0.50	-
	-	-	0.40	-
Trikkur Sitaraman Anantharaman	-	-	0.50	-
	-	-	0.50	-
Anil Nair	-	-	0.50	-
	-	-	0.50	-
Salil S Nair	-	-	0.40	-
	-	-	0.50	-
Vinod Rai	-	-	0.40	-
	-	-	-	-



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Nature of transactions	KMP	Entity - ESI	NED	KMP - ESI
<b>Commission to directors</b>				
Ramaswamy M	-	-	0.60	-
			0.50	-
A D M Chavali	-	-	0.50	-
			0.50	-
Kishori Jayendra Udeshi	-	-	0.50	-
			0.50	-
Trikkur Sitaraman Anantharaman	-	-	0.50	-
			0.50	-
Anil Nair	-	-	0.50	-
			0.50	-
Salil S Nair	-	-	0.50	-
			0.50	-
Vinod Rai	-	-	2.50	-
			-	-
<b>Reimbursement of expenses (incurred on behalf of the Company)</b>				
T.K. Seetharam	1.15	-	-	-
	-	-	-	-
T.K Ramesh	8.06	-	-	-
	0.17	-	-	-
Sanjay Raghuraman	1.92	-	-	-
	0.60	-	-	-
V. Swaminathan	0.45	-	-	-
	-	-	-	-
<b>Reimbursement of expenses (incurred by the Company on behalf of the party)</b>				
T.K Ramesh	-	-	-	-
	1.30	-	-	-
<b>Contribution towards CSR</b>				
Kalyan Jewellers Foundation	-	-	-	33.50
	-	-	-	18.00

### C Balance as on the balance sheet date

Balance with related parties	KMP	Entity - ESI	NED	KMP - ESI
<b>Receivables / Outstanding (net) from related parties</b>				
Kalyan Jewellers Foundation	-	-	-	-
	-	-	-	18.00
<b>Payables (net) to related parties</b>				
T.S. Kalyanaraman	5.60	-	-	-
	3.57	-	-	-
T.K. Seetharam	5.60	-	-	-
	3.57	-	-	-
T.K. Ramesh	5.60	-	-	-
	2.27	-	-	-
Sanjay Raghuraman	0.73	-	-	-
	0.69	-	-	-
V. Swaminathan	0.72	-	-	-
	0.72	-	-	-
Jishnu R.G	0.17	-	-	-
	0.12	-	-	-

## Notes

forming part of consolidated financial statements for the year ended March 31, 2023

(Amounts in ₹ million, except for shares data or as otherwise stated)

Balance with related parties	KMP	Entity - ESI	NED	KMP - ESI
Ramaswamy M	-	-	0.54	-
			0.50	-
A D M Chavali	-	-	0.44	-
			0.50	-
Kishori Jayendra Udeshi	-	-	0.44	-
			0.50	-
Trikkur Sitaraman Anantharaman	-	-	0.44	-
			0.50	-
Anil Nair	-	-	0.44	-
			0.50	-
Salil S Nair	-	-	0.44	-
			0.50	-
Vinod Rai	-	-	2.24	-
			-	-

Amount in italics represents year ended March 31, 2022

### D Notes to related party disclosures

#### Notes:

- (i) Mr. T.S. Kalyanaraman, Mr. T.K. Seetharam and Mr. T.K. Ramesh and their relatives N.V.Ramadevi and T.K.Radhika (indicated under 'Relatives of KMP') have provided joint personal guarantees on behalf of the Group to all its lenders for the various credit facilities extended by the lenders (including non fund based facilities). The details of such personal guarantees received/ (released) during the period and the closing balance of such personal guarantees is given below:

Particulars	March 31, 2023	March 31, 2022
<b>Lenders in India:</b>		
Personal guarantees received/ (released) during the period	907.21	(308.42)
Closing balance of personal guarantees received	24,124.25	23,217.04
<b>Lenders outside India:</b>		
Personal guarantees received/ (released) during the period	2,286.31	-
Closing balance of personal guarantees received*	9,363.82	6,454.02

- (ii) The remuneration of directors and other members of key managerial personnel during the period was as follows:

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Short-term employee benefits (salaries, bonus and other allowances) (note v)	221.01	225.65

- (iii) The above information has been determined to the extent such parties have been identified on the basis of information available with the Group and relied upon by the auditors.

- (iv) Mr. T.S. Kalyanaraman, Mr. T.K. Seetharam and Mr. T.K. Ramesh has provided personal guarantees to lenders outside India. Further the closing balance of personal guarantees provided includes ₹ 559.11 million (previous period ₹ 513.86 million) where only Mr. T.S. Kalyanaraman has provided personal guarantee.

- (v) The above figures do not include provisions for encashable leave, gratuity and pension, as separate actuarial valuation are not available.



## Notes

forming part of consolidated financial statements for the year ended March 31, 2023

(Amounts in ₹ million, except for shares data or as otherwise stated)

### 37 Financial instruments

#### Categories of financial instruments

This section gives an overview of the significance of financial instruments for the Group and provides additional information on balance sheet items that contain financial instruments. The details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised in respect of each class of financial asset, and financial liability are disclosed in Note 2(xvii).

#### (a) Financial assets and liabilities

The accounting classification of each category of financial instruments and their carrying amounts, are set out below:

Particulars	As at March 31, 2023		As at March 31, 2022	
	Carrying value	Fair value	Carrying value	Fair value
<b>Financial assets</b>				
<b>Measured at amortised cost</b>				
Others financial assets - non current	1,592.49	1,592.49	733.74	733.74
Trade receivables	2,442.31	2,442.31	1,194.70	1,194.70
Cash and cash equivalents	1,409.07	1,409.07	1,490.22	1,490.22
Bank balances other than cash and cash equivalents	8,409.68	8,409.68	6,281.79	6,281.79
Others financial assets - current	465.81	465.81	305.04	305.04
<b>Total financial assets measured at amortised cost</b>	<b>14,319.36</b>	<b>14,319.36</b>	<b>10,005.49</b>	<b>10,005.49</b>
<b>Mandatorily measured at FVTPL</b>				
Investments	43.50	43.50	6.00	6.00
Derivative financial instruments not designated as hedging, carried at fair value	163.45	163.45	-	-
<b>Total financial assets</b>	<b>14,526.31</b>	<b>14,526.31</b>	<b>10,011.49</b>	<b>10,011.49</b>
<b>Financial liabilities</b>				
<b>Measured at amortised cost</b>				
Borrowings	16,549.85	16,549.85	18,663.73	18,663.73
Metal gold loan	18,535.61	18,535.61	14,968.13	14,968.13
Lease liabilities	7,869.43	7,869.43	6,661.34	6,661.34
Trade payables	11,926.89	11,926.89	6,565.90	6,565.90
Others financial liabilities	222.22	222.22	169.63	169.63
<b>Total financial assets measured at amortised cost</b>	<b>55,104.00</b>	<b>55,104.00</b>	<b>47,028.73</b>	<b>47,028.73</b>
<b>Mandatorily measured at FVTPL</b>				
Derivative financial instruments not designated as hedging, carrying at fair value	-	-	157.91	157.91
<b>Total financial liabilities</b>	<b>55,104.00</b>	<b>55,104.00</b>	<b>47,186.64</b>	<b>47,186.64</b>

The management assessed that fair values of cash and cash equivalents, trade receivables, other financial assets, trade payables and other financial liabilities recorded at amortised cost is considered to be a reasonable approximation of fair value.

#### Following methods and assumptions were used to estimate fair values:

Fair values of the Group's interest-bearing borrowings are determined by using EIR method using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period. The own non-performance risk as at reporting date was assessed to be insignificant.

## Notes

forming part of consolidated financial statements for the year ended March 31, 2023

(Amounts in ₹ million, except for shares data or as otherwise stated)

#### (b) Fair value hierarchy

The Group uses the following hierarchy for determining and/or disclosing the fair value of financial instruments by valuation techniques. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

#### Quantitative disclosures fair value measurement hierarchy

The derivative instruments in designated hedge accounting relationships is measured at fair value at level 1, with valuation technique being use of market available inputs such as gold prices and foreign exchange rates.

#### (c) Financial risk management objective

The Group's activities expose it to a variety of financial risks. The Group's primary focus is to foresee the unpredictability of such risks and seek to minimize potential adverse effects on its financial performance.

The Group has a robust risk management process and framework in place. This process is coordinated by the Board of the Group, which meets regularly to review risks as well as the progress against the planned actions. The Board seeks to identify, evaluate business risks and challenges across the Group through such framework. These risks include market risks, credit risk and liquidity risk.

#### The risk management process aims to:

- improve financial risk awareness and risk transparency
- identify, control and monitor key risks
- identify risk accumulations
- provide management with reliable information on the Group's risk situation
- improve financial returns

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements:

Risk	Exposure arising from	Risk management
Market risk - prices	Gold price fluctuations	Used as a hedging instrument for gold inventory or through metal gold loan facilities.
Market risk - foreign exchange	Recognised financial assets and liabilities not denominated in Indian rupee (₹)	Periodic review by management
Market risk - interest rate	Borrowings at variable rates	Mix of borrowings taken at fixed and floating rates
Credit risk	Cash and cash equivalents, trade receivables, derivative financial instruments and other financial assets	Bank deposits, diversification of asset base, credit limits and collateral.
Liquidity risk	Borrowings and other liabilities	Availability of committed credit lines and borrowing facilities



## Notes

forming part of consolidated financial statements for the year ended March 31, 2023

(Amounts in ₹ million, except for shares data or as otherwise stated)

### Market risk - price risk

The Group is exposed to fluctuations in gold price (including fluctuations in foreign currency) arising on purchase/ sale of gold. The Group's business objective includes safe-guarding its earnings against adverse price movements of gold as well as foreign exchange risks.

The Group has adopted a structured risk management process to hedge all these risks within an acceptable risk limit and an approved hedge accounting framework which allows for fair value hedges/cash flow hedges, as designated at the inception of the hedge. The forward contracts which are not designated as above are marked to market at each balance sheet date and corresponding gain/ loss is recognised in the Statement of Profit and Loss. The risk management strategy against gold price fluctuation also includes procuring gold on loan basis, with a flexibility to fix price of gold at any time during the tenor of the loan. The Group does not enter into or trade financial instruments including derivative financial instruments, for speculative purposes.

The table below shows the position of hedging against probable forecast sales (commodity price risk) and currency forwards (currency risk) as of the balance sheet date.

As at	Quantity (Kgs)	Carrying amount - receivable/ (payable)		Maturity date
		Designated hedges as per IND AS 109	Other than designated hedges	
March 31, 2023	7,613	163.45	-	Range - within 6 months
March 31, 2022	7,195	(64.74)	(93.17)	Range - within 6 months

The table below shows the position of metal gold loans as on the balance sheet date:

Particulars	As at March 31, 2023	As at March 31, 2022
Quantity (Kgs)	3,297.00	2,995.00
Carrying amount	18,535.61	14,968.13

### Market risk - Interest rate

#### (i) Liabilities

The Group's policy is to minimise interest rate cash flow risk exposures on long-term financing. At the balance sheet date, the Group is exposed to changes in market interest rates through bank borrowings at variable interest rates. Below is the overall exposure of the Group to interest rate risk:

Particulars	As at March 31, 2023	As at March 31, 2022
Variable rate borrowing	16,549.85	18,663.73
Variable rate metal gold loan	18,535.61	14,968.13
Fixed rate borrowing	-	-

#### Interest rate sensitivity analysis:

The sensitivity analyses below have been determined based on the exposure to interest rates for non derivative instruments at the reporting date. For floating rate borrowings, the analysis is prepared assuming the amount of liability outstanding at the reporting date was outstanding for the whole year. The impact on the Group's profit if interest rates had been 50 basis points higher/lower and all other variables were held constant:

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Increase in borrowing rates by 50 basis points		
Impact on profits - Increase/ (decrease)	(140.96)	(127.44)
Impact on equity (net of tax) - Increase/ (decrease)	(36.32)	(75.02)
Decrease in borrowing rates by 50 basis points		
Impact on profits - Increase/ (decrease)	140.96	127.44
Impact on equity (net of tax) - Increase/ (decrease)	36.32	75.02

## Notes

forming part of consolidated financial statements for the year ended March 31, 2023

(Amounts in ₹ million, except for shares data or as otherwise stated)

### (ii) Assets

The Group's financial assets are carried at amortised cost and are at fixed rate only. They are, therefore, not subject to interest rate risk since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

#### Credit Risk

Credit risk is the risk that a customer or counterparty to a financial instrument will fail to perform or pay amounts due to the Group causing financial loss. It arises from cash and cash equivalents, deposits with banks and financial institutions, security deposits, loans given and principally from credit exposures to customers relating to outstanding receivables. The Group's maximum exposure to credit risk is limited to the carrying amount of financial assets recognised at reporting date.

In respect of trade and other receivables, the Group is not exposed to any significant credit risk exposure to any single counterparty or any company of counterparties having similar characteristics. Credit risk on receivables is limited as the nature of the business is cash and carry except for franchisee partners where there is adequate controls in place. The Group has very limited history of customer default, and considers the credit quality of trade receivables that are not past due or impaired to be good.

Therefore, the Group does not expect any material risk on account of non-performance by any of the Group's counterparties.

The credit risk for cash and cash equivalents, bank deposits, security deposits and loans is considered negligible, since the counterparties are reputable organisations with high quality external credit ratings.

#### Liquidity risk

The Group requires funds both for short-term operational needs as well as for long-term expansion programmes. The Group remains committed to maintaining a healthy liquidity ratio, deleveraging and strengthening the balance sheet. The Group manages liquidity risk by maintaining adequate support of facilities from its holding Group, and by continuously monitoring forecast and actual cash flows and by matching the maturity profiles of financial assets and liabilities.

The Group's treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management.

The Group's financial liability is represented significantly by long term and short term borrowings from banks and trade payables. The maturity profile of the Group's short term and long term borrowings and trade payables based on the remaining period from the date of balance sheet to the contractual maturity date is given in the table below.

#### The figures reflect the contractual cash obligations of the Group

Particulars	As at March 31, 2023				As at March 31, 2022			
	Less than 1 year	1-3 year	More than 3 year	Total	Less than 1 year	1-3 year	More than 3 year	Total
Borrowings	16,472.12	77.73	-	16,549.85	18,421.01	242.72	-	18,663.73
Metal gold loan	18,535.61	-	-	18,535.61	14,968.13	-	-	14,968.13
Lease liabilities	1,226.30	2,534.25	4,108.88	7,869.43	993.93	1,951.98	3,715.43	6,661.34
Trade payable	11,926.89	-	-	11,926.89	6,565.90	-	-	6,565.90
Other financial liabilities	222.22	-	-	222.22	327.54	-	-	327.54
<b>Total</b>	<b>48,383.14</b>	<b>2,611.98</b>	<b>4,108.88</b>	<b>55,104.00</b>	<b>41,276.51</b>	<b>2,194.70</b>	<b>3,715.43</b>	<b>47,186.64</b>



## Notes

forming part of consolidated financial statements for the year ended March 31, 2023

(Amounts in ₹ million, except for shares data or as otherwise stated)

### (d) Capital management

The Group's capital management objectives are

- to ensure the Group's ability to continue as a going concern
- to create value for shareholders by facilitating the meeting of long term and short term goals of the Group

The Group determines the amount of capital required on the basis of annual business plan coupled with long term and short term strategic expansion plans. The funding needs are met through equity, cash generated from operations, long term and short term bank borrowings.

The Group monitors the capital structure on the basis of net debt to equity ratio and maturity profile of the overall debt portfolio of the Group. Net debt includes interest bearing borrowings less cash and cash equivalents and other bank balances (including non-current earmarked balances).

The table below summarises the capital, net debt and net debt to equity ratio (Gearing ratio) of the Group

Particulars	As at March 31, 2023	As at March 31, 2022
Equity share capital	10,300.53	10,300.53
Other equity	26,046.58	21,069.74
Non controlling interests	(2.29)	9.44
<b>Total equity [A]</b>	<b>36,344.82</b>	<b>31,379.71</b>
Non-current borrowings	77.73	242.72
Metal gold loan	18,535.61	14,968.13
Current borrowings	16,472.12	18,421.01
<b>Gross debts* [B]</b>	<b>35,085.46</b>	<b>33,631.86</b>
<b>Total capital [A + B]</b>	<b>71,430.28</b>	<b>65,011.57</b>
Gross debts as above	35,085.46	33,631.86
Less: Cash and cash equivalents	(1,409.07)	(1,490.22)
Less: Bank balances other than cash and cash equivalents	(8,409.68)	(6,281.79)
<b>Net debts [C]</b>	<b>25,266.71</b>	<b>25,859.85</b>
<b>Net gearing ratio (times)</b>	<b>0.70</b>	<b>0.82</b>

\* excluding metal gold loan (refer note 18)

## Notes

forming part of consolidated financial statements for the year ended March 31, 2023

(Amounts in ₹ million, except for shares data or as otherwise stated)

### 38 Additional information as required by Paragraph 2 of the General Instructions for Preparation of consolidated Ind AS financial statements to Schedule III to the Companies Act, 2013

For the year ended March 31, 2023:

Name of the entity	Net Assets i.e, total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	₹ in Millions	As % of consolidated profit or loss	₹ in Millions	As % of consolidated other comprehensive income	₹ in Millions	As % of consolidated total comprehensive income	₹ in Millions
<b>Parent Company:</b>								
Kalyan Jewellers India Limited	99.92%	36,315.72	87.41%	3775.51	20.54%	132.54	78.72%	3,908.05
<b>Indian Subsidiary:</b>								
Enovate Lifestyles Private Limited	-0.13%	(48.39)	-1.16%	(50.16)	0.00%	-	-1.01%	(50.16)
<b>Foreign Subsidiary</b>								
Kalyan Jewellers FZE, UAE*	0.22%	79.63	14.02%	605.75	79.46%	512.68	22.53%	1118.43
Kalyan Jewelers, Inc., USA	0.00%	0.20	0.00%	(0.05)	0.00%	-	0.00%	(0.05)
Non-controlling interests in Indian subsidiary	-0.01%	(2.29)	-0.27%	(11.73)	0.00%	-	-0.24%	(11.73)
<b>Total</b>	<b>100.00%</b>	<b>36,344.87</b>	<b>100.00%</b>	<b>4319.32</b>	<b>100.00%</b>	<b>645.22</b>	<b>100.00%</b>	<b>4964.54</b>

For the year ended March 31, 2022:

Name of the entity	Net Assets i.e, total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	₹ in Millions	As % of consolidated profit or loss	₹ in Millions	As % of consolidated other comprehensive income	₹ in Millions	As % of consolidated total comprehensive income	₹ in Millions
<b>Parent Company:</b>								
Kalyan Jewellers India Limited	103.07%	32,342.03	92.15%	2,064.38	26.95%	228.60	74.24%	2,292.98
<b>Indian Subsidiary:</b>								
Enovate Lifestyles Private Limited	-0.02%	(5.00)	-0.42%	(9.42)	0.00%	-	-0.31%	(9.42)
<b>Foreign Subsidiary</b>								
Kalyan Jewellers FZE, UAE*	-3.08%	(966.99)	8.35%	187.17	73.05%	619.50	26.12%	806.67
Kalyan Jewelers, Inc., USA	0.00%	0.23	0.00%	(0.04)	0.00%	-	0.00%	(0.04)
Non-controlling interests in Indian subsidiary	0.03%	9.44	-0.08%	(1.79)	0.00%	-	-0.06%	(1.79)
<b>Total</b>	<b>100.00%</b>	<b>31,379.71</b>	<b>100.00%</b>	<b>2,240.30</b>	<b>100.00%</b>	<b>848.10</b>	<b>100.00%</b>	<b>3,088.40</b>

\* As per consolidated financial statements of Kalyan Jewellers FZE, UAE and its subsidiaries



## Notes

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(Amounts in ₹ million, except for shares data or as otherwise stated)

### 39 Leases

The Group has adopted Ind AS 116 'Leases' with the date of initial application being 01 April 2019. Ind AS 116 replaces Ind AS 17 - Leases and related interpretation and guidance. The Group has applied Ind AS 116 using the modified retrospective approach, under which the cumulative effect of initial application is recognised in retained earnings at 01 April 2019.

- (i) The Group has applied a single discount rate to a portfolio of leases with reasonably similar characteristics.
- (ii) The Group has treated the leases with remaining lease term of less than 12 months as if they were "short term leases". Expense relating to such short term leases recognised in Profit & Loss account amounts to ₹ 392.13 millions (March 31, 2022: ₹ 332.94 millions).
- (iii) The Group has not applied the requirements of Ind AS 116 for leases of low value assets.
- (iv) The Group has used hindsight, in determining the lease term if the contract contains options to extend or terminate the lease.

**40** During the years ended March 31, 2023 and March 31, 2022, the Company renegotiated with certain landlords on the rent reduction/ waiver due to COVID 19 pandemic. The Management believes that such reduction/ waiver in rent is short term in nature and also meets the other conditions specified in the notification issued by the Central Government in consultation with National Financial Reporting Authority dated 24 July 2020 as Companies (Indian Accounting Standards) Amendment Rules, 2020 with effect from 1 April 2020. Thus, in accordance with the said notification, the Company has elected to apply exemption as the reduction/ waiver does not necessitate a lease modification as envisaged in the Standard by recording in the "Other income" (net of rent expenses). Accordingly, the Company has recognised ₹ 6.43 million during the year ended March 31, 2023 (March 31, 2022 - ₹ 40.68 millions) in the statement of profit and loss.

**41** The Group has transactions or balances during current year with following companies whose names have been struck off by Registrar of Companies.

Name of the struck off company	Nature of transactions with struck off company	Balance outstanding March 31, 2023	Balance outstanding March 31, 2022	Relationship with the struck off company
ASTHA GEMS INDIA PRIVATE LIMITED	Purchases	-	1.42	None
ANN NEWS PRIVATE LIMITED	Purchases	-	-	None

### 42 Other statutory information:

- i) The entities in Group does not have any Benami property and there are no proceeding initiated or pending against the Company or any of the subsidiaries for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.
- ii) There entities in the Group does not have any transactions which are not recorded in the books of account that have been surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 during the current year and previous year.
- iii) There are no Schemes of Arrangements which are either pending or have been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013 during the current year and previous year.

## Notes

forming part of consolidated financial statements for the year ended March 31, 2023

(Amounts in ₹ million, except for shares data or as otherwise stated)

- iv) No funds have been advanced or loaned or invested either from borrowed funds or share premium or any other sources or kind of funds by the Company or any of the subsidiaries to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- v) No funds have been received by the Company or any of the subsidiaries from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- vi) The group has not traded or invested in crypto currency or virtual currency during the current year and previous year.

**43** During the current year, pursuant to the approval of the Board of Directors on March 31, 2023 the Company has taken a decision to dispose of the two Aircraft owned by the Company as a part of Management overall strategy to dispose of non core assets and accordingly, the carrying value of the Aircraft amounting to ₹ 1,671.61 million has been reclassified from property, plant and equipment to 'asset held-for-sale' in accordance with IND AS 105-'Non Current Asset held for sale and discontinued operations'. The estimated fair value of these Aircrafts based on firm letter of intent from prospective buyers amounted to ₹ 1339.10 million and accordingly the difference between the carrying value and the fair value amounting to ₹ 332.51 million is accounted for during the current quarter as an exceptional item by virtue of its non routine nature.

**44** The Board of Directors of the Company has recommended a final dividend of ₹0.50 (5%) per equity share of ₹ 10 each for the financial year ended March 31, 2023, subject to the approval of shareholders.

**45** Approval of consolidated financial statements: The consolidated financial statements were approved for issue by the board of directors on 15 May 2023.

For and on behalf of Board of Directors

**T. S. Kalyanaraman**  
Managing Director  
DIN: 01021928

**T. K. Ramesh**  
Director  
DIN: 01021868

**T. K. Seetharam**  
Director  
DIN: 01021898

**Sanjay Raghuraman**  
Chief Executive Officer

**V. Swaminathan**  
Chief Financial Officer

**Jishnu R. G.**  
Company Secretary

Place: Thrissur  
Date: May 15, 2023

## Notice

### Kalyan Jewellers India Limited CIN -L36911KL2009PLC024641

Registered Office: TC-32/204/2, Sitaram Mill Road, Punnamm, Thrissur, Kerala - 680 002  
Web: www.kalyanjewellers.net, Telephone No.: 0487 2437333, E-mail: cs@kalyanjewellers.net

Notice is hereby given that the 15<sup>th</sup> Annual General Meeting (AGM) of the Members of Kalyan Jewellers India Limited ("the Company") will be held on Saturday, August 12, 2023 at 11.30 a.m. IST through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM") to transact the following business:

#### Ordinary Business

1. To receive, consider and adopt:
  - a) The Audited Financial Statements of the Company for the financial year ended March 31, 2023 together with the Reports of the Board of Directors and Auditors thereon; and
  - b) The Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2023 and the Report of Auditors thereon.
2. To declare a final dividend of ₹0.50/- paise per equity share of ₹10/- each for the financial year ended March 31, 2023.
3. To appoint a Director in place of Mr. T. K. Ramesh (DIN: 01021868), who retires by rotation and being eligible, offers himself for re-appointment.

#### Special Business

4. Reappointment of Mr. T. S. Anantharaman (DIN: 00480136) as an Independent Director for a second term of three (3) years.

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

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and any other applicable provisions of the Companies Act, 2013 (**'Act'**) (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the Companies (Appointment and Qualification of Directors), Rules, 2014, and Regulation 17 and any other applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (**'SEBI Listing Regulations'**) as amended from time to time, and the Articles of Association of the Company, Mr. T. S. Anantharaman (DIN: 00480136), who holds office up to December 14, 2023, and who

is eligible for re-appointment and who meets the criteria for independence as provided in Section 149(6) of the Act along with the rules framed thereunder and Regulation 16(1)(b) of the SEBI Listing Regulations and who has submitted a declaration to that effect and in respect of whom the Company has received a notice in writing under Section 160(1) of the Act proposing his candidature for the office of Director, and whose appointment as an Independent Director is recommended by the Nomination and Remuneration Committee and the Board of Directors of the Company, and who has attained the age of 75 years, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a second term of 3 (Three) years commencing from December 15, 2023 till December 14, 2026."

**"RESOLVED FURTHER THAT** pursuant to the provision of Sections 149, 197 and other applicable provisions of the Act and the rules made thereunder and in terms of SEBI Listing Regulations, Mr. T. S. Anantharaman be paid such fees and remuneration and profit-related commission as the Board may approve from time to time and subject to such limits prescribed from time to time."

**"RESOLVED FURTHER THAT** any one of the Directors or Company Secretary of the Company be and are hereby authorised to do all necessary acts, deeds and things, which may be usual, expedient or proper to give effect to the above resolution."

5. Payment of Remuneration to the Non-Executive Directors of the Company.

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

**"RESOLVED THAT** pursuant to the provisions of Sections 197, 198 and all other applicable provisions of the Companies Act, 2013 and the Rules made thereunder ("Act") and applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and in supersession of special resolution passed by the members of the Company in the 14<sup>th</sup> Annual General Meeting held on

September 22, 2022 and based on the recommendation of Nomination and Remuneration Committee and the Board of Directors, the consent of the members of the Company be and is hereby accorded to pay remuneration by way of commission or otherwise to the Non-Executive Directors of the Company for the financial year 2022-23 and thereafter, at an amount not exceeding 1% of the net profits of the Company computed in accordance with the provisions of Section 198 of the Act and the said remuneration is in addition to sitting fees and reimbursement of expenses for attending the meetings of the Board of Directors or Committees thereof and the said remuneration be paid in such amount, proportion and manner as may be decided by the Board of Directors of the Company from time to time;

**RESOLVED FURTHER THAT** the total overall managerial remuneration payable to all the directors of the Company in any financial year shall not exceed the limits prescribed under Section 197 and other applicable provisions of the Act;

**RESOLVED FURTHER THAT** the Board of Directors, Key Managerial Personnel and any other person authorised by the Board of Directors of the Company be and are hereby severally authorised to do all such acts, deeds, matters and things as may be deemed necessary to give effect to this resolution."

6. Consider payment of Remuneration to Mr. Vinod Rai (DIN: 00041867), Chairman (Non-Executive) & Independent Director of the Company for the Financial Year 2023-24, which may exceed 50% of the total annual remuneration payable to all the Non-Executive Directors of the Company

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

**"RESOLVED THAT** in accordance with the Regulation 17(6)(ca) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and other applicable provisions, if any, of the Companies Act, 2013 and the rules framed thereunder, as amended and basis the recommendation of the Nomination and Remuneration Committee and as approved by the Board of Directors of the Company, consent of the Members of the Company be and is hereby accorded for payment of Remuneration to Mr. Vinod Rai (DIN: 00041867), Chairman (Non-Executive) & Independent Director of the Company for the Financial Year 2023-24, which may exceed 50% of the total annual remuneration that may be payable to all the Non-Executive Directors of the Company for the Financial Year 2023-24, details of which are set out in the Explanatory Statement annexed to the notice.

**RESOLVED FURTHER THAT** the Board of Directors, Key Managerial Personnel and any other person authorised by the Board of Directors of the Company be and are hereby severally authorised to do all such acts, deeds, matters and things as may be deemed necessary to give effect to this resolution."

(By Order of the Board)  
for **Kalyan Jewellers India Limited**

**Jishnu R. G.**  
Company Secretary  
ACS No. 32820

Place: Thrissur  
Date: 15.06.2023

**NOTES:**

- An Explanatory Statement setting out the material facts pursuant to Section 102 of the Companies Act, 2013 (“Act”) and applicable Secretarial Standards, relating to special business to be transacted at the Annual General Meeting (“AGM”), is annexed to the Notice. The Board of Directors of the Company, at its meeting held on May 15, 2023 and Circular resolution dated June 15, 2023 considered that the special business under Item Nos. 4, 5 and 6 are unavoidable and should be transacted at the 15<sup>th</sup> AGM of the Company.
- In view of the global outbreak and COVID-19 pandemic, the Ministry of Corporate Affairs (“MCA”), vide its General Circular No. 14/2020 dated April 8, 2020, General Circular No. 17/2020 dated April 13, 2020, General Circular No. 20/2020 dated May 5, 2020, and subsequent circulars issued in this regard, the latest being General Circular No. 11/2022, dated December 28, 2022 (collectively referred to as “MCA Circulars”) has permitted the holding of the AGM through Video Conferencing (“VC”)/Other Audio Visual Means (“OAVM”) without the physical presence of the shareholders at a common venue up to September 30, 2023. The Securities and Exchange Board of India (“SEBI”) also vide its Circular No. SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 5, 2023, has provided certain relaxations from compliance with certain provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”). In compliance with the provisions of the Companies Act, 2013, the Listing Regulations read with circulars issued by MCA and SEBI, the 15<sup>th</sup> AGM of the Company is being held through VC / OAVM. The deemed venue for the 15<sup>th</sup> AGM shall be the Registered Office of the Company.
- Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of Listing Regulations (as amended), and MCA Circulars, the Company is providing facility of remote e-voting to its shareholders in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorised agency. The facility of casting votes by a member using remote e-Voting system as well as venue voting on the date of the AGM will be provided by NSDL.
- The attendance of the shareholders attending the AGM through VC / OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Act.
- Since the AGM is being held through VC / OAVM, physical attendance of shareholders has been dispensed with. Accordingly, the facility for appointment of proxies by the shareholders will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC / OAVM and participate thereat and cast their votes
- Pursuant to Section 113 of the Act, Institutional/ Corporate shareholders (i.e. any Body Corporate) are required to send a scanned copy (in PDF/ JPG format) of certified true copy of the Board resolution authorising its representative to vote through remote e-voting/e-voting during the AGM and attend the AGM through VC / OAVM. The said certified true copy of the Board resolution should be sent to the Scrutiniser by e-mail through its registered e-mail address to mrthiagarajan@gmail.com with a copy marked to cs@kalyanjewellers.net.
- The Members can join the AGM in the VC / OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC / OAVM will be made available to atleast 1,000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
- In line with the Ministry of Corporate Affairs (MCA) Circular No.17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.kalyanjewellers.net. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively. Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsdl.com.
- In accordance with Sections 101 and 136 of the Act read with Rule 18(1) of the Companies (Management and Administration) Rules, 2014 and Circulars issued by MCA and SEBI, the notice of the 15<sup>th</sup> AGM along with the Annual Report are being sent only in electronic mode to shareholders whose e-mail address are registered with the Company or the Depository Participant(s).
- The SEBI has mandated submission of Permanent Account Number (PAN) by every participant in securities market. Shareholders holding shares in demat form are, therefore, requested to submit the PAN to their respective Depository Participant(s).

Shareholders holding shares in physical form can submit their PAN details to the Company or to the RTA (Link Intime India Private Limited).

eligible for dividend on equity shares, if declared at AGM.

- The Board of Directors has recommended final dividend of ₹0.50/- paise per equity share of ₹10/- each (5%) for the financial year ended March 31, 2023 subject to the approval of the shareholders at the 15<sup>th</sup> AGM and the dividend (if declared) will be paid within 30 days from the date of approval by the Shareholders at the 15<sup>th</sup> AGM. The record date for determining the eligibility of the equity shareholders to the final dividend for the financial year ended March 31, 2023 is fixed as Saturday, August 5, 2023.
- Register of Members of the Company will remain closed from Sunday, August 6, 2023 to Saturday, August 12, 2023 (both days inclusive), for the purpose of determining the name of Shareholders
- Pursuant to the Income-tax Act, 1961, dividend income has become taxable in the hands of shareholders with effect from April 1, 2020 and therefore, the Company shall be required to deduct tax at source (TDS) from dividend paid to shareholders at the prescribed rates. The summary of the applicable TDS provisions in accordance with the provisions of the Income Tax Act, 1961, for various categories, including Resident or Non-Resident Shareholders are available below. Shareholders are requested to update their PAN with the Company and depositories (in case of shares held in demat mode) on or before Saturday, August 5, 2023.

## a) For Resident Shareholders:

Particulars	Applicable Rate	Documents required (if any)
<b>For Resident Shareholders:</b>		
Shareholder with valid PAN	10%	Update/Verify the PAN, and the residential status as per Income Tax Act, 1961 if not already done, with the depositories (in case of shares held in demat mode) and with the Company's Registrar and Transfer Agents i.e. Link Intime India Private Limited (in case of shares held in physical mode).
If PAN of the Shareholder is not submitted/PAN is invalid	20%	N.A.
If a person has not filed his/her Return of Income for each of the two preceding financial years and the aggregate of tax deducted at source in his/her case is ₹50,000 or more in each of these two financial years.	Higher of the following: a) Twice the rate specified in the relevant provision of the Income-tax Act, 1961; or b) Twice the rate or rates in force; or c) The rate of five per cent.	N.A.
<b>a) For Resident Individual:</b>		
If the total dividend to be received by a Resident Individual during FY 2023-24 does not exceed ₹5,000.	Nil	
Shareholder Submitting Form 15G/ Form 15H		Declaration in Form 15G (for individuals, with no tax liability on total income and income not exceeding maximum amount which is not chargeable to tax)/Form 15H (for individuals above the age of 60 years with no tax liability on total income) for the FY 2023-24.
Shareholder submitting order under Section 197 of the Income Tax Act, 1961	Rate specified in the said certificate	If a shareholder has obtained a lower or Nil withholding tax certificate from the tax authorities, a self-attested copy of the said certificate shall be submitted. The certificate should be valid for the FY 2023-24 and should cover the dividend income.

Particulars	Applicable Rate	Documents required (if any)
<b>b) For Resident Non-Individual:</b>		
Insurance Companies as specified under Section 194 of the Income Tax Act, 1961	Nil	Self declaration that it qualifies as 'Insurer' as per Section 2(7A) of the Insurance Act, 1938 and has full beneficial interest with respect to the ordinary shares owned by it along with self attested copy of PAN card and certificate of registration with Insurance Regulatory and Development Authority (IRDA).
Mutual Fund specified under clause (23D) of Section 10 of the Income Tax Act, 1961	Nil	Self-declaration that it is registered with SEBI and is specified and covered under Section 10 (23D) of the Income-tax Act, 1961 along with self-attested copy of PAN card and certificate of registration with SEBI.
Alternative Investment Fund (AIF) established in India	Nil	Self-declaration that its income is exempt under Section 10 (23FBA) of the Income-tax Act, 1961 and they are registered with SEBI as Category I or Category II AIF along-with self-attested copy of the PAN card and certificate of AIF registration with SEBI.
Corporation established by or under a Central Act, which is, under any law for the time being in force, exempt from income-tax on its income	Nil	Declaration that it is a corporation established by or under a Central Act whereby income-tax is exempt on the income and accordingly, covered under Section 196 of the Income Tax Act, 1961 along with self-attested copy of PAN card and registration certificate and relevant extract of the section whereby the income is exempt from tax.
Any other entity entitled to exemption from TDS	Nil	Valid self-attested documentary evidence (e.g., copy of the relevant registration, notification, order, etc.) in support of the entity being entitled to TDS exemption along with self-attested copy of PAN card.

**c) For Non-resident Shareholders:**

Particulars	Applicable Rate	Documents required (if any)
Non-resident shareholders (including Foreign Institutional Investors (FIIs)/Foreign Portfolio Investors (FPIs) Investors (FPIs))	20% (plus applicable surcharge and cess) OR Tax Treaty Rate (whichever is lower, provided documents are received)	Update/Verify the PAN and the residential status as per Income Tax Act, 1961, if not already done, with the depositories (in case of shares held in demat mode) and with the Company's Registrar and Transfer Agents i.e. Link Intime India Private Limited (in case of shares held in physical mode).
Shareholder having PE in India who have not filed Income Tax return for FY 21-22 (AY 22-23) and amount of TDS deducted on their PAN is ₹50,000 or above	40% (plus applicable surcharge and cess) [Shareholder who has not furnished a declaration stating no Permanent Establishment (PE) in India]	N.A.
Shareholder submitting order under Section 197 of the Income Tax Act, 1961	Rate provided in the Order	Lower/NIL withholding tax certificate obtained from tax authority. Tax will be deducted at the rate specified in the said certificate, subject to furnishing a self-attested copy of the same. The certificate should be valid for the FY 2023-24 and should cover the dividend income.

As per Section 90 read with Section 195 of the Income-tax Act, 1961, the non-resident shareholder has the option to be governed by the provisions of the Double Tax Avoidance Agreement ("DTAA") read with applicable Multilateral Instrument ("MLI") between India and the country of tax residence of the shareholder, if they are more beneficial to them.

For this purpose, i.e. to avail the Tax Treaty benefits, the non-resident shareholder will have to provide the following:

- Self-attested true copy of Tax Residency Certificate ("TRC") obtained from the tax authorities of the country of which the shareholder is resident for the FY 2022-23;
- Self-declaration in Form 10F;
- Self-attested true copy of the PAN Card if allotted by the Indian Income Tax authorities;
- Self-declaration to be provided under Rule 37BC(2) of the Income Tax Rules, 1962;

e. Self-declaration in the format prescribed by the Company, certifying the following points:

- Shareholder is and will continue to remain a tax resident of the country of its residence during the FY 2023-24;
- Shareholder is eligible to claim the beneficial DTAA rate for the purposes of tax withholding on dividend declared by the Company;
- Shareholder has no reason to believe that its claim for the benefits of the DTAA is impaired in any manner;
- Shareholder does not have a taxable presence or a Permanent Establishment ("PE") in India during the FY 2023-24. In any case, the amounts paid/payable to the Shareholder are not attributable or effectively connected to the PE or fixed base, if any, which may have got constituted otherwise;
- Shareholder is the ultimate beneficial owner of its shareholding in the Company and dividend receivable from the Company; and
- Self-declaration by the shareholder regarding the satisfaction of the place of effective management (POEM), principal purpose test, GAAR, Simplified Limitation of Benefit test (wherever applicable), as regards the eligibility to claim recourse to concerned Double Taxation Avoidance Agreements.

Shareholders may submit the aforementioned documents to cs@kalyanjewellers.net on or before Saturday, August 5, 2023 in order to enable the Company to determine and deduct appropriate tax.

It may be further noted that in case the tax on said dividend is deducted at a higher rate in absence of receipt of the aforementioned details/documents from the Shareholders, there would still be an option available with the Shareholders to file the return of income and claim an appropriate refund, if eligible. The above referred documents submitted by you will be verified by us and we will consider the same while deducting the appropriate taxes, if any, provided that these documents are in accordance with the provisions of the Act.

In addition to the above, please note the following:

- In case you hold shares under multiple accounts under different status/category but under a single PAN, the highest rate of tax as applicable to the status in which shares held under the said PAN will be considered on the entire holding in different accounts.
- In case of joint shareholding, the withholding tax rates shall be considered basis the status of the primary beneficial shareholder.

iii. The Beneficiary data provided by the CDSL and NSDL will be taken for consideration.

In the event of any income tax demand (including interest, penalty, etc.) arising from any misrepresentation, inaccuracy or omission of information provided by the shareholder, such shareholder will be responsible to indemnify the Company and also, provide the Company with all information/ documents and co-operation in any appellate proceedings. The said certificate can also be viewed in Form 26AS at TRACES <https://www.tdscpc.gov.in/app/login.xhtml> or the website of the Income Tax department of India <https://www.incometax.gov.in/home>.

15. Details required under Regulation 36 of the Listing Regulations, 2015 and Secretarial Standards on General Meetings (SS - 2) issued by The Institute of Company Secretaries of India, in respect of Directors seeking appointment/re-appointment at this AGM is provided in "Annexure - A" of this notice.

16. The cut-off date for the purpose of determining the members eligible for participation in remote e-voting and voting during the AGM is Saturday, August 5, 2023. Please note that a person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on cut-off date only shall be entitled to avail the facility of remote e-voting or e-voting during the Meeting. If members opt for remote e-voting, then they should not vote at the Meeting. However, once an e-vote on a resolution is cast by a member, such member is not permitted to change it subsequently or cast the vote again. Members who have cast their vote by remote e-voting prior to the date of the Meeting can attend the Meeting and participate in the Meeting but shall not be entitled to cast their vote again.

17. The recorded transcript of the AGM will be hosted on the website of the Company.

18. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote during the AGM.

19. All documents referred to in the accompanying Notice and the Statement setting out material facts can be obtained for inspection by writing to the Company at its e-mail ID cs@kalyanjewellers.net till the date of AGM. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, the Register of Contracts or arrangements on which the directors are interested under Section 189 of the Companies Act, 2013 will be available electronically for inspection during the AGM. For inspection, the Shareholders may contact the Company Secretary at cs@kalyanjewellers.net at least 5 days before the date of the AGM.



20. The annual accounts of the subsidiary companies are made available on the website of the Company [www.kalyanjewellers.net](http://www.kalyanjewellers.net).
21. The Board of Directors of the Company have appointed Mr. CS M. R. Thiagarajan Company Secretary in Practice, Coimbatore as the Scrutiniser to scrutinise the remote e-voting process and voting through electronic voting system at the AGM in a fair and transparent manner.
22. The Scrutiniser will, after the conclusion of e-voting at the AGM, scrutinise the votes cast at the AGM and votes cast through remote e-voting, make a consolidated Scrutiniser's Report and submit the same to the Chairman or a person authorised by him in writing, who shall countersign the same and declare results (consolidated) within two working days from the conclusion of the AGM.

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

The remote e-voting period begins on Wednesday, August 9, 2023 at 09:00 a.m. and ends on Friday, August 11, 2023 at 05:00 p.m. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members/Beneficial Owners as on the record date (cut-off date) i.e. Saturday, August 5, 2023, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being Saturday, August 5, 2023.

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

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

**Step 1: Access to NSDL e-Voting system**

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

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

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

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> <li>1. Existing IDeAS user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsd.com">https://eservices.nsd.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>2. If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsd.com">https://eservices.nsd.com</a>. Select "Register Online for IDeAS Portal" or click at <a href="https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsd.com/">https://www.evoting.nsd.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>4. Shareholders/Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience.</li> </ol>

NSDL Mobile App is available on



Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> <li>1. Users who have opted for CDSL Easi/Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi/Easiest are requested to visit CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login icon &amp; New System Myeasi Tab and then user your existing my easi username &amp; password.</li> <li>2. After successful login the Easi/Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.</li> <li>3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login &amp; New System Myeasi Tab and then click on registration option.</li> <li>4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; E-mail as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</li> </ol>
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL / CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL / CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

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

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

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at 022 - 4886 7000 and 022 - 2499 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800 22 55 33

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

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

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsd.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsd.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below:

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

5. Password details for shareholders other than Individual shareholders are given below:

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| <p>a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.</p> <p>b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.</p> <p>c) How to retrieve your 'initial password'?</p> <p>(i) If your e-mail ID is registered in your demat account or with the Company, your 'initial password' is communicated to you on your e-mail ID. Trace the e-mail sent to you from NSDL from your mailbox. Open the e-mail and open the attachment i.e. a. pdf file. Open the pdf file. The password to open the pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The pdf file contains your 'User ID' and your 'initial password'.</p> <p>(ii) If your e-mail ID is not registered, please follow steps mentioned below in process for those shareholders whose e-mail IDs are not registered.</p> | <p>at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.</p> <p>d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.</p> <p>7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.</p> <p>8. Now, you will have to click on "Login" button.</p> <p>9. After you click on the "Login" button, Home page of e-Voting will open.</p> |
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**Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.**

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

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| <p>1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.</p> <p>2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC / OAVM" link placed under "Join Meeting".</p> <p>3. Now you are ready for e-Voting as the Voting page opens.</p> <p>4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.</p> <p>5. Upon confirmation, the message "Vote cast successfully" will be displayed.</p> <p>6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.</p> <p>7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.</p> | <p>1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.</p> <p>2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC / OAVM" link placed under "Join Meeting".</p> <p>3. Now you are ready for e-Voting as the Voting page opens.</p> <p>4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.</p> <p>5. Upon confirmation, the message "Vote cast successfully" will be displayed.</p> <p>6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.</p> <p>7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.</p> |
|---|---|

General Guidelines for shareholders

- Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorised signatory(ies) who are authorised to vote, to the Scrutiniser by e-mail to mrthiagarajan@gmail.com with a copy marked to evoting@nsdl.co.in. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution/ Power of Attorney/ Authority Letter etc. by clicking on "Upload Board Resolution/ Authority Letter" displayed under "e-Voting" tab in their login.
- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
- In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on: 022 - 4886 7000 and 022 - 2499 7000 or send a request to Ms. Pallavi Mhatre at evoting@nsdl.co.in

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

- In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by e-mail to (Company e-mail ID).
- In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to (Company e-mail ID). If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.
- Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring

user ID and password for e-voting by providing above-mentioned documents.

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

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

- The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
- Only those Members/shareholders, who will be present in the AGM through VC / OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
- Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
- The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.
- Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes member of the Company after the notice is sent through e-mail and holding shares as of the cut-off date i.e. Saturday, August 5, 2023, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or Issuer/RTA. However, if you are already registered with NSDL for remote e-voting, then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" or "Physical User Reset Password" option available on www.evoting.nsdl.com or call on 022 - 4886 7000 and 022 - 2499 7000. In case of Individual Shareholders holding securities in demat mode who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date i.e. Saturday, August 05, 2023 may follow steps mentioned in the Notice of the AGM under "Access to NSDL e-Voting system".

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

1. Member will be provided with a facility to attend the AGM through VC / OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for Access to NSDL e-Voting system. After successful login, you can see link of "VC / OAVM" placed under "Join meeting" menu against company name. You are requested to click on VC / OAVM link placed under Join Meeting menu. The link for VC / OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Members who would like to express their views/ ask questions during the meeting may register themselves as a speaker and send their request mentioning their name, demat account number/ folio number, e-mail ID, mobile number to cs@kalyanjewellers.net between 9.00 a.m. on Monday August 7, 2023 and 5.00 p.m. on Wednesday August 9, 2023. The speaker members are

requested to maintain a time limit of 5 minutes to complete their views/questions. The members who do not wish to speak during the AGM but have queries may send their queries in advance 7 days prior to meeting mentioning their name, demat account number/folio number, e-mail ID, mobile number at cs@kalyanjewellers.net. These queries will be replied by the Company suitably by e-mail.

6. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.
7. Only those shareholders, who are present in the AGM through VC / OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
8. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC / OAVM facility, then the votes cast by such shareholders may be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

(By Order of the Board)  
for **Kalyan Jewellers India Limited**

**Jishnu R. G.**  
Company Secretary  
ACS No. 32820

Place: Thrissur  
Date: 15.06.2023

**EXPLANATORY STATEMENT PURSUANT TO THE PROVISIONS OF SECTION 102 OF THE COMPANIES ACT, 2013 ANNEXED TO THE NOTICE OF THE 15TH ANNUAL GENERAL MEETING OF THE COMPANY IN RESPECT OF ITEM NO(S): 4, 5 AND 6 OF THE SAID NOTICE.**

**ITEM NO. 4:**

Mr. T. S. Anantharaman (DIN: 00480136) was appointed as an Independent Director of the Company pursuant to Section 149 of the Act, read with Companies (Appointment and Qualification of Directors) Rules, 2014, by the members of the Company at the Extra Ordinary General Meeting, to hold office for a term of 5 (five) years effective from December 15, 2018 up to December 14, 2023. Accordingly, his term of appointment concludes on December 14, 2023.

The Nomination and Remuneration Committee at its meeting held on June 6, 2023, after taking into consideration the performance evaluation of Mr. T. S. Anantharaman during his first term of 5 (five) consecutive years and considering his knowledge, acumen, expertise, experience and substantial contributions recommend to the Board his reappointment for another term of 3 (three) years. The Board vide its circular dated June 12, 2023 based on the recommendation of the Nomination and Remuneration Committee and subject to shareholders' approval, recommended the re-appointment of Mr. T. S. Anantharaman as an Independent Director for a second term of three years with effect from December 15, 2023 till December 14, 2026.

The Company has received a notice in writing under section 160(1) of the Act proposing appointment of Mr. T. S. Anantharaman as a Director of the Company.

Mr. T. S. Anantharaman has given his consent to act as Director of the Company and further, has given a declaration that he meets the criteria of independence provided under the Companies Act, 2013 ("Act") and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and that he is not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact his ability to discharge his duties as an Independent Director of the Company. He has confirmed that he is neither disqualified in terms of Section 164 of the Act from being appointed as a Director nor debarred from holding office of director by virtue of any SEBI order or any other such authority. Mr. T. S. Anantharaman has attained the age of seventy-five years and his appointment as Non-Executive Independent director also require the approval of the shareholders by way of special resolution as per Regulation 17(1A) of the Listing Regulations.

The Board recommends the re-appointment on the basis of his performance evaluation and after considering his skills and expertise in various fields. The Board is of the view that considering the background, experience and contributions made by Mr. T. S. Anantharaman during his tenure, his continued association would be beneficial and in the interest of the Company and

it is desirable to continue to avail his services as an Independent Director. In the opinion of the Board, Mr. T. S. Anantharaman fulfils the conditions specified in the Act and Listing Regulations for such re-appointment and is independent of the Management. Accordingly, it is proposed to appoint Mr. T. S. Anantharaman as an Independent Director of the Company, not liable to retire by rotation and to hold office for a second term of 3 (three) years on the Board of the Company with effect from December 15, 2023 till December 14, 2026. Mr. T. S. Anantharaman had already attained the age of seventy-five years and his appointment is proposed to be passed as a Special resolution, in terms of the Regulation 17(1A) of the SEBI Listing Regulations.

The draft copy of the letter of appointment of Mr. T. S. Anantharaman setting out the terms and conditions of appointment shall be available for inspection by the members through electronic mode.

A brief profile of Mr. T. S. Anantharaman and other information as required under Regulation 36 of SEBI Listing Regulations and Secretarial Standard-2 on General Meetings issued by the Institute of Company Secretaries of India is provided as Annexure to this Notice. The said profile of Mr. T. S. Anantharaman and his significant contribution to the growth of the Company till date will also justify his appointment beyond the age of 75 years.

**Interest of Directors & Key Managerial Personnel:**

None of the Directors nor any Key Managerial Personnel of the Company or their relatives except Mr. T. S. Anantharaman and his relatives is directly or indirectly concerned or interested, financially or otherwise in the resolution.

The Board recommends the Special Resolution set out in Item No. 4 of this Notice for the approval of the Shareholders.

**ITEM NO. 5:**

The Company's Non-Executive Directors are leading professionals with high level of expertise and rich experience in functional areas such as business strategy, financial governance, corporate governance, amongst others. The Company's Non-Executive Directors have been shaping and steering the long-term strategy and make valuable contributions towards the Company's growth in terms of, *inter alia*, strategy, monitoring of risk management and compliances.

The Nomination and Remuneration Committee and Board of Directors based on the industry, size, effective governance and contribution expected, recommended the proposal for payment of remuneration to Non-Executive Directors of the Company, by way of commission or otherwise, not exceeding 1% (One Percent) of the net profits of the Company calculated



in accordance with the provisions of the Companies Act, 2013 effective from the financial year 2022-23 and thereafter. The payment of such remuneration shall be in addition to the sitting fees and reimbursement of expenses for attending the meetings of the Board of Directors or Committees thereof.

This remuneration will be distributed amongst all or some of the Non-Executive Directors in accordance with the directions given by the Board of Directors and subject to any other applicable requirements under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, payment to non-executive directors shall require, *inter alia*, the approval of the shareholders of the Company in general meeting. Accordingly, the Board recommends the resolution relating payment of remuneration to Non-Executive Directors, at an amount not exceeding 1% of the net profit of the Company for the financial year 2022-23 and thereafter by way of Special Resolution.

**Interest of Directors & Key Managerial Personnel:**

Except the Whole Time Director(s) and Key Managerial Personnel of the Company and their relatives, all Non-Executive Directors of the Company and their relatives, are deemed to be concerned or interested, financially or otherwise, in this resolution to the extent of remuneration that may be received by them.

The Board recommends the Resolution set out in Item No. 5 of this Notice for the approval of the Shareholders.

**ITEM NO. 6:**

As you are aware, Mr. Vinod Rai was appointed as Non-Executive Independent Director and also as Chairman of Kalyan Jewellers India Limited (“**Company**”) with effect from 01.07.2022, considering his experience and expertise and in consonance with the spirit of separating the role of the Chairman from the executive function. The Board of Directors of the Company on the recommendation of the Nomination & Remuneration Committee has decided to take advantage of the advice and guidance of Mr. Vinod Rai in the Company’s growth strategy. The Board had also, on the recommendation of the Nomination & Remuneration Committee and subject to the approval of the members of the Company, approved payment of remuneration to Mr. Vinod Rai in his capacity as Non-Executive Chairman.

Regulation 17(6) (ca) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, mandates a Company to obtain consent of the Members by way of Special Resolution every year if the annual remuneration payable to a single Non-Executive Director exceeds fifty per cent of the aggregate remuneration payable to all Non-Executive Directors taken together.

The Company is proposing to pay annual remuneration of ₹ 26 lakh to Mr Vinod Rai by way of commission in addition to the sitting fee payable to him and out-of-pocket expenses incurred for attending meetings of the Board and Committees thereof. Approval of Members by way of a Special Resolution is sought, to the resolution, approving the annual remuneration payable to Mr. Vinod Rai as stated above for the financial year ending March 31, 2024, which will exceed fifty percent of the total annual remuneration payable to all non-executive directors. It may be noted that annual remuneration payable to Mr Vinod Rai for the financial year ended March 31, 2023 does not exceed fifty percent of the aggregate remuneration payable to all Non-Executive Directors. The total annual remuneration payable to Mr. Vinod Rai is reasonable given the size and scale of operations of the Company and his contribution to the growth of the Company.

**Interest of Directors & Key Managerial Personnel:**

None of the Directors, Key Managerial Personnel or their relatives except Mr. Vinod Rai and his relatives, are interested or concerned, financially or otherwise in the Resolution.

The Board recommends the Resolution set out in Item No. 6 of this Notice for the approval of the Shareholders.

(By Order of the Board)  
for **Kalyan Jewellers India Limited**

**Jishnu R. G.**  
Company Secretary  
ACS No. 32820

Place: Thrissur  
Date: 15.06.2023

**ANNEXURE -A**

**DETAILS OF DIRECTORS SEEKING APPOINTMENT, RE-APPOINTMENT AND FIXATION OF REMUNERATION AT THE 15<sup>TH</sup> ANNUAL GENERAL MEETING PURSUANT TO REGULATION 36(3) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND SECRETARIAL STANDARD ON GENERAL MEETINGS (SS-2) ISSUED BY THE INSTITUTE OF COMPANY SECRETARIES OF INDIA.**

Sl. No.	Name of the Director	Mr. T. K. Ramesh
1	Director Identification Number (DIN)	01021868
2	Date of Birth & Age	July 16, 1978, Age 45 years
3	Date of First Appointment on Board	January 29, 2009
4	Date of Last Reappointment as Director	June 20, 2019
5	Expertise in Specific Functional Areas	He has approximately 20 years of experience in the jewellery industry
6	Qualifications	Master's degree in commerce at Karnataka State University
7	Brief Profile	Mr. T.K. Ramesh is one of our Promoters and a whole-time Director of the Company. Being our Promoter, he has been associated with our Company since its incorporation and has been associated with the brand 'Kalyan Jewellers' since 2000.
8	Shareholding in the Company	18,60,64,242 fully paid-up equity shares of ₹ 10/- each.
9	Number of Meetings of the Board attended during the year 2022-23	All the Board Meetings. Five Board Meetings in total
10	Terms and Conditions of Appointment or Reappointment along with details of Remuneration sought to be paid and the Remuneration last drawn	Re-appointment in terms of Section 152(6) of the Companies Act, 2013. The remuneration last drawn (FY-2022-23) was ₹ 60.64 million. The details are also shown in the Corporate Governance Report of the Company. The Remuneration sought to be paid is as per existing approved terms of appointment.
11	Directorships held in other Companies	Nil
12	Listed entity from which Director has resigned in last three years	Nil
13	Memberships/Chairmanships of committees of other Companies (includes only Audit Committee and Stakeholders Relationship Committee)	Nil
14	Relationship with other Directors/KMP	Son of Mr. T. S. Kalyanaraman Managing Director and Brother of Mr. T. K. Seetharam Whole-time Director of the Company. Not related to any other director /Key Managerial Personnel.

Sl. No.	Name of the Director	Mr. T. S. Anantharaman
1	Director Identification Number (DIN)	00480136
2	Date of Birth & Age	June 26, 1948, Age 75 years
3	Date of First Appointment on Board	December 15, 2018
4	Date of Last Reappointment as Director	Nil
5	Expertise in Specific Functional Areas	He has several years of experience in various sectors, such as banking, teaching, management and accounting.
6	Qualifications	Mr. T. S. Anantharaman holds a bachelor of commerce degree from University of Kerala and is a fellow of the Institute of Chartered Accountants of India.
7	Brief Profile	Mr. T. S. Anantharaman is an Independent Director of our Company. He has been on our Board since 2018.

He has been appointed as a director of Kalyan Jewellers FZE and Kalyan Jewellers LLCUAE, our material subsidiaries in terms of Regulation 24 of the SEBI Listing Regulations, with effect from August 3, 2020. Mr. T. S. Anantharaman holds a bachelor of commerce degree from University of Kerala. He was admitted as an associate member of the Chartered Management Institute, formerly known as the British Institute of Management on June 22, 1976 and as a fellow of the Institute of Chartered Accountants of India on July 31, 1974. He has several years of experience in various sectors, such as banking and teaching management and accounting. During the course of his career, Mr. Anantharaman has been associated with various institutions such as The Catholic Syrian Bank Limited, Motilal Oswal Financial Services Limited, Sree Sakthi Paper Mills Limited, St. Thomas College, Thrissur and the International Labour Office (United Nations).

Sl. No.	Name of the Director	Mr. T. S. Anantharaman
		He was awarded the Lifetime Achievement Award in the Businessonlive Kerala Business Summit 2019, the TMA-Manappuram Group Lifetime Achievement Award 2016 by the Thrissur Management Association and the Life Time Achievement Award by JEMECE (School of Management Studies, University of Calicut, Dr. John Matthai Centre, Thrissur) in 2014.
8	Shareholding in the Company	Nil
9	Number of Meetings of the Board attended during the year 2022-2023	All the Board Meetings. Five Board Meetings in total
10	Terms and Conditions of Appointment or Reappointment along with details of Remuneration sought to be paid and the Remuneration last drawn	As per Resolution at Item No. 4 of the accompanying Notice of AGM read with Explanatory Statement thereto. He shall be paid sitting fees and reimbursement of expenses for attending the meetings of the Board and its Committees, as well as Commission on profit as approved by the shareholders. The details of remuneration last drawn was disclosed in the Corporate Governance Report annexed with the Annual Report.
11	Directorships held in other Companies	a) Trichur Heart Hospitals Ltd- b) Gosree Finance Ltd. c) Polyclinic Pvt. Ltd. d) Inbot Properties Pvt. Ltd. e) Northern Arc Capital Limited f) Enovate Lifestyles Private limited
12	Listed entity from which Director has resigned in last three years	Nil
13	Memberships/Chairmanships of committees of other Companies (includes only Audit Committee and Stakeholders Relationship Committee)	a) Member of the Audit Committee of Northern Ark Capital Limited.
14	Relationship with other Directors/KMP	Mr. T. S. Anantharaman is not related to any Director and Key Managerial Personnel
15	Skills and capabilities required for the role of the Independent Director as identified by the Nomination and Remuneration Committee (NRC) and the manner in which the proposed person meets such requirements	The NRC had set the following skills and capabilities required for the role of the Independent Director: Knowledge of Sector, understanding of government legislation/legislative process, experience in Audit and Accounting, Finance, Public relations, Strategy development and implementation, Strategic thinking/planning from a governance perspective, Compliance focus, Profile/reputation and behavioural competencies.  Mr. T. S. Anantharaman is a fellow member of the Institute of Chartered Accountants of India. He has several years of experience in various sectors, such as banking and teaching management and accounting, and has met all the skills and capacities required.

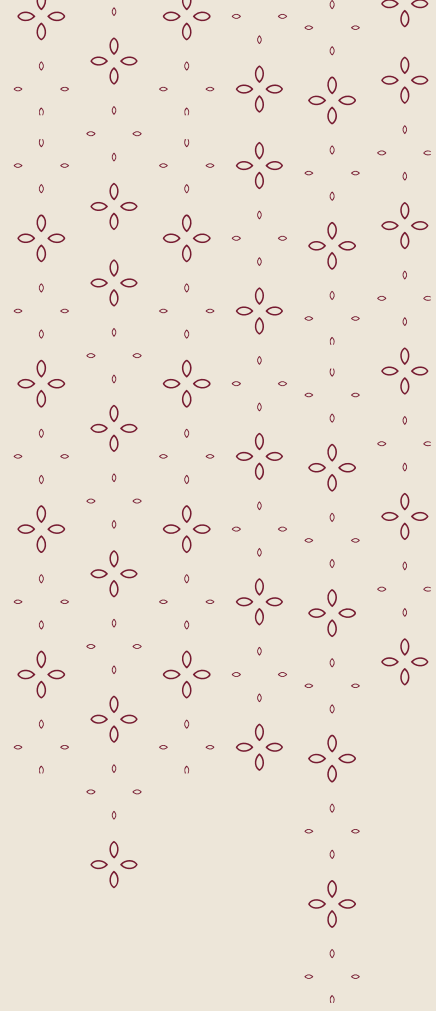
Sl. No.	Name of the Director	Mr. Vinod Rai
1	Director Identification Number (DIN)	00041867
2	Date of Birth & Age	May 23, 1948, Age 75 years
3	Date of First Appointment on Board	July 1, 2022
4	Date of Last Reappointment as Director	NA
5	Expertise in Specific Functional Areas	Ex-Comptroller and Auditor General of India. Expert in Audit, Banking, Finance and Corporate Governance.
6	Qualifications	M.A. in Economics from University of Delhi and Masters in Public Administration from Harvard University.
7	Brief Profile	Mr. Vinod Rai is the former comptroller and auditor general of India and a former chair of the United Nations Panel of External Auditors.  Mr. Vinod Rai has held various positions within the Indian government as well as in the state government of Kerala. Mr. Vinod Rai has been instrumental in many reforms in India, including in overhauling the administrative structure of Indian railways, which includes introducing accrual accounting. He was also chairman of the Banks Board Bureau, a body set up by the Indian government to reform public banking in India. He has served as a director on the boards of a range of financial institutions, including ICICI Bank, the State Bank of India and the Life Insurance Corporation of India, and is a distinguished visiting research fellow at the Institute of South Asian Studies, National University of Singapore.
8	Shareholding in the Company	Nil
9	Number of Meetings of the Board attended during the year 2022-2023	Four Board Meetings.
10	Terms and Conditions of Appointment or Reappointment along with details of Remuneration sought to be paid and the Remuneration last drawn	Mr. Vinod Rai was appointed as Chairman and Independent Director for a period of 3 years with effect from July 1, 2022 and not liable to retire by rotation. He shall be paid sitting fees and reimbursement of expenses for attending the meetings of the Board and its Committees, as well as Commission on profit as approved by the shareholders.
11	Directorships held in other Companies	a) Apollo Tyres Limited, b) Grassroot Trading Network for Women, c) Lava International Limited and d) Shubham Housing Development Finance Company Limited. e) Modulus Alternatives Investment Managers Limited
12	Listed entity from which Director has resigned in last three years	Nil
13	Memberships/Chairmanships of committees of other Companies (includes only Audit Committee and Stakeholders Relationship Committee)	Audit Committee Chairman and member in Apollo Tyres Limited
14	Relationship with other Directors/KMP	Mr. Vinod Rai is not related to any Director and Key Managerial Personnel

(By Order of the Board)  
for **Kalyan Jewellers India Limited**

**Jishnu R. G.**  
Company Secretary  
ACS No. 32820

Place: Thrissur  
Date: 15.06.2023





**KALYAN JEWELLERS INDIA LIMITED**

REGISTERED & CORPORATE OFFICE  
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TEL: +91 487 24 37 333  
FAX: +91 487 24 37 334  
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CIN: L36911KL2009PLC024641