

Date: 17<sup>th</sup> August, 2023

To,  
The Manager,  
Compliance Department  
BSE Limited  
Corporate Service Department  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Mumbai - 400 001.

To,  
The Manager,  
Compliance Department  
National Stock Exchange of India Limited  
Exchange Plaza, Plot No. C/1,  
G Block, Bandra-Kurla Complex,  
Bandra (East), Mumbai - 400 051.

Dear Sir/ Madam,

Re: **Tribhovandas Bhimji Zaveri Limited. Script Code & ID: 534369 / TBZ**  
Sub: **Submission of Annual Report for the Financial Year 2022-23 along with Notice convening 16<sup>th</sup> Annual General Meeting of the Company pursuant to Regulation 34(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

With further reference to our letter dated 16<sup>th</sup> August, 2023 informing that the Company has scheduled the 16<sup>th</sup> Annual General Meeting to be held on **Wednesday, 13<sup>th</sup> September, 2023 at 11.30 a.m.** through Video Conferencing (VC) / Other Audio-Visual Means (OAVM).

Pursuant to Regulation 34(1) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the Annual Report for the Financial Year 2022-23 along with the Notice convening the 16<sup>th</sup> Annual General Meeting of the Company, which is being sent to the Members, who have registered their e-mail addresses with the Company/Depositories, through electronic mode, scheduled to be held on Wednesday, 13<sup>th</sup> September, 2023 at 11.30 a.m. through Video Conferencing (VC) / Other Audio-Visual Means (OAVM).

The 16<sup>th</sup> Annual Report for the financial year 2022-23 along with Notice of 16<sup>th</sup> Annual General Meeting and other relevant documents are also available at the Company's website at [www.tbztheoriginal.com](http://www.tbztheoriginal.com).

Further, as informed vide the said letter dated 16<sup>th</sup> August, 2023, the Register of Members and the Share Transfer Books of the Company will remain closed from **Thursday, 7<sup>th</sup> September, 2023 to Wednesday, 13<sup>th</sup> September, 2023** (both days inclusive) and the record date of Wednesday, 6<sup>th</sup> September, 2023, will be for the purpose of 16<sup>th</sup> Annual General Meeting and determination of entitlement of Dividend for the financial year ended 31<sup>st</sup> March, 2023.

We request you take the same on record.

Thanking You.  
Yours faithfully,  
For **Tribhovandas Bhimji Zaveri Limited**



**Niraj Oza**  
Head - Legal & Company Secretary

Encl.: Annual Report 22-23 (along with the Notice of 16<sup>th</sup> AGM)



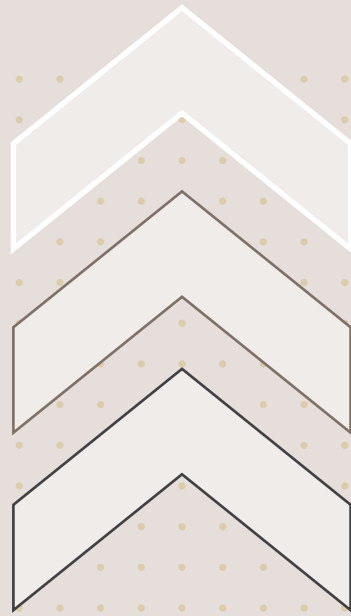
CIN No : L27205MH2007PLC172598

Regd. Office: 241/243, Zaveri Bazar, Mumbai - 400 002. Tel.: +91 22 4046 5000/01, 6130 0505,  
11th Floor, West Wing, Tulsiani Chambers, Free Press Journal Road, Nariman Point, Mumbai - 400 021. Tel.: 022 3073 5000  
[www.tbztheoriginal.com](http://www.tbztheoriginal.com)



The original since 1864

TRIBHOVANDAS BHIMJI ZAVERI  
SHRIKANT ZAVERI GROUP



# Sparkling Performance, Stellar Growth

## + 02-23

### Corporate Overview

- 02 About the Company
- 05 Expansive Reach:  
Our Wide Geographic Footprint
- 06 Crafting Brilliance:  
Our Cutting-Edge Manufacturing Facility
- 07 Setting Ourselves Apart:  
The Key Elements of our Competitive Edge
- 08 Message from the Chairman
- 10 Board of Directors
- 12 Financial Highlights
- 13 Operational Performance
- 14 Marketing Initiatives
- 16 Making a Meaningful Difference in Communities
- 23 Awards

## + 24-139

### Statutory Report

- 24 Management Discussion & Analysis
- 33 Notice
- 60 Directors' Report
- 99 Report on Corporate Governance

## + 140-271

### Financial Statements

- 140 Standalone Financials
- 209 Consolidated Financials

#### Board of Directors

##### Shrikant Zaveri

Chairman &  
Managing Director

##### Binaisha Zaveri

Whole-time Director

##### Raashi Zaveri

Whole-time Director

##### Ajay Mehta

Independent Director

##### Sudha Navandar

Independent Director

##### Kamlesh Vikamsey

Independent Director

##### Ramesh Chandak

Additional Director  
(Independent Director,  
Non-Executive)

#### Auditors

Chaturvedi & Shah LLP  
714-715, Tulsiani Chambers,  
212, Nariman Point,  
Mumbai – 400 021.

#### Chief Financial Officer

Mukesh Sharma

#### Head - Legal & Company

##### Secretary

Niraj Oza

#### Bankers

State Bank of India  
Union Bank of India  
Central Bank of India  
AXIS Bank Limited  
Kotak Mahindra Bank Limited  
Bank of Baroda  
HDFC Bank Limited  
The Karur Vysya Bank Limited

#### Registrar & Share Transfer Agent

KFin Technologies Limited  
Unit: Tribhovandas Bhimji Zaveri Limited  
Selenium Tower B,  
Plot 31-32, Gachibowli,  
Financial District, Nanakramguda,  
Hyderabad – 500 032.  
Tel. No. (040) 6716 1606  
Toll Free No. 1800 309 4001  
Email: [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com)  
Website: [www.kfintech.com](http://www.kfintech.com)  
<https://kprism.kfintech.com/>

#### Registered Office

241/43, Zaveri Bazar,  
Mumbai – 400 002.  
CIN No.: L27205MH2007PLC172598  
Tel. No. (022) 4046 5000 / 01  
Email: [investors@tbzoriginal.com](mailto:investors@tbzoriginal.com)  
Website: [www.tbztheoriginal.com](http://www.tbztheoriginal.com)

#### Corporate Office

1106 to 1121, 11<sup>th</sup> Floor,  
West Wing, Tulsiani Chambers,  
212, Backbay Reclamation,  
Free Press Journal Road  
Nariman Point, Mumbai – 400 021.  
Tel. No. (022) 4925 5000

#### 16<sup>th</sup> Annual General Meeting

Day & Date: Wednesday,  
13<sup>th</sup> September, 2023  
Time: 11.30 a.m.  
Through Video Conferencing (VC) /  
Other Audio Visual Means (OAVM)



In the world of exquisite jewellery, one name that has consistently been shining, captivating the hearts of connoisseurs and fashion enthusiasts alike is TBZ - The Original. With a legacy spanning 158 years, TBZ - The Original has become synonymous with timeless craftsmanship, breathtaking designs, and unparalleled quality.

TBZ - The Original continues to set new benchmarks in the industry, with its remarkable performance and stellar growth in the recently concluded fiscal year 2023. The Company achieved an outstanding year-on-year revenue growth of 29.82% and a noteworthy increase in EBITDA of 58.90% compared to the previous year. As TBZ - The Original continues to enchant jewellery enthusiasts with its captivating collections and unmatched quality, this sparkling performance and stellar growth testify to its enduring and unwavering commitment to its customers. With each piece of jewellery crafted with precision and passion, TBZ - The Original continues to illuminate the world of jewellery, setting new standards of beauty, innovation, and success.



Sparkling  
Performance,  
Stellar Growth



ABOUT THE COMPANY

# Legacy of Craftsmanship, Elegance and Exquisite Creations

Tribhovandas Bhimji Zaveri Limited (TBZ / The Company) stands as a testament to the enduring legacy of excellence, setting new horizons in the realm of creating jewellery. Distinguished by premium craftsmanship and fuelled by innovative designs, we are dedicated to curating and offering an exquisite array of handcrafted gold, diamond, jadau, and platinum jewellery. Each piece is meticulously crafted to embody perfection, showcasing our unparalleled attention to detail. Our designs remain in harmony with the dynamic and fast evolving trends of the market.

Our bespoke collections encompass mesmerising range of traditional jewellery, designed to adorn the rich tapestry of Indian traditions, weddings, and festivities. Additionally, we design lightweight, contemporary designs that seamlessly blend affordability and elegance, tailored for everyday wear. This diverse assortment of our product range symbolises both opulence and simplicity, ensuring our integral presence during our customers and patrons' precious moments.

At TBZ, trust is the cornerstone of our success. With a heritage spanning an impressive 158+ years, we are distinguished by our unwavering commitment to quality and the trust we have garnered. With a pioneering business model and a plethora of industry firsts to our credit, we have established ourselves as trendsetters, setting new benchmarks for excellence in every endeavour. We continue to redefine conventions and revolutionise the landscape of Indian jewellery and delivering unparalleled value to all our stakeholders.



# Our Captivating, Elegant, Exquisite Collections

Jewellery from TBZ celebrates individuality, adds a touch of glamour to everyday life, and holds the potential to be treasured while standing the test of time. Whether it is a simple pendant or an elaborate statement piece, jewellery from our brand has a remarkable ability to captivate, inspire, and evoke a sense of beauty and elegance in those who wear it.

While always keeping in mind evolving needs, our collections are created to commemorate special moments, serve as a token of love and commitment, or represent cultural and religious beliefs. Throughout our long history, our collections of precious jewellery have

been passed down through generations as heirlooms, connecting families and preserving cherished memories. At TBZ, our collections evoke nostalgia, spark conversations, and become a cherished part of our customers' personal narrative.

Crafted with precision and artistry, our **product portfolio** includes necklaces, bangles, bracelets, pendants, mangalsutra, earrings, rings, and more. Our collections include delicate and understated pieces to bold and extravagant designs and are crafted to elevate any ensemble and make a lasting impression.

Our commitments extend further as we were amongst the first to provide a **lifetime buyback** policy for gold and diamond jewellery and introduced **100% BIS hallmarked** 22 karat gold jewellery and now also offer certified solitaire diamonds. These initiatives underscore our position as pioneers within the Indian jewellery industry, as we continue leading the way with our innovations and commitment of always placing our customers at the heart of all our endeavours.

Our Leela collection, designed for bridal jewellery, enabled brides to shine their brightest on their special day. Our Navya collection, crafted for daily wear, embodied the essence of sparkle and shine for everyday moments. HUES, a captivating diamond enamel collection, offered something for every shade of our customers' personalities. The Kavya collection brought ensembles to life with a burst of colour and radiance, enhancing the wearer's allure. Svara, our new collection of exquisite jewellery, captured the essence of timeless elegance, perfect for life's most special events. Lastly, the Maya collection, inspired by relentless grit and delicate charm, showcases the versatility and brilliance of diamonds, offering customers a signature look for every occasion.



## Our Collection

Plain gold

Diamond  
studded

Precious and  
semi-precious  
stone studded



Lightweight &  
contemporary

Temple  
jewellery

Plain and diamond  
studded platinum



Coloured  
stone studded  
in gold

Solitaires



# Expansive Reach: Our Wide Geographic Footprint

Our robust geographical footprint, consisting of **32 retail stores** spread across **25 cities** and **12 states**, showcases our commitment to reaching and serving a diverse consumer base. With over **1,00,000+ square feet of retail space**, we ensure a welcoming atmosphere for customers to discover and engage with our exceptional products.

We are focussed on increasing our market share by expanding our customer base and penetrating untapped jewellery markets by opening new stores.





# Crafting Brilliance: Our Cutting-Edge Manufacturing Facility

Located in Kandivali, Mumbai, our **futuristic manufacturing facility** stands as a testament to our commitment to innovation and excellence. Equipped with **state-of-the-art equipment** and the latest technologies, it serves as the backbone of our operations, allowing us to craft a diverse range of jewellery that caters to the dynamic needs of our valued customers.



At our facility, we combine traditional **craftsmanship** with modern techniques to create jewellery that exudes both elegance and lightweight comfort. Our team of skilled artisans harnesses the power of **advanced technology** to bring forth designs that seamlessly blend tradition with contemporary aesthetics. This synergy enables us to offer our customers a captivating collection that transcends time and trends.

One of our key strengths lies in our **in-house manufacturing** of diamond jewellery. By having complete control over the production process, we not only ensure the highest quality standards but also gain a competitive edge. This enables us to optimise costs and bring forth exclusive designs that command a premium in the market. Our focus on precision and attention to detail allows us to create diamond jewellery that dazzles with its brilliance and captures the essence of luxury.



# Setting Ourselves Apart: The Key Elements of our Competitive Edge



At the heart of our success lies a **superior in-store experience** that sets TBZ apart from the competition. At TBZ, we pride ourselves on a team of well-trained personnel who excel in delivering exceptional customer service. Their knowledge, expertise, and dedication ensure that each customer receives personalised attention and guidance, creating a memorable and delightful shopping experience. Moving with times, we have also adopted the personalised services through our digital channels.

**Design exclusivity** is another pillar of TBZ's competitive advantage. At TBZ, we curate and create jewellery pieces that embody uniqueness

and originality. Our design team explores new trends, materials, and techniques, resulting in a diverse collection that appeals to a wide range of tastes and preferences. These exclusive designs provide our customers the opportunity to express their individuality through exquisite jewellery.

**Skilled craftsmanship** is the foundation upon which TBZ's competitive edge is built. Our artisans possess a deep understanding of their craft and a passion for creating jewellery of exceptional quality. Their meticulous attention to detail and commitment to perfection ensure that each piece is a work of art. With their skill and expertise, we are able to consistently deliver jewellery that surpasses expectations and reflects the highest standards of craftsmanship.

Ultimately, our competitive advantage lies in our ability to **cater to the dynamic aspirations** of customers through the different stages of their lives. Whether it is celebrating personal, family or professional milestones, expressing love and commitment, or enhancing personal style, TBZ is always there to fulfil their desires with jewellery that resonates with their unique journey.

**By understanding and addressing their evolving needs, we forge lasting relationships and remain a trusted companion for life.**



# Message from the Chairman



With a rich heritage of over 158 years, trust is the foundation of our success. As industry pioneers, we have set new standards of excellence with our innovative business model and numerous industry firsts.

## Dear Shareholders,

I am delighted to connect back with you and share the remarkable progress we have achieved in the thriving economic landscape enjoyed by India in FY 2023. Notably, India's real GDP growth for the fiscal year 2022-23 was estimated at 7.2%, reflecting a commendable performance compared to the 9.1% growth achieved in the preceding fiscal year of 2021-22. This outcome is indicative of India's relatively robust domestic consumption and reduced dependence on global demand, solidifying India's position as a self-sustaining economic force. The positivity helped the jewellery consumption in India surge far ahead of the pre-pandemic levels.

## Stellar performance

FY 2023 has truly been a testament to our unwavering commitment to excellence, resulting in a sparkling performance and stellar growth. We achieved an outstanding year-on-year revenue growth of 29.82%, showcasing our proficiency in seizing market opportunities and effectively implementing our strategic initiatives. Our Total Operating Income surged to ₹ 2,393.63 crore, our EBITDA soared by 58.90% YoY to ₹ 114.97 crore, with an EBITDA margin of 4.80%. Furthermore, our PAT surged by 131.86% YoY to ₹ 39.67 crore, with a PAT margin of 1.66%.

These exceptional results were driven by our relentless focus on operational efficiency, enhanced sales across all product categories, and optimisation of margins. TBZ – The Original has witnessed growth in both the gold and diamond segments, affirming the robustness and variety of our product offerings.

A primary focus for TBZ has been to maintain an optimal inventory level, ensuring effective management of working capital and facilitating the pursuit of growth objectives. Our commitment to innovation and design excellence enabled us to captivate our customers' imagination and deliver jewellery that resonated deeply with their desires.

Our success in FY 2023 can further be attributed to our key strengths that have enabled our growth. First and foremost, our commitment to quality and craftsmanship has remained unwavering. Our artisans, with their exceptional skill and passion, transform each piece of jewellery into a work of art, thereby enhancing customer satisfaction and loyalty. Moreover, our meticulous attention to detail and innovation in design have set us apart in the industry, positioning us as a brand that resonates with our target audience.

With a rich heritage of over 158 years, trust is the foundation of our success. As industry pioneers, we have set new standards of excellence with our innovative business model and numerous industry firsts. We continuously challenge conventions, revolutionising the Indian jewellery landscape, and delivering unparalleled value to all our stakeholders.

### **Crafting Brilliance for Every Occasion**

At the heart of our offerings lies our captivating collection of traditional jewellery that promises to elevate weddings, festivals and celebrations. Additionally, our lightweight and elegant contemporary designs, tailored for everyday wear, offer affordability without compromising on style. This perfect blend of opulence and simplicity solidifies our position as an essential presence during our customers' cherished occasions.

Continuously expanding our repertoire and in line with our commitment to offering jewellery that appeals to a wide range of customers, we launched new different collections Hues, Svava, Navya, Kavva, Leela, and Maya.

As the Indian economy expands, we are cognizant of the changing demographics and the multi-faceted audience that purchases jewellery today. The reasons, values, beliefs, aspirations and goals to purchase jewellery are dynamic and evolving. Our wide range of new collections, characterised by emotive narratives and symbolism, cater to special moments that go beyond weddings and festivals. Some of our new collection range span across various price points, ensuring that we also offer affordable ranges. Backed with the right marketing and multi-channel promotional campaigns yielded rich dividends.

The overwhelming feedback to our new collections from customers especially during the wedding season of FY 2023 was a testament to our ability to cater to their specific needs. The response further affirmed the designing edge, quality, craftsmanship and trust that underpins our brand.

Our focussed branding, marketing and promotional campaigns across various channels are aimed to maximise brand visibility and reach a wider audience.

### **Driving Social Progress**

At TBZ, we stand committed to empowering lives and creating a positive impact on society. As a responsible entity, we undertake various CSR initiatives that mirror our core values towards fostering a better and inclusive future for the communities we serve and support. For example, Project Panki exemplifies our endeavour to enhance the lives of women by supporting causes related to women's empowerment, skill development, and healthcare. For further details regarding our CSR engagements, please refer to the subsequent sections of this annual report.

### **Looking Ahead**

As we look to the future, the outlook for the jewellery industry remains promising. As India continues on its path to becoming a 5 trillion economy, we are bound to witness an increase in the spending power of people. Jewellery demand despite challenges of inflation and global uncertainty is expected to benefit from this strong economic growth and the growing urbanisation and middle class.

TBZ remains focussed on driving innovation, customer satisfaction, and sustainable financial growth. Our growth strategy centres on increasing customer engagement, generating healthy profits, acquiring new customers, and penetrating promising markets by opening new stores. We are well-poised to capture future market opportunities and provide our customers with unparalleled products and experiences.

### **Appreciation and Acknowledgement**

In closing, I would like to express my utmost gratitude to each one of you, our valued shareholders, for your continued trust and confidence in TBZ. I am thankful to our bankers, business partners, and customers for their unwavering support. I thank all our employees for their dedication and their invaluable contribution in our pursuit of excellence. It is this support and trust that inspires us to push boundaries, set new benchmarks, and create a lasting legacy of excellence in the jewellery industry.

**With warm regards,**

**Shrikant Zaveri**

Chairman & Managing Director

# Board of Directors

The Board of Directors comprises highly renowned professionals drawn from diverse fields. They bring with them a wide range of skills and experience to the Board, which enhances the quality of the Board's decision-making process.

The brief profile of your Company's Board of Directors is as under:

+

**Mr. Shrikant Zaveri** (DIN: 00263725)  
**Chairman & Managing Director**

Mr. Shrikant Zaveri (DIN: 00263725) is a doyen of the Indian Gems and Jewellery Industry and is one of the most respected personalities of the Gems and Jewellery Industry in India. He has a rich experience of more than forty one years in the Gems and Jewellery industry. He has completed his education up to matriculation. He took over as the managing partner of the business in 2001. He continued his forefather's business with one flagship store at Zaveri Bazar, and given his immense efforts, your Company as on 31<sup>st</sup> March, 2023 has thirty two stores, out of which twenty nine are Company's own stores and three are franchisee stores, in twenty five cities and twelve states across India.

He is discharging the additional responsibility of Chief Executive Officer of your Company.

Mr. Zaveri was the founding member and chairman of the Gems and Jewellery Trade Federation. He has been awarded the Retail Jewellery Award for lifetime achievement in the year 2007. He also won the Retail Leadership Award from the Asia Retail Congress in the year 2013. In year 2023, he won the prestigious award "Retail Jeweller MD & CEO Awards 2023, Excellence in Leadership" in the category of 'Special Contribution to the Indian Retail Jewellery Industry'.

With his considerable wealth of experience, Mr. Shrikant Zaveri (DIN: 00263725) brings great value and insight to the Board of TBZ.

+

**Ms. Binaisha Zaveri** (DIN: 00263657)  
**Whole-time Director**

Ms. Binaisha Zaveri (DIN: 00263657) holds a bachelor's degree in marketing and finance from the Stern School of Business, New York. She joined the business in 2004 and has an experience of more than nineteen years. She is involved in all aspects of the business including human capital management, operations, finance and business development. She has been actively involved and has been a key player in the opening of new stores.

+

**Ms. Raashi Zaveri** (DIN: 00713688)  
**Whole-time Director**

Ms. Raashi Zaveri (DIN: 00713688) holds a bachelor's degree in finance and entrepreneurship from the Kelly School of Business, Indiana University and is a graduate gemologist from the Gemological Institute of America. She joined the business in 2008 and has an experience of more than fifteen years. She is involved in the management of your Company's marketing, enterprise resource planning systems and is actively engaged in accounting, designing, merchandising and general corporate management.

+

**Mr. Kamlesh Vikamsey** (DIN: 00059620)  
**Independent Director**

Mr. Kamlesh Vikamsey (DIN: 00059620) has a bachelor's degree in commerce from the University of Mumbai and is a qualified Chartered Accountant. He has more than forty years of experience in Accounting, Finance, Taxation, Corporate and Advisory Services. He is Chairperson of the Audit Advisory Committee of United Nations Children's Fund (UNICEF) and the Independent Management Advisory Committee (IMAC) of International Telecommunication Union (ITU) and member of the Audit Committee of World Meteorological Organisation (WMO).

He was Chairperson & Member of the External Audit Committee (EAC) of International Monetary Fund (IMF) from 2015 to 2018 and the Audit Advisory Committee of the United Nations Development Programme (UNDP) from 2010 to 2015. He was the President of the Confederation of Asian and Pacific Accountants (CAPA) from 2007 to 2009. He was a Board Member of the International Federation of Accountants (IFAC) from 2005 to 2008. He was the President of the Institute of Chartered Accountants of India (ICAI) during 2005-06. He was Chairman of Centre of Excellence on Education, Training and CPD of South Asian Federation of Accountants (SAFA – An Apex Body of SAARC) from 2005 to 2007. He has served as a member of various advisory and expert committees at national and international levels, including as a member of the expert committee

constituted by the Central Government for the promotion of the Gems and Jewellery industry in 2007 and was a member of the Accounting Standards Committee of SEBI during 2005-06.

Mr. Vikamsey joined the TBZ Board on 26<sup>th</sup> August, 2010 and has given valued contribution to the Board of Directors. As on 31<sup>st</sup> March, 2023, he was Chairman of the Audit Committee and member of the Nomination and Remuneration Committee. He has brought to bear upon these Committees, his vast and varied experience gained from his profession and as Director on the numerous companies on whose Board he serves.

### + **Mr. Ajay Mehta** (DIN: 00028405) **Independent Director**

Mr. Ajay Mehta (DIN: 00028405) has a bachelor's degree in science from University of Mumbai and a master's degree in chemical engineering from the University of Texas, USA. He has over thirty eight years of experience with chemical, petrochemical, fertiliser, manufacturing and investment companies. He is presently a non-Executive Director in Deepak Nitrite Limited and a Managing Director of Deepak Novochem Technologies Limited. He is a member of the Executive Committee of Mahratta Chamber of Commerce, Industries and Agriculture and various other developmental institutions and social organisations.

Mr. Mehta joined the TBZ Board on 14<sup>th</sup> December, 2010 and has given valued contribution to the Board of Directors. He is the Chairman of the Nomination and Remuneration Committee and the Stakeholders Relationship Committee and a member of the Audit Committee, the Corporate Social Responsibility Committee (CSR Committee) and the Risk Management Committee. He has brought to these Committees, his vast and varied experience gained from his profession and as Director on the numerous companies on whose Board he serves.

### + **Mrs. Sudha Navandar** (DIN: 02804964) **Independent Director**

Mrs. Sudha Pravin Navandar (DIN: 02804964) is a qualified Chartered Accountant registered with the Institute of Chartered Accountants of India and has cleared her Certified Public Accountant, USA. She is an Insolvency Professional and has also done post qualification course on Information System Audit (DISA). She holds Certificates for BRSR and ADR practice too. She is currently a partner in M/s. Pravin R. Navandar & Co. Chartered Accountants, with main

focus on corporate advisory services, income leakage and IBC matters. She is also an independent director on the board of various companies prominent amongst those are Route Mobile Limited, Anand Rathi Wealth Limited, Kolte-Patil Developers Limited and Yasho Industries Limited.

Mrs. Navandar joined the TBZ Board on 1<sup>st</sup> April, 2021 and has given valued contribution to the Board of Directors. She has been appointed by the Board at the meeting held on 5<sup>th</sup> May, 2022 as the member of the Audit Committee and the Nomination and Remuneration Committee. She has been designated as Chairman of the Audit Committee w.e.f. 24<sup>th</sup> May, 2023. She has brought to bear upon these Committees, her vast and varied experience gained from her profession and as Director on the numerous companies on whose Board she serves.

### + **Mr. Ramesh Chandak** (DIN: 00026581) **Additional Director (Independent Director, Non-Executive)** {Appointed with effect from 21<sup>st</sup> June, 2023}

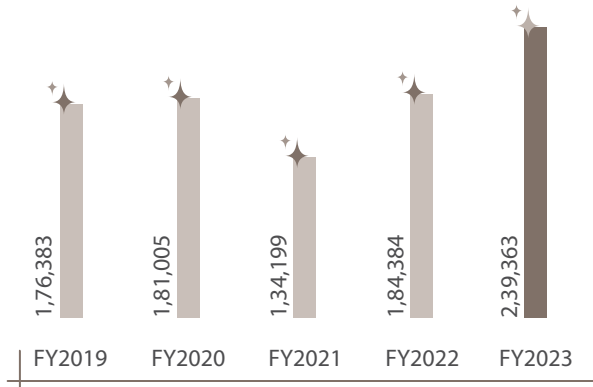
Mr. Ramesh Chandak (DIN: 00026581) is a qualified Chartered Accountant registered with the Institute of Chartered Accountants of India. He has done post qualification course on Advanced Management Programme, Havard Business School, USA, Mr. Chandak is the CEO of RDC Business Advisory, which provides individualised leadership coaching, strategy, succession planning and management services. Prior to starting his Advisory practice, he was the MD & CEO of KEC International Limited up to March 2015. He has had a successful career spanning over 40 years across engineering, infrastructure, edible oils and textiles industries having global corporate experience working in India, Malaysia and USA. He currently serves on the Boards of various listed companies and not for profit organisations. He is a recipient of CA Business Leader Award in 2008 by the Institute of Chartered Accountants of India. He is a former President of Indian Electrical & Electronics Manufacturers Association (IEEMA).



# Financial Highlights

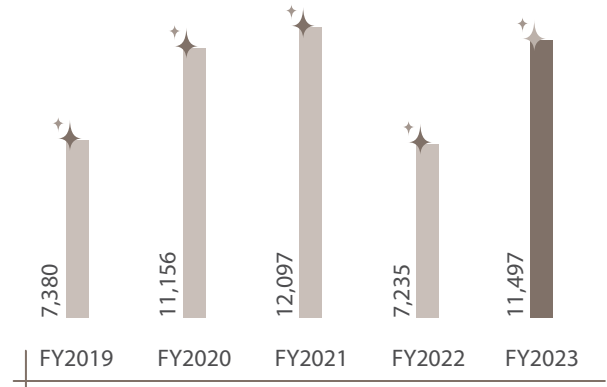
## Operating Income

₹ in Lakhs



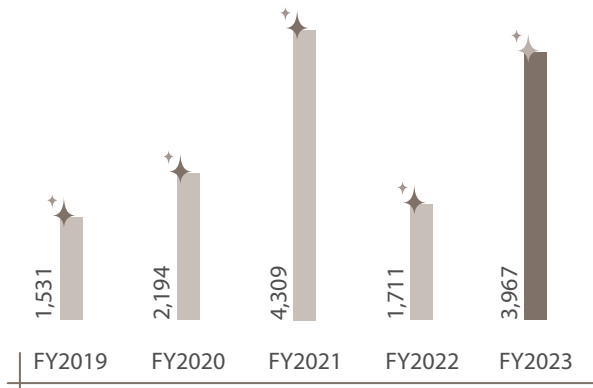
## EBITDA

₹ in Lakhs



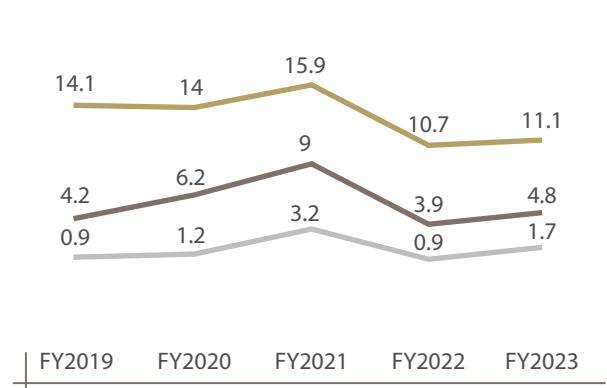
## PAT

₹ in Lakhs



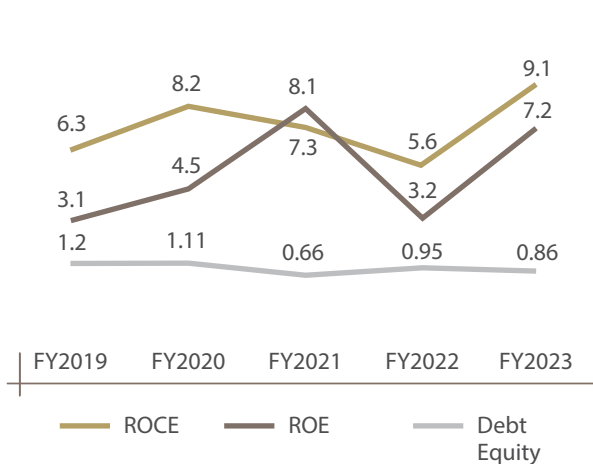
## Margins (%)

(%)



## Leverage and Returns

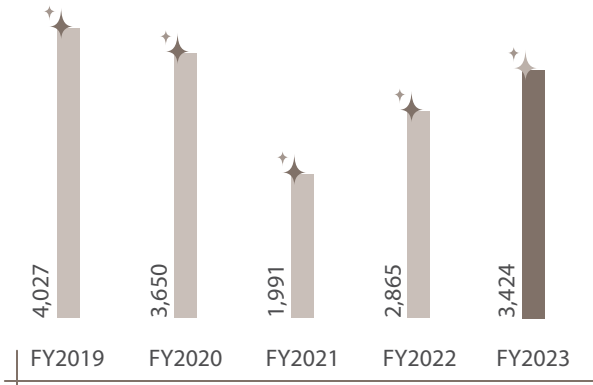
₹ in Lakhs



# Operational Highlights

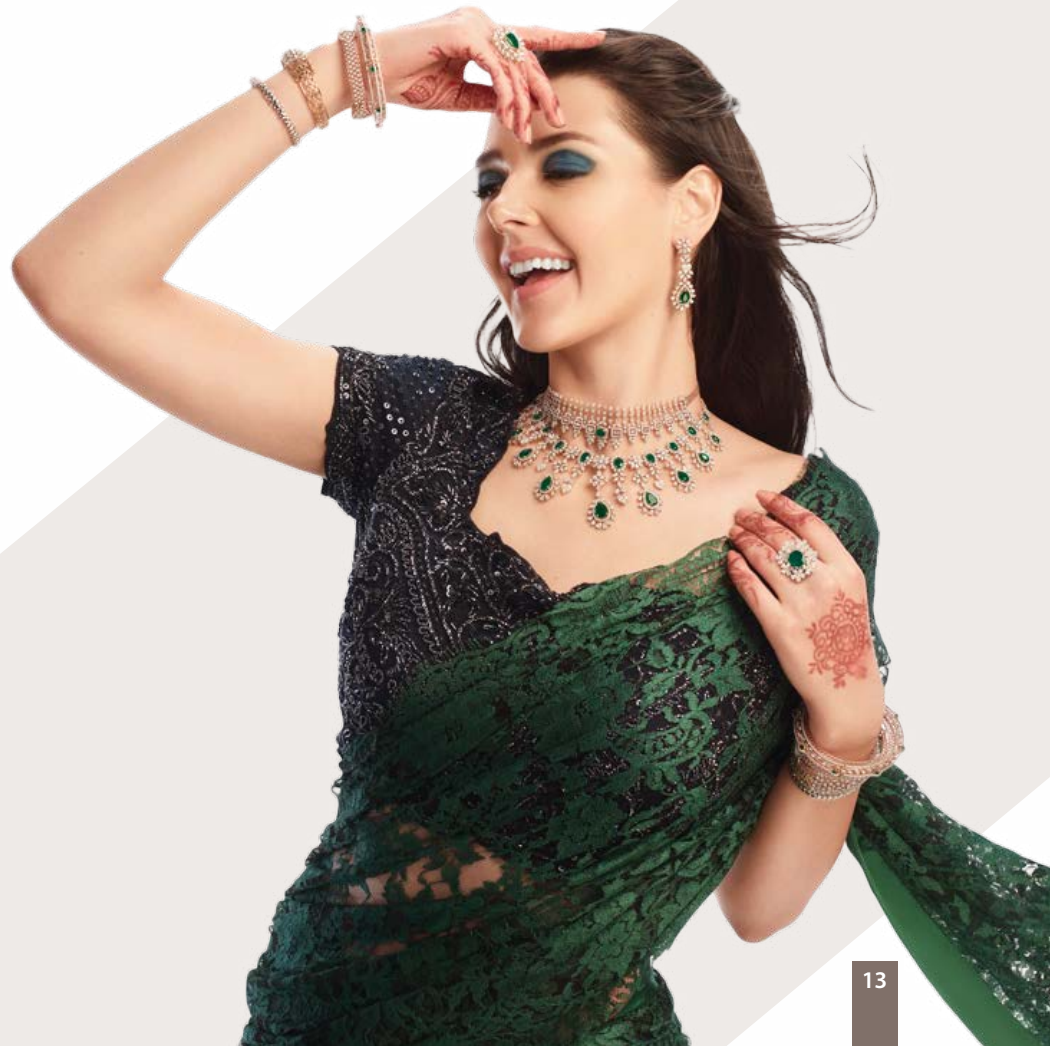
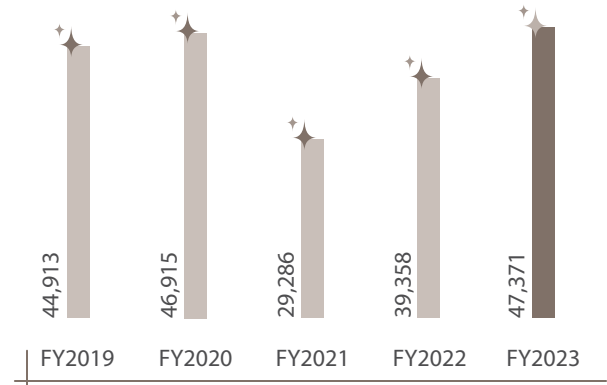
## Gold Volumes

Kgs



## Diamond Volumes

Cts





# Marketing Initiatives

## Segmented Customer Focus

We continued to focus on growth levers and customer engagement with our consumer segments. We had a balanced approach to acquiring new customers, re-engaging old / current customers, and winning back lapsed customers.

## Digital Penetration

Our digital marketing activities were strengthened, particularly on acquiring new customers and gaining larger share of younger demographics. Besides social media content, performance marketing campaigns, we also engaged with brand and lifestyle influencers for greater reach and penetration into a newer customer base.

## Enhancing Brand Impact

Through all our promotional campaigns and marketing approaches, we bolstered our brand visibility. These campaigns are aimed at curating specialised and relatable marketing content that deeply resonates with our customer demographic and higher brand recall. The effect of our brand ambassador – noted actress Sara Ali Khan added to our positioning shift of a modern jewellery retailer appealing to the new consuming class.





### Focussed on Collections and New Brand Launches

We renewed freshness in our portfolio by launching our new collections - Navya, Svara and Kavya on digital mediums only - all of which garnered great response from customers, leading them to drop their leads and walking into the store to enquire/purchase the specific products. We also launched the new gold collection "Arya" across the network.

Bridal collections continued to be a mainstay for us with the amplification of our wedding jewellery collections 'Leela' and 'Maya'. Conducting local influencer associations helped us build a stronger connect and influence with the younger TG.

As a first for us, in Q4, we launched 'Hues by TBZ - The Original' on digital platforms through a collaboration with two key influencers to promote our Valentine's Day collection. The visuals and content created by them became the sole marketing collaterals to promote the collection and its products omni-channel.



# Making a Meaningful Difference in Communities

At the core of our actions lies a deep commitment to social responsibility. We firmly believe in extending the benefits of our economic prosperity to foster a positive impact in society. Our unwavering commitment to Corporate Social Responsibility (CSR) is fuelled by our ambitious growth strategy, aimed at social and economic development of all individuals.

We understand that true progress lies in uplifting the disadvantaged sections of society. Through our dedicated efforts, we continuously strive to give back and make a difference in people's lives. Our powerful interventions span a wide range of areas, focussing on the progress and development of the most marginalised and vulnerable communities.

We are deeply focussed on addressing the challenges faced by women, empowering them through sustainable solutions, and expanding access to vital services for those in distress and need of rehabilitation. Through our holistic interventions, we strive to promote women's empowerment by providing them with thriving resources and opportunities that drive sustainable progress.

## Project Pankhi



Project Pankhi is aimed at making women feel safe and empowered. The goal is to eliminate gender-based violence that prevents women from participating in sustainable development of the nation. Through our efforts, we provide immediate support and assistance to women survivors of domestic violence in line with The Protection of Women from Domestic Violence Act, 2005. Our counselling centres serve as safe spaces for women to seek help, heal and rebuild their lives.

During the year, we expanded our reach by collaborating with 15 organisations across Mumbai, Vadodara, Ahmedabad, Pune, Kochi, Patna, Hyderabad, and Delhi. These partnerships have allowed us to extend our support network and provide comprehensive assistance to women in need.

1,705

Women counselled

5,630

Counselling session conducted

335

Outreach session conducted

12,116

Individuals sensitised



### Key achievements of Project Pankhi

- The number of cases handled by the implementing organisations has increased by 14.52%.
- Provided counselling and legal aid support to 225 women who were enduring various forms of domestic violence.
- Assisted two women survivors of domestic violence to start their own food venture, which has now begun receiving food orders through an app in Mumbai.
- Extended support to 14 children whose mothers are survivors of violence by starting educational classes to provide the necessary help and guidance for these children in collaboration with our implementing partner, Stree Mukti Sanghatana, Parel.

### Pankhi Helpline

In FY 2022-23, a total of 789 calls were received and the assistance provided varied in the case of each survivor from telephonic counselling to police and legal help, rehabilitation, and so on.

### Social Media Outreach

Project Pankhi is promoted on social media platforms such as Facebook and Instagram. These platforms serve as effective channels for creating awareness about gender-based violence. The Project Pankhi page has gained significant traction among young adults, particularly those aged 25-44, who actively view and follow the page.

### Awareness-raising events and campaigns

During the year, various awareness sessions were conducted with various stakeholders on the following topics:

- The women in the community were informed about the laws and resources available to safeguard themselves against domestic violence.
- Change makers such as the police, journalists, social workers, community leaders, ward members, hospital staff, and counsellors are actively engaged. Capacity building sessions are conducted with these stakeholders to enhance their ability to identify and support survivors in the most effective manner. These sessions cover various topics, including laws, schemes, best practices, and sensitisation on factors impacting domestic violence survivors.
- Interactive sessions and workshops are organised for school children and college youth with the aim of fostering attitudinal and behavioural changes for prevention of gender-based violence.
- The staff members at TBZ showrooms in Mumbai & Gujarat were trained and equipped to effectively address enquiries from women seeking assistance through the helpline.

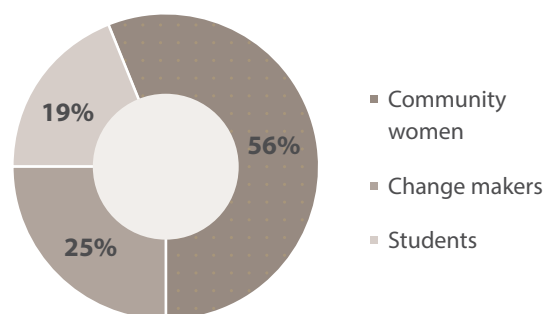


Diagram showcasing the stakeholders reached out through awareness sessions

### Supporting Women with Disabilities

Recognising the increased vulnerability of women with impairments to gender-based violence, it becomes imperative to create an inclusive environment for women and children with disabilities. At the Cerebral Palsy Association of India, we focussed on raising awareness among women with cerebral palsy about their rights to live a life free from violence. Through the invaluable support of sign language interpreters, we facilitated an enlightening session that encouraged lively discussions and the sharing of personal experiences. As a result of this workshop, 52 young women with impairments felt more empowered and confident for the future.

### Promoting Gender Equality

During the year, we conducted interactive sessions on gender equality to cultivate a culture of mutual respect among young individuals, emphasising respect for all genders. These sessions aimed to empower children by encouraging them to question and challenge gender discriminatory practices. Additionally, we explored ways to harness their unique skills and capacities to contribute towards the overall development of society.



352

Young minds sensitised



### Project Ek-Disha: Empowering Quality Education for All

We recognise that a significant segment of our society faces obstacles in accessing quality education. In FY 2022-23, TBZ launched Project Ek-Disha with the aim of addressing this issue. The project aligns with the 4<sup>th</sup> Sustainable Development Goal, which focusses on ensuring inclusive, equitable, and quality education, as well as promoting lifelong learning opportunities for all.

Project Ek-Disha aims to enhance the quality of education by focussing on crucial aspects such as adequate infrastructure facilities, skilled teachers, and essential basic amenities. To achieve our objective of facilitating quality education, we have forged partnerships with like-minded organisations such as Pehlay Akshar Foundation (a sister organisation of RPF Foundation), Rotary Club Ghatkopar, and West Wind Foundation. Together, we work towards creating an environment that fosters inclusive education for all.

## Our Impact

# 1,809

No. of students provided educational support

# 2

Schools infrastructure developed

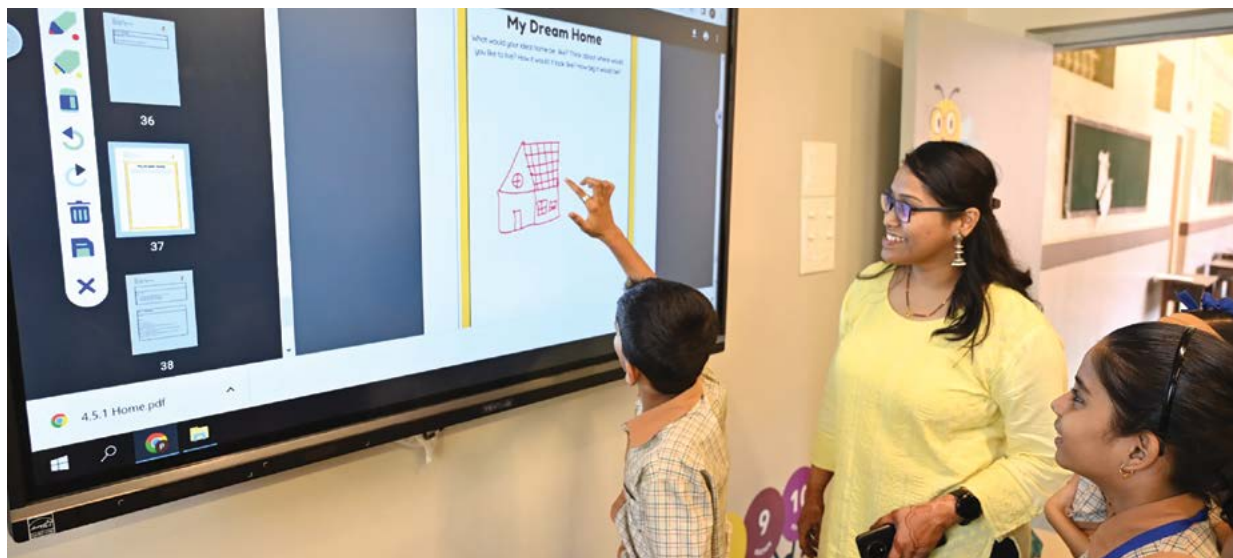
# 17

Anganwadis supported

# 32

Teachers upskilled

## Transforming Education with Interactive Learning Spaces



TBZ has funded for the development and construction of two innovative learning rooms in Gilderlane and Baram BMC Schools, located in Mumbai Central, Maharashtra. These learning rooms facilitate interactive and safe spaces for enhancing English literacy and 21<sup>st</sup>-century skills among students. Additionally, they empower teachers to strengthen their capacities in improving students' English learning outcomes. The design of educational infrastructure plays a crucial role in learning, as highlighted by the World Bank. TBZ's learning rooms have been meticulously developed, considering these factors. The vibrant colour scheme, rejuvenating layout, and unique design create an engaging learning ecosystem. Equipped with state-of-the-art digital aids, such as smart touch TV screens, laptops, notepads, speakers, and projectors, the learning rooms offer a technologically enriched learning experience. To streamline library management and maintenance, a Library Resource Management System (LRMS) has been implemented. Moreover, level-wise interactive books are readily available, making the learning process more captivating for the students.



### Student Testimonial

"...I enjoy attending sessions in the learning room, the best thing is that it includes learning together with everyone..."

### Nurturing Skills with Engaging Sessions

With our support, Pehlay Akshar Foundation has developed a specialised curriculum for children ranging from Balwadi to 8<sup>th</sup> standard. This curriculum focusses on imparting 21<sup>st</sup>-century skills through engaging activities such as debates, focus group discussions (FGDs), and fruitful discussions. The syllabus and learning methods are carefully designed to improvise children’s language skills, preparing them to become global learners. The impact of these learning sessions has been remarkable. Students are demonstrating increased fluency in English, improved vocabulary, and enhanced reading and listening skills.



991

Children impacted

1,320

Learning sessions conducted



### Upskilling Teachers: Fostering Confidence and Innovative Teaching Methods

The skills and capabilities of teachers are crucial for delivering quality education. Unfortunately, in many instances, teachers lack the necessary training and qualifications needed to provide such education. Recognising this challenge, UNESCO highlights the significance of investing in teacher training and continuous development as a key factor in improving educational quality.



Through the collaboration with Pehlay Akshar Foundation, we made substantial investments in upskilling the teachers within government settings to empower them to create conducive learning environments in their classrooms. These sessions focus on encouraging peer learning and establishing safe spaces for students by emphasising the principles of appreciation, motivation, and engagement. As a result of these sessions, teachers have become more confident with an increased desire for continuous learning. They have embraced new and innovative teaching techniques such as voice modulation and the use of hands and eye gestures. These innovative approaches have significantly enhanced their classroom teaching methods.

#### Testimonial by a Teacher

“...I got the opportunity to attend many training sessions... the quality of the training, environment, and experience was outstanding...”

43

Training sessions conducted

32

Teachers upskilled



17

Anganwadis developed

767

Children benefited

## Promoting Early Childhood Development with Anganwadi Centres

Recognising the importance of providing a conducive environment for the holistic development of young minds, TBZ joined hands with Rotary Club Ghatkopar to support children during their early age development process. During a visit to Vangaon, a remote location in Palghar district, it was discovered that teachers faced challenges in safeguarding their teaching materials due to water leakage issues. To address this concern, TBZ and Rotary Club Ghatkopar took proactive measures. Verandas of villagers' houses or temporary structures were transformed into Anganwadis, providing a suitable learning space for children. To improve the conditions of these Anganwadis, three cupboards and six tables were provided. Moreover, to encourage regular attendance, toys, books, and steel lunchboxes were provided to the students.

## Empowering Education

Access to education is a fundamental right that should be available to every individual, irrespective of their economic status. However, many economically deprived individuals face significant challenges in affording quality education. Factors such as high tuition fees, limited access to educational resources, and financial constraints often hamper their educational journey. To address this pressing issue, we joined forces with the West Wind Foundation to make a difference. Through this collaboration, grants were provided to fund the college fees of 9 children residing on the streets and children whose parents work as garbage collectors. TBZ and West Wind Foundation acknowledged the importance of qualified teachers and adequate material resources in facilitating effective learning. Consequently, we provided skilled teachers and learning materials to a school affiliated with Bal Jeevan Trust for imparting quality education to 45 children.

## Prioritising Women's Health and Development

In India, women's health often takes a backseat due to gender-based discrimination and power dynamics. Recognising this pressing issue, we took a significant step by financing a free screening camp aimed at detecting life-threatening health disorders among economically disadvantaged women.

In India, breast cancer alone accounts for 14% of all female cancers. In collaboration with the Cancer Patient Aid Association, we hosted a cancer screening camp in Govandi, focussing on the detection of cervical cancer and breast cancer – two of the most prevalent types of cancer affecting women worldwide.





The screening camp served as a vital platform for early detection and diagnosis. In cases where illness was diagnosed, both the patients and their families received essential support and guidance, counselling, and emotional support to help patients understand their diseases and instil hope and optimism.

A total of 79 women benefited from the screening camp. Through primary screening, four women tested positive for the PAP smear test, while four others were referred for sonography breast cancer check-ups. Early detection ensured timely treatment, ultimately improving the chances of recovery and survival.

### Paper Boat Volunteering

The Paper Boat Project was initiated in the year 2016-17, in partnership with Pehlay Akshar Foundation. This project provides our employees with an opportunity to actively contribute to shaping the future of young children. Our employees have interacted with and conducted sessions for children from Gilderlane and Balaram BMC School in Mumbai Central.

16

Employees participated

5

Sessions conducted

124

Students engaged



### Employee Donations and Other Initiatives

- During Diwali, TBZ employees provided essential materials to women survivors residing in Urja, Dadar shelter for their health and nutritional needs.
- Employees of TBZ showroom, corporates, and the Kandivali factory generously contributed ₹ 26,443 for addressing the education and health needs of underprivileged children in partnership with Child Help Foundation and Baby Care Foundation.
- In the face of a devastating fire that broke out a slum near Kurar village, TBZ, in partnership with the College of Social Work (Autonomous), Nirmala Niketan, extended support to the affected community. TBZ employees mobilised clothes from various Mumbai showrooms and provided sarees, shirts, trousers, blouses, etc. to meet the immediate clothing needs of men and women.

# Awards



Mr. Shrikant Zaveri, Chairman & Managing Director of the Company has won the "Retail Jeweller MD & CEO Awards 2023, Excellence in Leadership" in the category of 'Special Contribution to the Indian Retail Jewellery Industry' in the award function of "Retail Jeweller India (RJI)" held on 4<sup>th</sup> January, 2023.



# Management Discussion & Analysis

## Global Economic Review

The global economy is showing signs of resilience in 2023 after the high market volatility in 2022. Economic growth remains slow in 2023 owing to the negative implications of the ongoing Russia-Ukraine war, persistent inflationary pressures and tighter monetary conditions. Further, the banking crisis in March 2023 and a debt-ceiling crisis in the United States have raised concerns over macroeconomic stability across the markets and lingering recession fears. Key factors in the improvement in economic activity and sentiment in 2023 are the rebounding of China's economy, the gradual unwinding of supply chains and the recent decline in energy and food prices. Further, with the central banks' efforts to curb inflation by tightening monetary policy, global inflation is projected to decrease from 8.7% in 2022 to 7.0% in 2023 and 4.9% in 2024.

Notwithstanding the headwinds, the real Gross Domestic Product (GDP) grew in the United States, the European Union and major emerging and developing economies. The real GDP of the United States grew at 2.1% in 2022 on the back of increased private investment and consumer spending. It is projected to grow at 1.6% in 2023 and 1.1% in 2024. The European economy recorded 2.7% growth in 2022 and is projected to grow at 0.8% in 2023 before rising to 1.4% in 2024. The Emerging Market and Developing Economies (EMDE) also grew at an estimated annual rate of 4% in 2022.

(Source: IMF Report - World Economic Outlook April 2023)

## Outlook

Despite the economic uncertainties and underlying inflationary pressures, the outlook for the global economy is slightly less gloomy than earlier anticipated. The International Monetary Fund (IMF) has projected global GDP growth to decline from 3.4% in 2022 to 2.8% in 2023 and rise to 3.0% in 2024. The growth of Advanced Economies (AEs) is projected to decline sharply from 2.7% in 2022 to 1.3% in 2023 before rising to 1.4% in 2024. Economic prospects for Emerging and Developing Economies (EMDEs) are on average stronger than for Advanced Economies. EMDEs are expected to grow at 3.9% in 2023 and 4.2% in 2024. Developing economies like South-East Asia and Latin America are poised to do well and benefit from strong job markets and ambitious investment plans by governments in many countries. Asia-Pacific will be the most dynamic of the world's major regions in 2023, predominantly driven by the buoyant outlook for China and India, which will be the major contributors to global economic growth in 2023.

(Source: IMF Report - World Economic Outlook April 2023)

## Indian Economic Review

India continues to be among the fastest growing economies in the world and emerged as the shining beacon in a grim global scenario. The Indian economy exhibited robust resilience in FY 2022-23 amidst global turmoil. India's real GDP growth is estimated at 7.2% in FY 2022-23 as against 9.1% in FY 2021-22 and reflects relatively robust domestic consumption and lesser dependence on global demand. Domestic economic growth is gaining strength and further traction in 2023. However, higher inflation remains a challenge and headline inflation increased to 6.7% in FY 2022-23 from 5.5% in FY 2021-22. Following the gradual normalisation of global supply chains, softening of global commodity prices, and successive hikes in the policy repo rate by 250 basis points in FY 2022-23 by the Reserve Bank of India (RBI), the wholesale price index (WPI) inflation subsided to -3.48% (provisional) in May 2023 against -0.92% recorded in April 2023.

The core industries registered a combined ICI (Index of Eight Core Industries) increase of 7.6% (provisional) during FY 2022-23 compared to the corresponding period of last year. Further, the gross Goods and Services Tax (GST) revenue collection in May 2023 was ₹ 1.57 trillion, with 12% Y-o-Y growth. According to the IMF, India's GDP per capita at current prices is USD 2,600 in CY 2023. Factors such as agriculture and rural development and employment opportunities through MGNREGS (Mahatma Gandhi National Rural Employment Guarantee Scheme) and Deendayal Antyodaya Yojana-National Rural Livelihood Mission (DAY-NRLM) are contributing to the increase of rural income and productivity. Due to increasing disposable income levels and improved affordability, there is a surge in household consumption in both urban and rural regions, boosting the demand across sectors.

According to the IMF, the Indian economy is expected to advance steadily at 5.9% in FY 2023-24 before rising to 6.3% in FY 2024-25. The economic growth will be supported by a conducive domestic policy environment, driven by higher capital expenditure, the government's thrust on domestic manufacturing and infrastructure development, growth-enhancing policies such as production-linked incentives (PLI) scheme, 'Make in India' and 'Atmanirbhar Bharat', strong domestic consumption, technology-enabled development, revival in credit growth, and energy transition among others. In the Union Budget 2023-24, the government has envisaged ₹ 10 lakh crore for the development of the infrastructure sector, which will significantly boost industrial competitiveness and provide a fillip to the growth

momentum. Further, the government is focussed on the core and emerging sectors by promoting ease of doing business to make India a global manufacturing hub. With its strong fundamentals, massive demographic strengths and multiple growth levers in place, the Indian economy is poised to reach USD 5 trillion mark by FY 2026-27.

(Source: Ministry of Statistics & Programme Implementation; RBI Annual Report 2022-23; Ministry of Commerce & Industry; Ministry of Finance; IMF Report - World Economic Outlook April 2023)

## Industry Review

### Indian Gems & Jewellery Industry

The gems and jewellery sector plays a significant role in the Indian economy, contributing around 7% of the country's GDP and 10% of India's total merchandise exports. The sector has shown remarkable resilience and perseverance in the face of global challenges. Despite higher inflation and supply chain disruptions, the industry has demonstrated a commendable performance in FY 2022-23. The sector contributes around 29% to global jewellery consumption.

India is the world's second-largest gold consumer and the world's largest diamond cutting and polishing centre. It is the hub of the global jewellery market because of its low costs and availability of cheap labour. The gems and jewellery sector is home to more than 3,00,000 gems and jewellery players in India. To keep up with global market trends, India has been deploying modern techniques to its traditional know-how and processes.

The industry is seeing increased penetration of branded and organised players due to rising brand consciousness, adoption of Western lifestyles by consumers and rising urbanisation. Further, the growing trend of work-from-home has led to significant growth in digital channels and online sales of gems and jewellery.

(Source: Ministry of Commerce & Industry; FDI India)

### Gems and Jewellery Exports

India is a leading exporter of gems and jewellery and its share in the world's exports of gems and jewellery is 4.7%. In FY 2022-23, India's exports of gems and jewellery decreased by 2.94% to USD 38.08 billion compared to USD 39.24 billion in FY 2021-22. However, polished laboratory-grown diamond (LGD), coloured gemstones, plain gold jewellery, silver jewellery and platinum jewellery witnessed a positive export growth rate of 27.85%, 34.83%, 8.74%, 8.03% and 2.49% respectively. Export of cut and polished diamonds in FY 2022-23 declined by 9.78% to USD 22.04 billion compared to USD 24.43 billion in FY 2021-22. India's major export markets remain the United States, Hong Kong, and UAE. The global economic slowdown impacted the

demand for diamonds in India's key markets, including USA and China.

The government has declared the gems and jewellery sector as a focus area for export promotion and signed a Comprehensive Economic Partnership Agreement (CEPA) with the United Arab Emirates (UAE) in March 2022, which will provide the industry duty-free access to the UAE market and further boost exports of Indian gems and jewellery. Timely implementation of the India-UAE Comprehensive Economic Partnership Agreement (CEPA) by the Ministry of Commerce & Industry has resulted in a remarkable 17% growth in exports of plain gold jewellery in FY 2022-23. The government targets gems and jewellery exports of USD 100 billion by 2027.

(Source: GJEPC; IBEF; Economic Times)

### Imports

Gross imports of gems and jewellery registered a decrease of 3.53% Y-o-Y to USD 25.90 billion in FY 2022-23 compared to USD 26.87 billion in FY 2021-22. Imports of rough diamonds stood at USD 17.3 billion as against USD 18.9 billion recorded in the previous year. Cut and polished diamonds saw a decline in imports to USD 1.30 billion from USD 1.48 billion achieved in FY 2021-22. Imports of silver bars have also witnessed negative growth in FY 2022-23 over FY 2021-22. It indicates the diminished supply of raw materials for manufacturing finished gems and jewellery commodities. However, imports of polished lab-grown diamonds, coloured gemstones and silver jewellery have witnessed significant growth in FY 2022-23 over the previous year.

(Source: GJEPC)

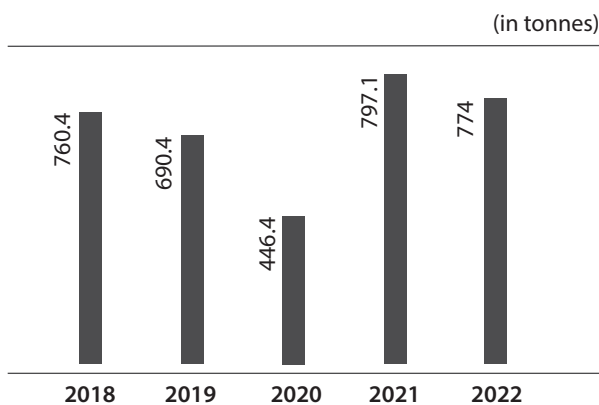
### Gold Jewellery

India is the world's second-largest consumer of gold jewellery and gold is deeply embedded in Indian culture and purchases are often driven by tradition. Indian households possess a significant amount of gold in the form of jewellery, coins and gold bars. The gold market has experienced rapid change over the last few years due to evolving demographics. Weddings and festivals remain the most important drivers of Indian gold jewellery demand and bridal jewellery alone accounts for at least half of the market share. Moreover, with the current macroeconomic volatility, geopolitical tensions flaring and equity markets giving less returns, people buy gold for investment as it is considered a safer and good hedge against inflation and recession in India and abroad.

Despite a relatively subdued trade and higher inflation, gold demand in India remained surprisingly resilient compared to pre-pandemic levels. India's gold demand witnessed a marginal decline of 3% to 774 tonnes in CY 2022 compared to 797.4 tonnes in CY 2021. Total jewellery demand in India

for CY 2022 was down by 2% to 600.4 tonnes compared to 610.9 tonnes in CY 2021. India's gold demand during January-March CY 2023 fell 17% Y-o-Y to 112.5 tonnes. According to World Gold Council, India's gold demand is expected to be muted in CY 2023 due to volatility and a sharp rise in gold prices. The outlook for gold purchases is highly dependent on rupee prices, which show no sign of abating and will act as a deterrent. Factors such as interest rate hikes and the depreciation of the Indian rupee kept gold prices above ₹ 61,500 per 10 grams as of 21<sup>st</sup> June, 2023, a nearly 19% jump over last year. This impacted consumer sentiment and softened the demand for gold jewellery. Investment demand, primarily gold bars and coins also saw a drop of 17% to 34.4 tonnes during January-March CY 2023 from 41.3 tonnes the same period last year.

### India's Gold Demand



(Source: World Gold Council)

### Organised Jewellery Industry – India

India's gems and jewellery industry is still fragmented and dominated by small and medium-sized enterprises. However, the industry has undergone notable changes over the last decade, driven by the growing penetration of organised players, evolving consumer preferences and government regulation that has encouraged the industry to become more organised and regulated.

Established brands are guiding the organised market. With consumers becoming more brand and fashion-conscious, international as well as Indian jewellery brands are introducing a variety of innovative and exquisite designs and products which opens a huge market for branded jewellery in India. National and regional chain stores will continue to gain market share because of their access to credit and large inventory. Organised players have been leveraging their brand equity and quality along with higher spending on branding and marketing to increase their market share and gain competitive advantage against the highly fragmented unorganised jewellers and retailers.

Rating agency ICRA expects the organised jewellery retailers to outpace the gems and jewellery industry in India over the medium term on the back of industry tailwinds in the form of an accelerated shift in market demand from unorganised retailers and planned expansion of retail presence. Rapid urbanisation, favourable demographics, the growing popularity of online sales, innovative product launches, and technological advancements in manufacturing are propelling the growth of the organised jewellery market in India.

(Source: ICRA)

### Growth Drivers and Opportunities

#### India emerging as a preferred destination

In recent years, the world has witnessed a shift in the global economic landscape due to geopolitical and trade tensions between major nations. This has led to a surge in the adoption of the China Plus One strategy by multinational corporations, which intend to reduce their dependence on China by diversifying their investments to other nations. India will benefit from this strategy due to its robust manufacturing sector and favourable government policies. It will present significant opportunities for India to enhance its manufacturing capabilities and attract more foreign investment which augurs well for the gems and jewellery sector.

#### Digital technology and E-commerce expansion

The rise of digital technology will transform the way gems and jewellery are marketed and sold. With more consumers shopping online, retailers are likely to invest in digital platforms and virtual experiences to enhance their customer engagement and sales. Leading players are introducing virtual reality (VR) experiences, through which, customers can select any jewellery, see it from different angles and zoom on it to view intricate designs. Social media will also play a key role in promoting gems and jewellery, with influencers and online communities driving demand for specific brands and designs.

#### Rising demand among the young, middle-class population

The jewellery sector is poised to benefit from a growing population of young, middle-class consumers, increasing disposable incomes and a desire for luxury items and branded jewellery. The millennials, Gen Z and tech-savvy customers are becoming more brand conscious which is boosting the demand for high-quality, branded jewellery. In addition, emerging market consumers for whom established brands inspire trust and a sense of upgraded lifestyle are driving the branded jewellery segment.

### Increasing women workforce

The growing percentage of women workforce in India and rising income levels provide them more financial power in purchasing decisions. Increasing income levels of working couples and lifestyle changes have fuelled the demand for gems and jewellery.

### Threats and Concerns

#### Weak demand amidst higher inflation

Record high inflation, tightening of monetary policies and fear of recession are major concerns for the gems and jewellery sector. Persistent inflationary pressure and the rising cost of living have impacted consumer sentiment and reduced spending on luxury and jewellery products.

#### Huge dependence on imports

Raw materials play a major role in the Indian gems and jewellery industry. India imports nearly 90% of the raw materials, especially rough diamonds and gold bars. Therefore, the industry is vulnerable to any adverse regulations that may limit the raw material supply of diamond and gold jewellery. Excess imports can also cause worry for India when exports make fewer earnings in the foreign exchange.

#### Unorganised nature

Indian gems and jewellery industry is highly fragmented and unorganised and is majorly dominated by small jewellery shops that are run by families for years. More customers prefer these shops as the price of jewellery is usually higher in the organised market.

#### Industry Outlook

Economic development and rising income led to changing preferences of Indian consumers who have become more value-oriented and brand conscious. The economic and demographic advantages, shift in consumer preferences and strong government support will benefit the gems and jewellery Industry. In the coming years, growth in the gems and jewellery sector is expected to be driven by the development of large retailers and brands which support increasing the share of the organised market. Retailers are increasingly focussing on expanding into new jewellery categories to attract consumers. Further, jewellery players in India are re-evaluating the brick-and-mortar business model and planning to implement an omnichannel approach with a focus on digital strategy to boost sales. E-commerce opportunities are increasing and as a more robust regulatory structure emerges to support online gold jewellery sales in domestic and overseas markets, manufacturers and retailers will be able to use this to extend their reach.

Considering its tremendous contribution and growth potential in the gems and jewellery sector, various reforms have been undertaken by the government to promote investment and upgrade technology and skills to promote 'Brand India' in the international market. Notable initiatives include 100% FDI in the sector under the automatic route, reduction in customs duty on cut and polished diamonds and coloured gemstones, and import duty cuts on gold and silver jewellery. In the Union Budget 2023-24, the government increased the import duty on silver dore, bars, and articles to 10% to align them with that of gold and platinum. The government also proposed a cut in import duty on seeds used to make lab-grown diamonds to boost domestic manufacturing and generate higher employment. The exemption of capital gains tax on the conversion of physical gold to digital form is also a significant step towards promoting digital gold initiatives.

(Source: IBEF; Business Standard)

### Company Overview

Tribhovandas Bhimji Zaveri Ltd (TBZ – The Original, hereafter also referred to as the Company) is one of India's most trusted brands in jewellery with a legacy of over 158 years. The Company has earned the reputation of being a leading player in the organised jewellery market in India. It is engaged in the manufacturing and selling of an exquisite array of handcrafted gold, diamond, jadau, and platinum jewellery. It has remained faithful to fundamentals of originality, innovation, design, quality, purity and craftsmanship across its business.

A pioneering and trendsetter in the industry, TBZ – The Original has been at the forefront of designing jewellery collections in intricate designs and exclusive styles that exude class and elegance. It manufactures all kinds of jewellery, from exquisite collections for weddings, festivals and special occasions to contemporary, lightweight and sleek designs for daily wear. Each piece of jewellery is exclusively and meticulously tailored and crafted to embody perfection to enhance the beauty of the wearer and surpass the expectations of the customers.

TBZ – The Original was the first in India to introduce 100% BIS hallmarked 22 karat gold jewellery, provide certified solitaire diamonds and offer lifetime buyback scheme on gold and diamond jewellery. It was also the first to promote the concept of lightweight precious jewellery in India. The Company continues to build on its legacy and currently operates 32 retail stores across 25 cities and 12 states in India. These stores are supported by well-trained and knowledgeable personnel who deliver memorable experiences to the patrons which enabled the Company to win consumer loyalty and enhance business performance.

The Company's state-of-the-art manufacturing facility is located in Kandivali, Mumbai. At the facility, traditional craftsmanship is combined with modern techniques to create unique jewellery designs that blend tradition with contemporary aesthetics. The Company consistently invests in research and development to innovate and update its product portfolio and to remain abreast with emerging trends and technologies.

**Product Portfolio**

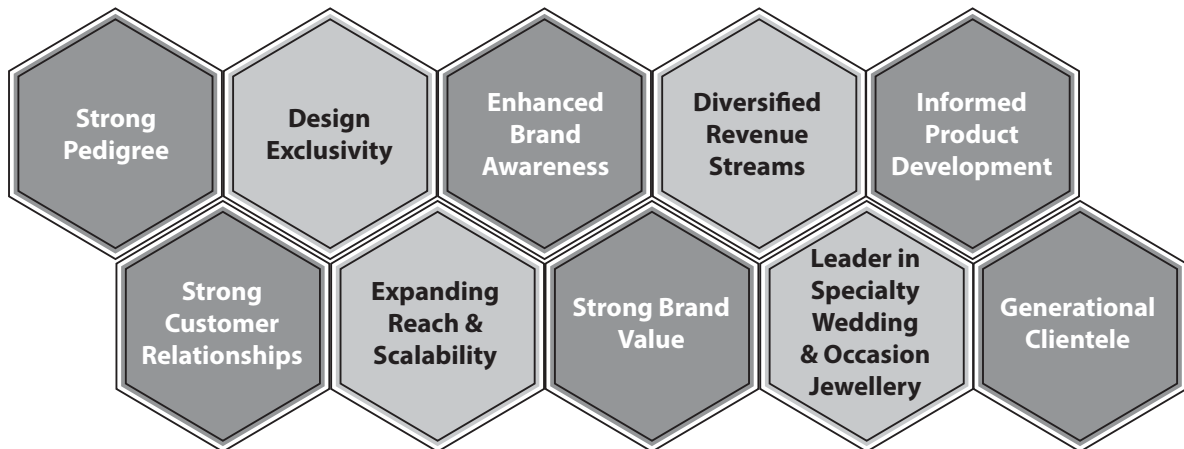
The Company has an extensive and diverse product portfolio at varied price points that match the aspirations and expectations of the diversity of its patrons across

ages, categories and from all walks of life. Its aesthetically designed jewellery collections include delicate and understated pieces to bold and extravagant designs and are crafted to create a lasting impression. The Company continues to build on its portfolio by adding new products every year.

Its exquisite jewellery range and brand experience have enabled it to build a deep emotional connect with customers. Its product portfolio is designed in-house by a team of expert designers and artisans who create a wide range of new jewellery lines each year to cater to evolving customer preferences and market trends.

Product Category	Product Range	Product Style
Gold, Diamond, Jadau and Platinum Jewellery	Rings, Earrings, Necklaces, Mangalsutra, Pendants, Bangles, Bracelets, Coins	Plain gold, diamond-studded, precious and semiprecious stone studded, lightweight, contemporary, temple, jadau, plain and diamond-studded platinum jewellery, jewellery with coloured stones in gold and diamond, loose diamond solitaires, loose precious and semi-precious stones

**Key Strengths**



**Strong Pedigree**

TBZ - The Original has a powerful legacy spanning over 158 years of excellence and expertise in the jewellery business. It was the first jeweller to offer buyback guarantee in 1938 and the first to promote the concept of lightweight precious jewellery in India. Its industry expertise has been passed down through generations and is spearheaded by the fifth generation of the family. It is a renowned and trusted brand that is coveted for innovative and timeless jewellery designs and exemplary craftsmanship.

**Strong Brand Value**

TBZ - The Original is an age-old established brand and continues to set new benchmarks in the industry, with

its remarkable growth, innovative designs, unrivalled quality and authenticity of products. Its competitive edge is centred around its focus on healthy sales productivity, multigenerational clientele and high footfalls conversion.

**Leader in Specialty Wedding and Occasion Jewellery**

TBZ – The Original is the leader of jewellery in the Indian market, especially in specialty wedding and occasion jewellery segment. ~ 65% of its sales are wedding and occasion-related purchases. Over the years, it has created a niche in this segment with its unique wedding jewellery collections. The brand has graced Indian weddings for many generations and continually adds new jewellery lines to its vibrant wedding collection every season.

### Design Exclusivity

The Company adds 8 - 10 new jewellery lines each year. Its success in unveiling exquisite collections, season after season, is driven by in-house diamond jewellery manufacturing, the creative excellence of its artisans and craftsmen, a team of expert designers, state-of-the-art manufacturing facilities and investment in R&D and modern technology to create a wide range of jewellery, suited to the diverse needs of our customers. This is further strengthened by the Company's vast network of 150+ vendors who are associated with TBZ for generations and are experts in handmade regional jewellery designs.

### Expanding Reach and Scalability

TBZ – The Original continues to build on its legacy and has a pan-India network of 32 stores in 25 cities across 12 states of India. The small stores are located across the city whereas the larger ones are located in standalone high streets in the heart of the city. The attractively designed stores provide an aura of elegance with jewellery effectively put on display for a unique appeal. The jewellery collection and price point vary across these two types of stores with the objective widen the Company's reach and attract a diverse consumer base.

### Generational Clientele

The Company enjoys a loyal base of multigenerational clientele. Its loyal consumers include families purchasing jewellery from TBZ Ltd. for generations and are more likely to continue doing so, resulting in a steady stream of repeat business for the Company.

### Enhanced Brand Awareness

A multigenerational client base contributes to TBZ - The Original's success and brand equity. Older generations share their positive experiences with younger family members, leading to word-of-mouth referrals and increased market visibility for the Company.

### Strong Customer Relationships

Multigenerational clientele enables the Company to foster long-term customer relationships. It strives to provide a delightful shopping experience to its esteemed clientele. The Company has well-trained retail staff to cater to customers with sensitive and personalised attention to help them in selecting jewellery to suit their preference, increasing their satisfaction and loyalty. Leveraging families' emotional connections with jewellery, the Company can establish a deeper bond with customers.

### Diversified Revenue Streams

The Company diversified its revenue streams by catering to diverse customers with varying preferences and budgets. Diversification helps the Company to mitigate market fluctuations and maintain a stable revenue stream.

### Informed Product Development

The Company's multigenerational and diverse client base provides valuable feedback, offering insights into changing preferences and trends among different age groups. TBZ is constantly striving at achieving better customer feedback to improve customer experience and refine product development and marketing strategies.

### Operational Highlights

- Strengthened visibility across social media and digital channels, by launching our collections - Navya, Svara and Kavya on digital mediums only - all of which garnered great response from customers, leading them to drop their leads and walking into the store to enquire/purchase the specific products.
- A promotional shoot of Sara Ali Khan with her mother, Amrita Singh, was carried out for the festive season for both gold and diamond festive Jewellery to target younger as well as elderly consumers. The campaign generated 4.4 million organic views on social media platforms.
- To boost our festive offer, we ran a campaign on digital media (Facebook & Instagram, Google Search and YouTube). The campaign performed exceptionally well with 12.4 million reach, 37.9 million impressions and 2.6 million paid video views. Additionally, we also received a ROI of 15x for the performance marketing campaigns.
- We collaborated with local social media creators and influencers in Q3 for the amplification of our wedding jewellery collections 'Leela' and 'Maya'. Doing local influencer associations helped us build a stronger connect and influence with the younger TG.
- As a first for us, in Q4, we launched 'Hues by TBZ - The Original' on digital platforms through a collaboration with two key influencers to promote our Valentine's Day collection. The visuals and content created by them became the sole marketing collaterals to promote the collection and its products omni-channel.



## Financial Overview

The Company's total revenue in FY 2022-23 increased by 29.81% to ₹ 2,39,362.59 lakhs as against ₹ 1,84,383.95 lakhs in FY 2021-22.

Particulars	(₹ in Lakhs)	
	FY 2022-23	FY 2021-22
Net Sales	2,39,343.25	1,84,367.96
Total Income from Operations	2,39,362.59	1,84,383.95
Gross Profit	26,652.30	19,727.49
EBITDA	11,496.65	7,235.36
Depreciation	2,421.69	2,225.50
Finance Costs	4,478.25	3,559.90
PBT	5,152.58	2,287.58
Tax	1,185.17	576.46
PAT	3,967.41	1,711.12
Gross Margin	11.13%	10.70%
EBITDA Margin	4.80%	3.92%
Basic Earnings Per Share (EPS) (₹)	5.95	2.56
Dividend Per Share (₹)	1.00	2.50
Net Worth	56,727.17	53,496.82
Short-term borrowings (including working capital loans)	48,607.98	50,891.87
Inventory	1,22,300.83	1,20,581.30
Debtors	160.05	161.29
Net Block	15,671.05	14,897.47
Cash and Bank balance	4,546.77	4,531.88

### Key Financial Highlights for FY 2022-23

#### Gross Profit

The Company's Gross Profit stood at ₹ 26,652.30 lakhs in FY 2022-23 compared to ₹ 19,727.49 lakhs in FY 2021-22, marking a growth of 35.10%.

#### EBITDA

The EBITDA margin of the Company increased by 58.90% to ₹ 11,496.65 lakhs in FY 2022-23 as against ₹ 7,235.36 lakhs in the previous year.

#### Profit After Tax (PAT)

Profit After Tax (PAT) in FY 2022-23 increased by 131.86% to ₹ 3,967.41 lakhs compared to ₹ 1,711.12 lakhs in the previous year.

#### Net Worth

The Company's Net Worth stood at ₹ 56,727.17 lakhs as on 31<sup>st</sup> March 2023 as against ₹ 53,496.82 lakhs as on 31<sup>st</sup> March 2022.

#### Reserves

Total Reserves of the Company stood at ₹ 50,054.11 lakhs as on 31<sup>st</sup> March 2023 as against ₹ 46,823.76 lakhs as on 31<sup>st</sup> March 2022.

#### Borrowings

The Company's total debt stood at ₹ 48,607.98 lakhs as on 31<sup>st</sup> March 2023 as against ₹ 50,891.87 lakhs as on 31<sup>st</sup> March 2022.

Key Financial Ratios Standalone Operation as per SEBI Listing Obligations and Disclosure Requirements (Amendment) Regulations, 2018

	FY 2022-23	FY 2021-22	Remarks
Interest Coverage Ratio	2.42	1.64	Higher EBIT attributed to improvement of in interest coverage ratio
Current Ratio	1.55	1.49	Decrease in current liability attributed to increase in current ratio
Debt Equity Ratio	0.86	0.95	Decrease in debts and increase in profitability attributed decrease in debt-equity ratio
Operating Profit Margin (%)	4.02%	3.17%	Higher EBIT attributed to higher profit margin in current year
Net Profit Margin (%)	1.66%	0.93%	Increase in net profit attributed to higher net profit margin in current year
Return on Net Worth (RONW) (%)	7.20%	3.20%	Higher PAT for the current year attributed to increase in return on net-worth
Debtor Turnover Ratio	1,489.80	735.84	Increase in operating revenue in current year attributed increase in debtor turnover ratio

### Management Outlook

Indian gems and jewellery industry demonstrated resilience and adapted to macroeconomic volatility and challenging business environment. The key to resilience in the industry has been consistent investments in technology to drive efficiency, accelerate digital reach and enhance customer experience. The sector is also witnessing a clear shift towards digital and omnichannel retailing as consumers are increasingly getting comfortable shopping online for luxury items. With the growing adoption of digital platforms, jewellery manufacturers have been increasingly leveraging e-commerce and online channels to cater to evolving customer preferences. Further, the government's favourable

policy reforms and pick-up in consumer sentiment following the gradual easing of inflation and revival in economic activity are likely to boost the consumption of gems and jewellery.

TBZ – The Original has been embracing digital initiatives and is establishing a robust online presence featuring 'shop-from-home' options and video call functionalities to provide its consumers seamless online shopping experience. Moreover, the Company is strategically positioned to capitalise on the remarkable growth of the expanding Indian middle class, which is estimated to grow to 63% by 2047 and their surging aspirations and spending in India.

### Risk Management

The Company has established a comprehensive risk management framework for the identification and mitigation of key business risks. The major risks and mitigation strategy of the Company are mentioned below:

Risk	Impact	Mitigation Strategy
<b>Macroeconomic Risk</b>	Geopolitical tensions, supply chain disruptions, higher inflationary, monetary tightening and global economic slowdown may reduce consumer spending and impact the growth of the gems and jewellery industry.	The Company is focussed on increasing its geographical footprint, e-commerce expansion, and producing innovative products to strengthen its position in the market. Further, it primarily concentrates on the domestic market and remains protected from the impact of international economic challenges. Moreover, its geographical diversification reduces the dependence on a particular economy in case of adverse events and circumstances in any country.

Risk	Impact	Mitigation Strategy
<b>Margin Risk</b>	Volatility in commodity prices and exchange rates may impact the Company's margins and profitability.	The Company follows a prudent strategy to mitigate the risk of margin pressure and operational inefficiencies. Cost optimisation measures, network expansion through an asset-light franchisee model, inventory procurement through higher exposure to gold loan schemes, and establishing long-lasting relationships with suppliers enable it to efficiently manage volatile markets.
<b>Competition Risk</b>	The gems and jewellery industry faces intense competition from the growing presence of unorganised players. The inability to produce high-quality and aesthetic products at competitive prices may impact the market share and growth of organised players.	The Company's superior brand recall, unique product portfolio and impeccable track record enable it to establish itself as a leading and preferred jewellery brand in India. Moreover, consistent investments in R&D, product innovation and branding and marketing activities further strengthen its brand positioning and customer connect.
<b>Raw Material Risk</b>	The inability to timely procure raw materials at competitive prices may adversely impact the Company's operations and profitability.	The Company's highly skilled and dedicated team and its well-framed central procurement policy ensure judicious inventory management. Leveraging the gold loan scheme and strong relations with prominent suppliers of polished diamonds facilitates a timely and seamless supply of raw materials at competitive rates.

## Human Resources

The Company considers its employees as the most important asset and integral to its competitive position. The HR policy of the Company is well-designed and promotes competitiveness and work-life balance. It aims to create a safe, conducive, transparent, and inclusive work environment to boost employee morale and ensure high work productivity. The Company places significant emphasis on maintaining high levels of employee engagement, consistent performance, and an innovative mindset to minimise attrition. Periodic interactive sessions and conversations between the management and employees are organised to foster a growth-oriented culture. In addition, regular skill development and training programmes are conducted for the enhancement of the skills and capabilities of its employees. As on 31<sup>st</sup> March 2023, the Company had a total of 967 employees.

## Internal Controls

The Company has robust and well-framed internal control systems in place commensurate with the size, nature, and complexity of its business. These internal controls encompass various aspects of governance, compliance, audit, control, and reporting. The Company periodically monitors adherence to the internal controls and ensures proper documentation, regular appraisal and updation by the internal and statutory auditors.

These internal controls ensure the following:

- Efficient use and safeguarding of assets
- Stringent adherence to the regulatory requirements
- Reliability, accuracy, and timeliness of financial reporting

The audit firms appointed by the Company closely monitor and review the efficiency of the internal controls and any discrepancies are immediately reported to the management and Audit Committee for appropriate action.

## Cautionary Statement

This document contains forward-looking statements about expected future events, financial and operating results of the Company. These forward-looking statements are based on assumptions and the Company does not guarantee the fulfilment of the same. These statements may be subject to risks and uncertainties. Readers are cautioned not to place undue reliance on forward-looking statements as several factors could cause assumptions, actual future results, and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications and risk factors referred to in the management's discussion and analysis of TBZ Limited's Annual Report 2022-23.

# Notice

**Notice is hereby given that the Sixteenth Annual General Meeting of the Members of Tribhovandas Bhimji Zaveri Limited will be held on Wednesday, 13<sup>th</sup> September, 2023 at 11.30 a.m. IST through Video Conferencing (VC) / Other Audio Visual Means (OAVM), to transact the following businesses. The venue of the meeting shall be deemed to be the Registered Office of the Company at 241/43, Zaveri Bazar, Mumbai – 400 002.**

## ORDINARY BUSINESS:

1. To receive, consider, approve and adopt Audited Standalone Financial Statements of the Company for the Financial Year ended 31<sup>st</sup> March, 2023 together with the Reports of the Board of Directors and the Auditors thereon and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

**“RESOLVED THAT** the Audited Standalone Financial Statements including Balance Sheet of the Company for the financial year ended 31<sup>st</sup> March, 2023 together with all the schedules and notes annexed thereto and the Report of the Board of Directors and the Auditors thereon be and are hereby approved and adopted.”

2. To receive, consider, approve and adopt the Audited Consolidated Financial Statements of the Company for the Financial Year ended 31<sup>st</sup> March, 2023 together with the Report of the Auditors thereon and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

**“RESOLVED THAT** the Audited Consolidated Financial Statements including Balance Sheet of the Company for the financial year ended 31<sup>st</sup> March, 2023 together with all the schedules and notes annexed thereto and the Report of the Board of Directors and the Auditors thereon be and are hereby approved and adopted.”

3. To declare dividend on Equity Shares for the financial year ended 31<sup>st</sup> March, 2023 and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

**“RESOLVED THAT** a dividend of ₹ 1.75 (One Rupee Seventy Five Paise only) (i.e. 17.50%) per equity

share of ₹ 10/- (Rupees Ten only) each amounting to ₹ 116,778,585 (Rupees Eleven Crores Sixty Seven Lacs Seventy Eight Thousand Five Hundred Eighty Five only), for the Financial Year ended 31<sup>st</sup> March, 2023, as recommended by the Board of Directors, be and is hereby approved.”

4. To appoint a Director in place of Ms. Binaisha Zaveri (DIN: 00263657), who retires by rotation at this Annual General Meeting, in terms of Section 152(6) of the Companies Act, 2013 and, being eligible, offers herself for re-appointment and in this regard consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

**“RESOLVED THAT** pursuant to Section 152(6) of the Companies Act, 2013, Ms. Binaisha Zaveri (DIN: 00263657), Whole-time Director of the Company who retires by rotation and being eligible, offer herself for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation.”

## SPECIAL BUSINESS:

5. To fix the commission payable to Non-Executive Directors / Independent Directors and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

**“RESOLVED THAT** pursuant to provisions of Sections 197, 198 and all other applicable provisions of the Companies Act, 2013 read with Schedule V and the rules made thereunder 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 based on the approval and recommendation of the Board of Directors, consent of the member of the Company be and is hereby accorded for payment of Annual Commission (in addition to the payment of sitting fees for attending Meetings of the Board of Directors or Committees thereof), for the period of three years commencing from 1<sup>st</sup> April, 2023 (i.e. from 1<sup>st</sup> April, 2023 to 31<sup>st</sup> March, 2026), to one or more of the Non-Executive Directors / Independent Directors of the Company excluding the Managing Director(s) and/or Whole-time Director(s)

and/or Executive Director(s) as may be decided by the Board from time to time, provided that the total commission payable to the Non-Executive Directors / Independent Directors per annum shall not exceed One (1%) percent of the net profits of the Company for that year as computed in the manner referred to under Sections 197, 198 and all other applicable provisions, if any, of the Companies Act, 2013, and in case of No profits / inadequacy of Profits the Commission for that relevant Financial Year will be within the limits specified under Schedule V of Companies Act, 2013 and the rules made thereunder, with the authority to the Board to determine, from time to time, the manner and proportion in which the amount to be distributed among the Non-Executive Directors / Independent Directors.

**RESOLVED FURTHER THAT** in case of inadequacy of profits and / or No Profits in any Financial Year, the remuneration by way of Commission shall be paid to each Non-Executive Directors / Independent Directors of the Company for that relevant Financial Year as per the limits specified under Schedule V of Companies Act, 2013 and the rules made thereunder.

**RESOLVED FURTHER THAT** Mr. Shrikant Zaveri, Chairman & Managing Director or Ms. Binaisha Zaveri, Whole-time Director or Ms. Raashi Zaveri, Whole-time Director of the Company be and is hereby severally authorized to file requisite form with the Registrar of Companies, Mumbai for and on behalf of the Board and to do all such acts, deeds, matters and things as may be necessary, expedient and usual to implement this resolution."

6. Appointment of Mr. Ramesh Chandak (DIN: 00026581) as an Independent Director (Non-Executive) of the Company and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

**"RESOLVED THAT** pursuant to provisions of Sections 149, 152, 160 and all other applicable provisions, if any, of the Companies Act, 2013 ('the Act') read with Schedule IV and all other applicable provisions of the Act and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and Regulations 17(1A), 17(1C) and 25(2A) and any other applicable provisions of the Securities Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations,

2015 ("Listing Regulations") (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), **Mr. Ramesh Chandak (DIN: 00026581)**, who was appointed as Additional Director (in the capacity of Independent Director, Non-Executive) of the Company under Section 161 of the Act on 21<sup>st</sup> June, 2023, and who has submitted a declaration that he meets the criteria for independence as provided under Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations and in respect of whom the Company has received a notice in writing from a Member under Section 160(1) of the Act proposing his candidature for the office of Independent Director of the Company, be and is hereby approved and appointed as an Independent Director (Non-Executive) of the Company, and further Members hereby approve and confirm his appointment for a period of 5 (five) consecutive years commencing from 21<sup>st</sup> June, 2023 up to 20<sup>th</sup> June, 2028, not liable to retire by rotation.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds and things as may be deemed necessary, proper or expedient to give effect to this resolution."

7. To fix remuneration payable to Mr. Shrikant Zaveri (DIN: 00263725), Chairman & Managing Director of the Company for the balance period of two years of his appointment, i.e. from 1<sup>st</sup> January, 2024 to 31<sup>st</sup> December, 2025 and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

**"RESOLVED THAT** subject to the provisions of Sections 197, 198 read with Schedule V and all other applicable provisions of the Companies Act, 2013, (including any statutory modification(s) or re-enactment thereof for the time being in force) and subject to approval of the Central Government, if required, consent of the members be and is hereby accorded for fixing of remuneration payable to Mr. Shrikant Zaveri (DIN: 00263725), Chairman & Managing Director of the Company who is not liable to retire by rotation, for the balance period of two years of his appointment, i.e. from 1<sup>st</sup> January, 2024 to 31<sup>st</sup> December, 2025, as contained in the amendment Agreement to be entered into by and between the Company and Mr. Shrikant Zaveri (DIN: 00263725), the draft whereof is placed before the meeting and for the purpose of identification initialled by the Company Secretary of

the Company, with the liberty and authority to the Board of Directors to alter and vary salary structure and the terms and conditions of the said fixation of salary and / or salary agreement in such manner as may be agreed to between the Board of Directors and Mr. Shrikant Zaveri (DIN: 00263725).

**RESOLVED FURTHER THAT** the remuneration payable to Mr. Shrikant Zaveri, shall not exceed the overall ceiling of the total managerial remuneration as provided under Section 197 read with Schedule V of the Companies Act, 2013 or such other limits as may be prescribed from time to time and all other applicable provisions of the Companies Act, 2013, or any amendment thereto or any re-enactment thereof.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorized to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to any Director(s) or Chief Financial Officer or Company Secretary of the Company to give effect to the aforesaid resolution and matters incidental thereto."

8. To fix remuneration payable to Ms. Binaisha Zaveri (DIN: 00263657), Whole-time Director of the Company for the balance period of two years of her appointment, i.e. from 1<sup>st</sup> January, 2024 to 31<sup>st</sup> December, 2025 and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

**"RESOLVED THAT** subject to the provisions of Sections 197, 198 read with Schedule V and all other applicable provisions of the Companies Act, 2013, (including any statutory modification(s) or re-enactment thereof for the time being in force) and subject to approval of the Central Government, if required, consent of the members be and is hereby accorded for fixing of remuneration payable to Ms. Binaisha Zaveri (DIN: 00263657), Whole-time Director of the Company who is liable to retire by rotation, for the balance period of two years of her appointment, i.e. from 1<sup>st</sup> January, 2024 to 31<sup>st</sup> December, 2025, as contained in the amendment Agreement to be entered into by and between the Company and Ms. Binaisha Zaveri (DIN: 00263657), the draft whereof is placed before the meeting and for the purpose of identification initialled by the Company Secretary of the Company, with the liberty and authority to the Board of Directors to alter

and vary salary structure and the terms and conditions of the said fixation of salary and / or salary agreement in such manner as may be agreed to between the Board of Directors and Ms. Binaisha Zaveri (DIN: 00263657).

**RESOLVED FURTHER THAT** the remuneration payable to Ms. Binaisha Zaveri, shall not exceed the overall ceiling of the total managerial remuneration as provided under Section 197 read with Schedule V of the Companies Act, 2013 or such other limits as may be prescribed from time to time and all other applicable provisions of the Companies Act, 2013, or any amendment thereto or any re-enactment thereof.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorized to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to any Director(s) or Chief Financial Officer or Company Secretary of the Company to give effect to the aforesaid resolution and matters incidental thereto."

9. To fix remuneration payable to Ms. Raashi Zaveri (DIN: 00713688), Whole-time Director of the Company for the balance period of two years of her appointment, i.e. from 1<sup>st</sup> January, 2024 to 31<sup>st</sup> December, 2025 and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

**"RESOLVED THAT** subject to the provisions of Sections 197, 198 read with Schedule V and all other applicable provisions of the Companies Act, 2013, (including any statutory modification(s) or re-enactment thereof for the time being in force) and subject to approval of the Central Government, if required, consent of the members be and is hereby accorded for fixing of remuneration payable to Ms. Raashi Zaveri (DIN: 00713688), Whole-time Director of the Company who is liable to retire by rotation, for the balance period of two years of her appointment, i.e. from 1<sup>st</sup> January, 2024 to 31<sup>st</sup> December, 2025, as contained in the amendment Agreement to be entered into by and between the Company and Ms. Raashi Zaveri (DIN: 00713688), the draft whereof is placed before the meeting and for the purpose of identification initialled by the Company Secretary of the Company, with the liberty and authority to the Board of Directors to alter and vary salary structure and the terms and conditions of the said fixation of salary and / or salary agreement

in such manner as may be agreed to between the Board of Directors and Ms. Raashi Zaveri (DIN: 00713688).

**RESOLVED FURTHER THAT** the remuneration payable to Ms. Raashi Zaveri, shall not exceed the overall ceiling of the total managerial remuneration as provided under Section 197 read with Schedule V of the Companies Act, 2013 or such other limits as may be prescribed from time to time and all other applicable provisions of the Companies Act, 2013, or any amendment thereto or any re-enactment thereof.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorized to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to any Director(s) or Chief Financial Officer

or Company Secretary of the Company to give effect to the aforesaid resolution and matters incidental thereto.”

For and on behalf of the Board of Directors of  
**Tribhovandas Bhimji Zaveri Limited**

**Shrikant Zaveri**

Chairman & Managing Director  
(DIN: 00263725)

Date: 1<sup>st</sup> August, 2023  
Place: Mumbai

**Registered Office:**

241 / 43, Zaveri Bazar,  
Mumbai - 400 002, India.

CIN: L27205MH2007PLC172598

Tel. No. 022 – 4046 5000/ 01

Email: [investors@tbzoriginal.com](mailto:investors@tbzoriginal.com)

Web: [www.tbztheoriginal.com](http://www.tbztheoriginal.com)

**GENERAL NOTES:**

1. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, setting out material facts concerning the business in respect of the Special Business to be transacted at the Annual General Meeting as set out in item nos. 5 to 9 of the Notice, is annexed hereto. Details under Regulation 36(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings (SS-2) of Institute of Company Secretaries of India, in respect to the Director retiring by rotation and seeking re-appointment by way of ordinary resolution as set out in item no. 4; to fix the commission payable to Non-Executive Directors / Independent Directors; to consider appointment of Mr. Ramesh Chandak (DIN: 00026581) as an Independent Director of the Company; and to fix the remuneration for the balance period of the appointment of Mr. Shrikant Zaveri, Chairman & Managing Director, Ms. Binaisha Zaveri and Raashi Zaveri Whole-time Directors of the Company all by way of special resolution at the ensuing Annual General Meeting as set out in item nos. 5, 6, 7 8 and 9 of the Notice, are also annexed.
2. The Ministry of Corporate Affairs (MCA), vide its General Circular No. 20/2020 dated 5<sup>th</sup> May, 2020, General Circular no. 02/2021 dated 13<sup>th</sup> January, 2021, General Circular No. 3/2022 dated 5<sup>th</sup> May, 2022 and vide its new General Circular No. 10/2022 dated 28<sup>th</sup> December, 2022; read with General Circular No. 14/2020 dated 8<sup>th</sup> April, 2020 and General Circular No. 17/2020 dated 13<sup>th</sup> April, 2020 (collectively referred to as "MCA Circulars") and other Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12<sup>th</sup> May, 2020 issued by the Securities and Exchange Board of India (SEBI) read with circular no. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated 15<sup>th</sup> January, 2021, Circular No. SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated 13<sup>th</sup> May, 2022 and vide its new Circular No. SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated 5<sup>th</sup> January, 2023 (collectively referred to as "SEBI Circulars") permitted the holding of the Annual General Meeting ("AGM") through Video Conferencing (VC) / Other Audio Visual Means (OAVM), without the physical presence of the Members at a common venue during the calendar year 2023. In compliance with the MCA Circulars and applicable provisions of Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the 16<sup>th</sup> AGM of the Company shall be convened and conducted through VC / OAVM. The deemed venue for the AGM shall be the Registered Office of the Company.
3. The Company has enabled the Members to participate at the 16<sup>th</sup> AGM through VC / OAVM facility provided by KFin Technologies Limited, Registrar and Share Transfer Agents of the Company. The instructions for participation by Members are given in the Notice. Participation at AGM through VC / OAVM shall be allowed on first-come-first-served basis.
4. Members may join the AGM through laptops, Smartphones and I Pads for a better experience. Further, Members will be required to use the Internet with a good speed to avoid any disturbance during the Meeting. Members will need the latest version of Chrome, Safari, Internet Explorer 11, MS Edge or Firefox. Please note that participants connecting from mobile devices or tablets or through laptops 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 glitches.
5. In terms of the MCA Circulars, the physical attendance of Members has been dispensed with and there is no requirement of appointment of proxies. Accordingly, the facility for appointment of Proxy by the Members under Section 105 of the Companies Act, 2013 will not be available for this AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice. Since the AGM of the Company will be held through VC / OAVM, the Route Map for AGM venue is not annexed to this Notice.
6. Corporate Members intending their authorized representative to attend the Meeting through VC / OAVM, pursuant to Section 113 of the Companies Act, 2013, are requested to access the link <https://evoting.kfintech.com> and upload a certified copy of the relevant Board Resolution together with specimen signatures of their authorized representatives to attend and vote at the Meeting through VC / OAVM.
7. The documents referred to in the proposed resolution(s) are available for inspection through electronic mode. Members are requested to write to the Company on [investors@tbzoriginal.com](mailto:investors@tbzoriginal.com). The documents referred to in the proposed resolution(s) are available for inspection by the Members of the Company on the website of the Company [www.tbztheoriginal.com](http://www.tbztheoriginal.com) till the conclusion of 16<sup>th</sup> Annual General Meeting.
8. The Register of Members and Share Transfer Books of the Company will remain closed from **Thursday, 7<sup>th</sup> September, 2023 to Wednesday, 13<sup>th</sup> September, 2023** (both days inclusive) for the purpose of payment of dividend. If the dividend on Equity Shares, as recommended by the Board of ₹ 1.75 (One Rupee Seventy Five Paise only) per equity share of ₹ 10 each (i.e. 17.50%), if approved at the AGM, will be



- paid subject to deduction of income-tax at source ('TDS'), wherever applicable, on or after Monday, 18<sup>th</sup> September, 2023.
9. Share transfer documents and all other correspondence relating thereto, should be addressed to the Registrar and Share Transfer Agent (R & T Agent) of the Company, KFin Technologies Limited (previously known as KFin Technologies Private Limited) at Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad – 500 032. Tel No: +91 (040) 6716 2222 or a toll-free number 1800 309 4001. E-Mail: [inward.ris@kfintech.com](mailto:inward.ris@kfintech.com). Website Add.: <https://www.kfintech.com> / <https://ris.kfintech.com>.
  10. Members holding shares in dematerialized form are requested to intimate all changes pertaining to their bank details such as bank account number, name of the bank and branch details, MICR code and IFSC code, mandates, nominations, power of attorney, changes of address, change of name, email address, contact numbers etc., to their depository participant (DP). Changes intimated to the DP will then be automatically reflected in the Company's records which will help the Company and the Company's Registrars and Share Transfer Agents, KFin Technologies Limited (KFinTech) to provide efficient and better services. Members holding shares in physical form are requested to intimate such changes to KFinTech, Registrar and Share Transfer Agent in prescribed Form ISR-1 and other forms pursuant to SEBI Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2021/655 dated 3<sup>rd</sup> November, 2021. The Company has sent communication to shareholders in this regard.
  11. Members may please to note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/8 dated 25<sup>th</sup> January, 2022, has mandated the listed companies to issue securities in dematerialized form only while processing service requests viz. Issue of duplicate securities certificate; claim from unclaimed dividend account; exchange of securities certificate; sub-division of securities certificate; consolidation of securities certificates/folios; transmission and transposition. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR – 4, on the website of the Company's Registrar and Share Transfer Agent, KFin Technologies Limited (KFinTech) at <https://www.kfintech.com> / <https://ris.kfintech.com>. It may be noted that any service request can be processed only after the folio is KYC Compliant.
  12. SEBI vide its notification dated 24<sup>th</sup> January, 2022 has mandated that all requests for transfer of securities including transmission and transposition requests shall be processed only in dematerialized form. In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialisation, Members are advised to dematerialise the shares held by them in physical form. Members can contact the Company or KFin Technologies Limited (KFinTech), for assistance in this regard.
  13. Members can avail of the facility of nomination in respect of shares held by them in physical form pursuant to the provisions of Section 72 of the Companies Act, 2013. Members desired to avail of this facility may send their nomination in the prescribed Form No. SH.13 duly filled in to the office of KFin Technologies Limited, Registrar and Share Transfer Agent of the Company. Members holding shares in electronic mode may contact their respective Depository Participants for availing this facility.
  14. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN), KYC details by every participant in securities market by 1<sup>st</sup> October, 2023, and linking PAN with Aadhaar by 31<sup>st</sup> March, 2023 vide its circular dated 16<sup>th</sup> March, 2023 read with previous circulars dated 3<sup>rd</sup> November, 2021 and 15<sup>th</sup> December, 2021. Members holding shares in electronic form are therefore, required to submit the PAN to their Depository Participant with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company.
  15. The Equity Shares of the Company are listed on the following Stock Exchanges in India w.e.f. 9<sup>th</sup> May, 2012:
    - BSE Limited  
25, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001.
    - National Stock Exchange of India Ltd.  
Exchange Plaza, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051.

The Company has paid the applicable annual listing fees to each of the above Stock Exchanges for the Financial Years 2022–23 and 2023-24.

The Company has also paid Annual Custodial Fees to Central Depositories Services Limited (CDSL) and National Securities Depositories Limited (NSDL) for the Financial Years 2022–23 and 2023-24.
  16. Non-Resident Members are requested to inform the Company immediately about:
    - (a) The Change in the Residential Status on return to India for permanent settlement.

- (b) The Particulars of NRE Bank Account maintained in India with complete name and address of the bank, if not furnished earlier.
17. The Company has designated an exclusive e-mail ID called [investors@tbzoriginal.com](mailto:investors@tbzoriginal.com) for redressal of Members' complaint/ grievances. In case you have any queries/ complaints or grievances, then please write to us at [investors@tbzoriginal.com](mailto:investors@tbzoriginal.com).
  18. Members are requested to inform the Company, queries if any, regarding the accounts at least 10 days before the Annual General Meeting to enable the Management to keep the information ready at the Meeting. The queries may be sent through email at [investors@tbzoriginal.com](mailto:investors@tbzoriginal.com) or addressed to: Company Secretary, Tribhovandas Bhimji Zaveri Limited, 1106 to 1121, 11<sup>th</sup> Floor, West Wing, Tulsiani Chambers, 212, Backbay Reclamation, Free Press Journal Road, Nariman Point, Mumbai - 400 021. (Email: [investors@tbzoriginal.com](mailto:investors@tbzoriginal.com)).
  19. Pursuant to MCA Circulars and SEBI Circular, Section 101 of the Companies Act, 2013 read with Rule 18 of the Companies (Management and Administration) Rules, 2014, Notice of the 16<sup>th</sup> AGM and the Annual Report for 2022-23 is being sent through electronic mode to all the Members whose E-mail IDs are registered with the Company / Depository Participants for communication purposes. For Members who have not registered their E-mail IDs with the Company/ Depository Participants, are requested to register their email ids with their respective Depository Participant on immediate basis for receiving Annual Report 2022-23 in electronic mode only. Members holding shares in physical mode and wishing to register / update their E-mail ID to receive the Annual Report and other documents in electronic mode are requested to fill the form "Consent for Receiving Documents in Electronic Form" {which is forming part of this Annual Report and is also available on the website of the Company ([www.tbztheoriginal.com](http://www.tbztheoriginal.com))} or send an e-mail request at the email id [einward.ris@kfinotech.com](mailto:einward.ris@kfinotech.com) along with scanned copy of the signed request letter providing the email address, mobile number, self –attested PAN copy and Client Master copy in case of electronic folio and copy of share certificate in case of physical folio for sending the Annual Report, Notice of AGM and the e-voting instructions and send the same to our Registrar and Share Transfer Agents viz., KFin Technologies Limited, Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad – 500 032.
- To support the 'Green Initiative' Members who have not registered their e-mail addresses are requested to register the same with KFin Technologies Limited/ their respective Depository Participants.
20. In case of joint holders, attending the meeting, only such joint holder, who is higher in the order of names, will be entitled to vote at the meeting.
  21. The Register of Directors and Key Managerial Personnel and their Shareholding maintained under Section 170 of the Companies Act, 2013, the Register of Contracts or arrangements in which Directors are interested under Section 189 of the Companies Act, 2013, and the relevant documents referred to in the Notice will be available electronically for inspection by the Members during the AGM.
  22. In terms of the provisions of Section 124 and other applicable provisions of the Companies Act, 2013, the amount of dividend not encashed or claimed within seven years from the date of its transfer to the unpaid dividend account, will be transferred to the Investor Education and Protection Fund ("IEPF") established by the Central Government. During the Financial Year 2015-16, the Company has not declared any dividend and the question of transfer of unclaimed dividend in respect of Financial Year 2015-16 does not arise. Members who have not yet encashed their dividend warrant(s) pertaining to the dividend for the Financial Year 2015-16 onwards, are requested to lodge their claims with the Company for the same.

Attention of Members is invited to the provisions of Section 124(6) of the Companies Act, 2013 read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 amended from time to time, which inter alia requires the Company to transfer the equity shares on which the dividend has remained unpaid or unclaimed for a continuous period of seven years, to a special Demat account of Investor Education and Protection Fund Authority ("IEPF Authority"). The dividend/shares, once transferred to the said Demat account of the IEPF Authority can be claimed after following due procedure prescribed under the said IEPF Rules by making an online application to the IEPF Authority in web Form No. IEPF-5 available on [www.iepf.gov.in](http://www.iepf.gov.in).

Pursuant to the Finance Act, 2020, dividend income will be taxable in the hands of the Shareholders w.e.f. 1<sup>st</sup> April 2020 and the Company is required to deduct TDS from dividend paid to the Members at prescribed rates in the Income Tax Act, 1961 ('the IT Act'). In general, to enable compliance with TDS requirements, Members are requested to complete and/or update their Residential Status, PAN, Category as per the IT

To support the 'Green Initiative' Members who have not registered their e-mail addresses are requested to

Act with their Depository Participants ('DPs') or in case shares are held in physical form, with the Company.

A Resident individual shareholder with PAN and who is not liable to pay income tax can submit a yearly declaration in Form No. 15G/15H, to avail the benefit of non-deduction of tax at source by sending an email to [investors@tbzoriginal.com](mailto:investors@tbzoriginal.com) latest by 11:59 p.m. (IST) on 18<sup>th</sup> August, 2023. Shareholders are requested to note that in case their PAN is not registered or having invalid PAN or Specified Person as defined under section 206AB of the Income Tax Act, the tax will be deducted at a higher rate prescribed under section 206AA or 206AB of the Act, as applicable.

Non-resident shareholders can avail beneficial rates under tax treaty between India and their country of residence, subject to providing necessary documents i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, any other documents which may be required to avail the tax treaty benefits by sending an email to [investors@tbzoriginal.com](mailto:investors@tbzoriginal.com). The aforesaid declarations and documents need to be submitted by the shareholders latest by 11:59 p.m. (IST) on 18<sup>th</sup> August, 2023.

23. Members are requested to contact M/s. KFin Technologies Limited / Secretarial Department of the Company for encashing the unclaimed dividends standing to the credit of their account. The detailed dividend history and due dates for transfer to IEPF are available on 'Investor Folder' on the website of the Company at [www.tbztheoriginal.com](http://www.tbztheoriginal.com).
24. Members may utilize the facility extended by the Registrar and Share Transfer Agent for redressal of queries. Members may visit <https://evoting.kfintech.com> and click on Members option for query registration through free identity registration process.
25. Electronic copy of the Notice of the 16<sup>th</sup> Annual General Meeting along with Annual Report 2022-23 of the Company inter alia indicating the process and manner of e-voting is being send to all the Members whose email IDs are registered with the Company/ Depository Participant(s) for communication purposes. For Members who have not registered their email address, are requested to register their email addresses with their respective Depository Participant on immediate basis to get the Notice of the 16<sup>th</sup> Annual General Meeting of the Company along with the Annual Report 2022-23 in electronic mode only.
26. In compliance with the MCA General Circular No. 20/2020 dated 5<sup>th</sup> May, 2020, General Circulation no.

02/2021 dated 13<sup>th</sup> January, 2021, General Circular No. 3/2022 dated 5<sup>th</sup> May, 2022 and vide its new General Circular No. 10/2022 dated 28<sup>th</sup> December, 2022; as well as SEBI Circular No SEBI/HO/ CFD/ CMD1/ CIR/P/2020/79 dated 12<sup>th</sup> May, 2020, Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated 15<sup>th</sup> January, 2021, Circular No. SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated 13<sup>th</sup> May, 2022 and vide its new Circular No. SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated 5<sup>th</sup> January, 2023 relaxation / permission are extended to the AGM of the Companies due in year 2023, till 30<sup>th</sup> September, 2023, Notice of the AGM along with the Annual Report 2022-23 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may also note that the Notice of the 16<sup>th</sup> Annual General Meeting and the Annual Report 2022-23 will also be available on the Company's website at [www.tbztheoriginal.com](http://www.tbztheoriginal.com), the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com), respectively and on the website of Company's Registrar and Share Transfer Agent, KFin Technologies Limited ("KFinTech") at <https://evoting.kfintech.com>, for their download. For any communication, the Members may also send request to the Company's investor email id: [investors@tbzoriginal.com](mailto:investors@tbzoriginal.com).

**27. Procedure for joining the 16<sup>th</sup> AGM through VC / OAVM:**

- (i) KFin Technologies Limited (KFinTech) will be providing facility for voting through remote e-Voting, for participation in the 16<sup>th</sup> AGM through VC/OAVM facility and e-Voting during the 16<sup>th</sup> AGM.
- (ii) Members may note that the VC/OAVM facility, allows participation of at least 1,000 Members on a first-come-first-served basis
- (iii) Members will be able to attend the AGM through VC/OAVM or view the live webcast of AGM provided by KFin Technologies Limited at <https://emeetings.kfintech.com> by using their remote e-voting login credentials. The link for the AGM will be available in the shareholders'/members' login where the "Event" and the "Name of the Company" can be selected.

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 below in the Notice.

- (iv) Members are encouraged to join the Meeting using Google Chrome (preferred browser), Safari,

Internet Explorer, Microsoft Edge or Mozilla Firefox 22.

- (v) Members will be required to grant access to the web-cam to enable two-way video conferencing.
- (vi) Members are advised to use stable Wi-Fi or LAN connection to participate at the AGM through VC in a smooth manner. Participants may experience audio/video loss due to fluctuation in their respective networks.
- (vii) Members who would like to express their views or ask questions during the AGM may register themselves by logging on to <https://emeetings.kfintech.com> and click on the 'Speaker Registration' option available on the screen after log in. The Speaker option would be open during Friday, 8<sup>th</sup> September, 2023 (at 9.00 a.m. IST) to Monday, 11<sup>th</sup> September, 2023 (at 5.00 p.m. IST). Only those members who are registered will be allowed to express their views or ask questions. The Company reserves the right to restrict the number of questions and number of speakers, depending upon availability of time as appropriate for smooth conduct of the AGM.
- (viii) The facility for joining the AGM shall open 15 minutes before the scheduled time for commencement of the AGM and shall be closed after the expiry of 15 minutes after such schedule time.
- (ix) Members who need assistance before or during the AGM, can contact KFinTech on <https://emeetings.kfintech.com> or call on 1800-309-4001. Kindly quote your name, DP ID-Client ID / Folio no. and E-voting Event Number in all your communications.
- (x) Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

#### 28. **Voting Instruction:**

The Company is providing remote e-voting to all the Members for voting. The facility of casting the votes by the Members using an electronic voting system from a place other than venue of the Annual General Meeting (AGM) ("remote e-voting") will be provided by the KFin Technologies Limited ('KFinTech').

The Company has opted to provide the same electronic voting system at the Meeting, as used during remote e-voting, and the said facility shall be operational till all the resolutions proposed in the Notice are considered

and voted upon at the Meeting and may be used for voting only by the members holding shares as on the cutoff date who are attending the Meeting and who have not already cast their vote(s) through remote e-voting.

A Member can opt only one mode to vote either through remote e-voting or e-voting at AGM. If Member casts vote through both modes, then only vote cast through remote e-voting will prevail. Members who have not cast their vote through remote e-voting shall be allowed to vote through e-voting system during the AGM.

The Members who have cast their vote by remote e-voting prior to the AGM shall not be entitled to cast their vote again at the 16<sup>th</sup> AGM, however, such Members will be entitled to attend/ participate in the AGM through VC / OAVM.

Pursuant to Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 [(including any statutory modification(s) or re-enactment thereof for the time being in force), as amended by the Companies (Management and Administration) Amendment Rules, 2015] and Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Members can exercise right to vote at the 16<sup>th</sup> AGM by electronic means and the business may be transacted through remote e-voting facility made available by Company's Registrar and Share Transfer Agent, KFin Technologies Limited ('KFinTech'). The remote e-voting facility is available at the link <https://evoting.kfintech.com>.

#### **E-Voting Instructions:**

##### **A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in Demat mode:**

In terms of SEBI Circular No. SEBI/HO/CFD/CMD/ CIR/P/2020/242 dated 9<sup>th</sup> December, 2020 on e-Voting facility provided by Listed Companies and as part of increasing the efficiency of the voting process, e-voting process has been enabled to all individual shareholders holding securities in Demat mode to vote through their Demat Account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email ID in their Demat Accounts in order to access e-Voting facility.

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

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with NSDL.	<p><b>A. Users registered for NSDL IDeAS facility:</b></p> <ol style="list-style-type: none"> <li>1. Open web browser by typing the following URL: <a href="https://eservices.nsdl.com/">https://eservices.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the <b>"Beneficial Owner"</b> icon under "Login" which is available under <b>"IDeAS"</b> section.</li> <li>2. A new screen will open. Enter your User ID and Password. After successful authentication, you will be able to see e-voting services. Click on "Access to e-voting" under e-voting services and you will be able to see e-voting page.</li> <li>3. Click on options available against Company name or e-voting service provider and you will be re-directed to e-voting website for casting your vote during the remote e-voting period or joining virtual meeting &amp; voting during the meeting.</li> </ol> <p><b>B. Users not registered for IDeAS e-Services:</b></p> <p>Option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select "Register Online for IDeAS" Portal or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></p> <p><b>C. Visit the e-voting website of NSDL</b></p> <ol style="list-style-type: none"> <li>1. After successfully registering on IDeAS, visit the e-voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.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.</li> <li>2. A new screen will open. Enter your User ID (i.e. your sixteen digit demat account number held 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.</li> <li>3. Click on Company name or select e-voting service provider name and you will be redirected to e-voting service provider "KFintech" and you will be re-directed to the e-voting page of KFintech to cast your vote without any further authentication.</li> </ol> <p>D. Shareholders/Members can also download NSDL Mobile App <b>"NSDL Speede"</b> facility by scanning the QR code mentioned below for seamless voting experience.</p>
Shareholders holding securities in demat mode with CDSL	<p><b>A. Users who have opted for Easi/Easiest:</b></p> <ol style="list-style-type: none"> <li>1. Shareholders can login through their user ID and password. Option will be made available to reach e-voting page without any further authentication. The URL for users to login to Easi/Easiest is the CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login icon and New System Myeasi.</li> <li>2. After successful login of Easi/Easiest the user will be also able to see the e-voting Menu. The Menu will have links of e-voting service provider. Click on e-voting service provider name to cast your vote.</li> </ol> <p><b>B. Users who have not opted for Easi/Easiest:</b></p> <p>Option to register for Easi/Easiest is available at CDSL Website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login icon and New System Myeasi and click on login icon and New System Myeasi Tab and then click on registration option.</p>



Type of shareholders	Login Method
	<p><b>C. Visit the e-voting website of CDSL</b></p> <ol style="list-style-type: none"> <li>Alternatively, the user can directly access e-voting page by providing demat Account Number and PAN No. from a link in <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.</li> <li>After successful authentication, user will be provided links for the respective ESP where the e-voting is in progress.</li> </ol>
Shareholders (holding securities in demat mode) login through their depository participants	<ol style="list-style-type: none"> <li>Shareholders can also login using the login credentials of their demat account through their Depository Participant registered with NSDL/CDSL for e-voting facility. After logging, you will be able to see e-voting option.</li> <li>Once you click on e-voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-voting feature.</li> <li>Click on options available against Company name or e-voting service provider "KFintech" and you will be redirected to e-voting page of "KFintech" for casting your vote during the remote e-voting period or joining virtual meeting &amp; voting during the meeting.</li> </ol>

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

**Individual Shareholders holding shares in demat mode who need assistance for any technical issues related to login through Depository i.e. NSDL and CDSL may reach out to below helpdesk:**

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 toll free No. 1800 1020 990 and 1800 22 44 30
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 022- 23058738 or 022-23058542/43

**The instructions for Shareholders other than individuals holding Shares of the Company in Demat Mode and all Shareholders Holding Shares in Physical Mode**

**B)** Members whose e-mail ID(s) are registered with the Company's Registrar and Share Transfer Agent, KFin Technologies Limited ('KFintech') / Depository Participants (NSDL/CDSL). The procedure to vote electronically is as under:

- Click on the PDF file sent to you in the e-mail by the Company's Registrar and Share Transfer Agent, KFin Technologies Limited (KFintech). The file will prompt for a password. Kindly input

your Client ID or Folio No. as may be applicable in the box prompted for password. The said PDF file contains your user ID and password/PIN for e-voting. Please note that this password is an initial password and for security purpose needs to be changed while doing first time login.

- Launch internet browser by typing the following URL: <https://evoting.kfintech.com>.
- Click on Member – Login.
- Enter user ID and password as initial password / PIN noted in step (I) above. Click login.
- The Password Change Menu will appear on your screen. Change the password/ PIN with new password of your choice with minimum 8 digits/ characters or combination thereof. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- Home page of e-voting opens. Click on e-voting: Active Voting Cycles.
- Select the "EVEN" (e-voting Event Number) of Tribhovandas Bhimji Zaveri Limited.
- Now you are ready for e-voting as Cast Vote page opens.
- Cast your vote by selecting an appropriate option and click on "Submit" and also "Confirm" when prompted.

- (X) Upon confirmation, the message “Vote cast successfully” will be displayed.
- (XI) Once you have voted on the resolution, you will not be allowed to modify your vote.
- (XII) Corporate/ Institutional Members (i.e. other than individuals, HUFs, NRIs etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/Authority Letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to [pramodshah361@gmail.com](mailto:pramodshah361@gmail.com), with a copy marked to [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com).
- (XIII) In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and e-voting user manual for Members available at the Downloads section of <https://evoting.kfintech.com>. Alternatively, you can also contact on [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com) for any queries or grievances connected with remote e-voting service.

C) In case of the Member whose e-mail ID(s) are not registered with the Company’s Registrar and Share Transfer Agent, KFin Technologies Limited (KFinTech) / Depositories, the procedure to vote electronically is as under:

- (i) Initial password is provided in the following format in the E-voting instruction letter sent along with the Annual Report:

EVEN (E-voting Event Number)	USER ID	PASS- WORD/PIN
------------------------------------	---------	-------------------

- (ii) Please follow all steps from Sr. No. (II) to Sr. No. (XIII) of note 28(B) above, to cast vote.

**Voting at the Annual General Meeting:**

Those Members, who are present in the Meeting through VC and have not cast their vote on resolutions through remote e-voting, can vote through e-voting at the Meeting. Members who have already cast their votes by remote e-voting are eligible to attend the Meeting. However, those Members are not entitled to cast their vote again at the Meeting.

A Member can opt for only single mode of voting i.e. through remote e-voting or voting at the AGM. If a Member cast votes by both modes i.e. voting at AGM and remote e-voting, voting done through remote e-voting shall prevail and vote at the AGM shall be treated as invalid.

**Other Instructions:**

If you are already registered with Company’s Registrar and Share Transfer Agent, KFin Technologies Limited (KFinTech) for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.

- (i) You can also update your mobile number and e-mail ID in the user profile details of the folio which may be used for sending future communication(s).
- (ii) A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date i.e. **Wednesday, 6<sup>th</sup> September, 2023** only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through e-voting.
- (iii) The Company has fixed **Wednesday, 6<sup>th</sup> September, 2023** as the ‘Record Date’ for determining entitlement of members to final dividend for the financial year ended 31<sup>st</sup> March, 2023, if approved at the AGM.
- (iv) The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of the Scrutinizer, by use of e-voting for all those Members who are present at the AGM but have not cast their votes by availing remote e-voting facility.
- (v) In case of any query and/or grievance, in respect of voting by electronic means, Members may refer to the Help & Frequently Asked Questions (FAQs) and E-voting user manual available at the download section of <https://evoting.kfintech.com> (KFinTech Website) or at [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com) and [evoting@kfintech.com](mailto:evoting@kfintech.com) or phone no. 040-6716 2222 or call KFin’s toll free No. 1-800-3094-001 for any further clarifications.
- (vi) The remote e-voting period shall commence on **Friday, 8<sup>th</sup> September, 2023 (9.00 a.m. IST) and ends on Tuesday, 12<sup>th</sup> September, 2023 (5.00 p.m. IST)**. During this period, Members of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date of **Wednesday, 6<sup>th</sup> September, 2023**, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by KFin Technologies Limited for voting thereafter. Once the vote on a resolution is cast by the

Member, Member shall not be allowed to change it subsequently. Electronic voting shall not be allowed beyond the aforesaid date and time.

(vii) The voting rights of the Members shall be in proportion to their shares of the paid-up Equity Shares capital of the Company as on the cut-off date of **Wednesday, 6<sup>th</sup> September, 2023**.

(viii) In case a person has become a Member of the Company after dispatch of the AGM Notice but on or before the cut-off date for e-voting i.e., **Wednesday, 6<sup>th</sup> September, 2023**, or has registered his/her/its e-mail address after dispatch of the AGM Notice, he/she/it may obtain the User ID and Password in the manner as mentioned below:

(a) If the mobile number of the Member is registered against Folio No./DP ID Client ID, the Member may send SMS: MYEPWD <space> E-Voting Event Number+Folio No. or DP ID Client ID to 9212993399

Example for NSDL - MYEPWD <SPACE>  
IN12345612345678

Example for CDSL - MYEPWD <SPACE>  
1402345612345678

Example for Physical - MYEPWD <SPACE>  
XXXX1234567890

(b) If e-mail address or mobile number of the Member is registered against Folio No./DP ID Client ID, then on the home page of <https://evoting.kfintech.com> the Member may click "Forgot Password" and enter Folio No. or DP ID Client ID and PAN to generate a password.

(c) Member may call KFinTech toll free number 1800-3094-001 for any assistance.

(d) Member may send an e-mail request to [inward.ris@kfintech.com](mailto:inward.ris@kfintech.com). However, KFinTech shall endeavour to send User ID and Password to those new Members whose e-mail ids are available.

(ix) Mr. Pramod Shah, Partner of M/s. Pramod S. Shah & Associates, Practising Company Secretaries (Membership No. FCS 334) has been appointed as the Scrutinizer to scrutinize the remote e-voting

and e-voting process is conducted in a fair and transparent manner.

(x) The scrutinizer shall, immediately after the conclusion of e-voting at the 16<sup>th</sup> AGM, unblock the votes cast through remote e-voting and e-voting in presence of at least two (2) witnesses not in the employment of the Company and make within a period not exceeding three (3) days from conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favor or against, if any, to the Chairman & Managing Director of the Company or person authorized by him of the Company.

(xi) The results shall be declared after receiving consolidated Scrutinizer's Report from the Scrutinizer. The results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.tbztheoriginal.com](http://www.tbztheoriginal.com) and on the websites of Company's Registrar and Share Transfer Agent, KFin Technologies Limited (KFinTech) <https://evoting.kfintech.com> immediately after the declaration of the results by the Chairman & Managing Director or person authorized by him, on or before 31<sup>st</sup> August, 2022, and forwarded to BSE Limited and National Stock Exchange of India Limited, where the shares of the Company are listed.

(xii) The resolution shall be deemed to be passed on the date of the AGM, subject to receipt of sufficient and valid votes through a compilation of voting results (i.e. remote e-voting along with the voting held at the AGM).

For and on behalf of the Board of Directors of  
**Tribhovandas Bhimji Zaveri Limited**

**Shrikant Zaveri**

Date: 1<sup>st</sup> August, 2023

Chairman & Managing Director

Place: Mumbai

(DIN: 00263725)

**Registered Office:**

241 / 43, Zaveri Bazar,  
Mumbai - 400 002, India.

CIN: L27205MH2007PLC172598

Tel. No. 022 – 4046 5000/ 01

Email: [investors@tbzoriginal.com](mailto:investors@tbzoriginal.com)

Web: [www.tbztheoriginal.com](http://www.tbztheoriginal.com)



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

As required under Section 102 of the Companies Act, 2013 (The 'Act'), the following explanatory statement sets out material facts relating to business mentioned under Item Nos. 5 to 9 of the accompanying Notice and should be read as forming part of the Notice.

### Item No. 5

#### Commission to Non-Executive / Independent Directors

The Company had taken approval of the members, from time to time, for payment of remuneration in the form of commission or otherwise to Non-Executive Directors, both in the Independent and Non-Independent category, not exceeding 1% of the net profits of the Company calculated in accordance with the provisions of Section 198 of the Act.

At 11<sup>th</sup> Annual General Meeting of the Company held on 31<sup>st</sup> July, 2018, the members had approved the payment of commission to Non-Executive Directors / Independent Directors for the period of five years commencing from 1<sup>st</sup> April, 2018 (i.e. from 1<sup>st</sup> April, 2018 to 31<sup>st</sup> March, 2023), at an amount not exceeding 1% per annum of the net profits of the Company calculated in accordance with the provisions of the Companies Act, 2013 ('the Act').

The Company's Non-Executive Directors / Independent Directors are leading professionals with high level of expertise and rich experience in functional areas such as business strategy, financial governance, corporate governance, research & innovation amongst others. The Company's Non-Executive Directors / Independent Directors have been shaping and steering the long term strategy and make invaluable contributions towards level strategy, monitoring of risk management and compliances.

During the year, the Company commissioned a study of benchmarking the remuneration payable to Non-Executives Directors. The study was undertaken on the basis of industry, size, effective governance and expected contribution by the Board. In line with the recommendations made by the study commissioned, the Board of Directors at their meetings held on 24<sup>th</sup> May, 2023, recommended the proposal for remuneration payable to Non-Executive Directors of the Company, by way of commission or otherwise, not exceed 1% of the net profits of the Company calculated in accordance with the provisions of the Act, for the period of three years commencing from **1<sup>st</sup> April, 2023** (i.e. from **1<sup>st</sup> April, 2023 to 31<sup>st</sup> March, 2026**) effective from the financial year 2023-24. The payment of such remuneration shall be in addition to the sitting fees for attending Board/Committee meetings.

In case of inadequacy of profits and / or No Profits in any Financial Year, the remuneration by way of Commission shall be paid to each Non-Executive Directors / Independent Directors of the Company for that relevant Financial Year as per the limits specified under Schedule V of Companies Act, 2013 and the rules framed thereunder, subject to the approval of the Board of Directors of the Company.

The manner and the proportion in which distribution of Commission amongst the Non-Executive Directors / Independent Directors will be determined by the Board of Directors of the Company, from time to time.

Except Independent Directors since it relates to remuneration/ commission which may become payable to them, no other Directors, Key Managerial Personnel of the Company and their relatives, are concerned or interested financially or otherwise, in this resolution.

The Board recommends the Special Resolution set out at Item No. 5 of the Notice for the approval of the Members.

### Item No. 6

#### Appointment of Mr. Ramesh Chandak (DIN: 00026581) as an Independent Director (Non-Executive) of the Company

The Company pursuant to the requirement of Regulations 17 and 25(6) of SEBI (Listing Obligations & Disclosure Requirements), Regulations, 2015 Board of Directors shall have an optimum combination of executive and non-executive directors with at least one woman director and not less than fifty percent of the board of directors shall comprise of non-executive directors. As per Regulation 25(6) of SEBI (Listing Obligations & Disclosure Requirements), Regulations, 2015 an independent director who resigns or is removed from the board of directors of the listed entity shall be replaced by a new independent director by listed entity at the earliest but not later than three months from the date of such vacancy. The Board, based on the recommendations of the Nomination and Remuneration Committee, has appointed Mr. Ramesh Chandak (DIN: 00026581), as an Additional Director (Independent Director, Non-Executive) by way of circular resolution on 21<sup>st</sup> June, 2023. As per the requirement of Regulation 17(1A) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, approval is sought from the Members in this 16<sup>th</sup> Annual General Meeting of the Company by way of Special Resolution to approve the appointment of Mr. Ramesh Chandak (DIN: 00026581) being 76 years, as Independent Director (Non-Executive) of the Company.

The Nomination and Remuneration Committee and the Board of Directors have considered Mr. Ramesh Chandak

(DIN: 00026581), diverse skills, leadership capabilities, accounting and financial expertise, general management and Industry knowledge. The Board of Directors in the Board Meeting dated 1<sup>st</sup> August, 2023, based on the recommendation of the Nomination and Remuneration Committee, considering the experience and knowledge, recommend name of Mr. Ramesh Chandak (DIN: 00026581), aged 76 years, who fulfils the conditions specified under the Act and Listing Regulations as an Independent Director (Non-Executive) of the Company and is independent of the management. Mr. Ramesh Chandak is in good health and of sound mind. The Board is also confident of his being able to function and discharge his duties in an able and competent manner. Further, considering his background and experience, the Board is of the opinion that his association will be an immense benefit to the Company and it is desirable to avail his services as an Independent Director of the Company.

The Board of Directors has received notice from Member proposing candidature of Mr. Ramesh Chandak (DIN: 00026581) for the office of Independent Director of the Company as per requirement of Section 160(1) of the Companies Act, 2013 and his name is recommended to the Board by the members of the Nomination and Remuneration Committee. In the opinion of the Board Mr. Ramesh Chandak (DIN: 00026581) fulfils the conditions specified in the Companies Act, 2013 and Rules made thereunder and applicable Regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for their appointment as an Independent Director (Non-Executive) of the Company, and approved and confirmed his appointment for a period of 5 (five) consecutive years commencing from 21<sup>st</sup> June, 2023 till 20<sup>th</sup> June, 2028, not liable to retire by rotation, subject to the approval of Members at the ensuing 16<sup>th</sup> Annual General Meeting of the Company by way of Special Resolution as an Independent Director (Non-Executive) of the Company and is independent of the Management. The Company has received declaration from Mr. Ramesh Chandak (DIN: 00026581) to the effect that he meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013 and Rules framed thereunder and Regulations 16(1)(b) of the Listing Regulations. As required under Regulation 25(8) of Listing Regulations, Mr. Ramesh Chandak (DIN: 00026581) has confirmed 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 with an objective independent judgement and without any external influence. A copy of the draft Letter of Appointment for Independent Director, setting out terms and conditions of their appointment is available for inspection without any fees by the Members at the Corporate Office of the

Company during normal business hours on any working day, excluding Saturdays and Sundays and is also available on the website of the Company at [www.tbztheoriginal.com](http://www.tbztheoriginal.com).

Pursuant to the provisions of Sections 149, 152 and other applicable provisions read with Schedule IV of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors in its Board Meeting dated 1<sup>st</sup> August, 2023, recommend the Members to appoint (pursuant to notice of member for appointment of Independent Director), Mr. Ramesh Chandak (DIN: 00026581) as an Independent Director (Non-Executive) of the Company and to approve and confirm his appointment for a period of 5 (five) consecutive years commencing from 21<sup>st</sup> June, 2023 till 20<sup>th</sup> June, 2028, not liable to retire by rotation. by way of Special Resolution at the ensuing 16<sup>th</sup> Annual General Meeting of the Company.

Mr. Ramesh Chandak (DIN: 00026581) does not hold by himself or for any other person on a beneficial basis, any shares in the Company.

Brief profile of Mr. Ramesh Chandak (DIN: 00026581) together with other details as required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is forming part of this Notice as well as stated below:

Mr. Ramesh Chandak (DIN: 00026581) is a qualified Chartered Accountant registered with the Institute of Chartered Accountants of India. He has done post qualification course on Advanced Management Programme, Harvard Business School, USA, Mr. Chandak is the CEO of RDC Business Advisory, which provides individualised leadership coaching, strategy, succession planning and management services. Prior to starting his Advisory practice, he was the MD & CEO of KEC International Limited up to March 2015. He has had a successful career spanning over 40 years across engineering, infrastructure, edible oils and textiles industries having global corporate experience working in India, Malaysia and USA. He currently serves on the Boards of various listed companies and not for profit organisations. He is a recipient of CA Business Leader Award in 2008 by the Institute of Chartered Accountants of India. He is a former President of Indian Electrical & Electronics Manufacturers Association (IEEMA).

In compliance with the provisions of Section 149 read with Schedule IV of the Act and in terms of the Regulation 17(1A) of Securities and Exchange Board of India (Listing

Obligations and Disclosure Requirements) Regulations, 2015, the appointment of Mr. Ramesh Chandak (DIN: 00026581) aged 76 years, as Independent Director (Non-Executive) is now being placed before the Members in Annual General Meeting for their approval by way of a Special Resolution.

Accordingly, the Board of Directors recommends the resolution for approval of the members as a Special Resolution.

Except Mr. Ramesh Chandak (DIN: 00026581), Independent Director for his appointment, no other Directors, Key Managerial Personnel of the Company and their relatives, are concerned or interested financially or otherwise, in this resolution.

The Board recommends the Special Resolution set out at Item No. 6 of the Notice for the approval of the Members.

#### Item No. 7

To fix Remuneration payable to Mr. Shrikant Zaveri (DIN: 00263725), Chairman & Managing Director of the Company from 1<sup>st</sup> January, 2024 to 31<sup>st</sup> December, 2025

The present term of re-appointment of Mr. Shrikant Zaveri (DIN: 00263725), Chairman & Managing Director of the Company as per the approval of Members by way of Special Resolution at the thirteenth Annual General Meeting dated 30<sup>th</sup> September, 2020 was for the period of five years from 1<sup>st</sup> January, 2021 up to 31<sup>st</sup> December, 2025 and the remuneration was fixed for the period of three years i.e. from 1<sup>st</sup> January, 2021 to 31<sup>st</sup> December, 2023.

The Board of Directors on the recommendation of the Nomination and Remuneration Committee at their meeting held on 24<sup>th</sup> May, 2023 and subject to the approval of the Members by way of Special Resolution at the sixteenth Annual General Meeting of the Company has fixed the following monthly remuneration which was fixed from the period 1<sup>st</sup> January, 2024 to 31<sup>st</sup> December, 2025 with the authority to Board to decide the increment, if any, for the balance period of the re-appointment of Mr. Shrikant Zaveri (DIN: 00263725), Chairman & Managing Director of the Company.

The remuneration structure and terms and conditions of his remuneration are set out hereunder:

**1. Period of Remuneration:** From 1<sup>st</sup> January, 2024 to 31<sup>st</sup> December, 2025 (2 years)

#### 2. Remuneration:

##### a) Basic Salary:

From 1<sup>st</sup> January, 2024 to 31<sup>st</sup> March, 2024 – ₹ **60,50,000 (Rupees Sixty Lakhs Fifty Thousand only)** per month.

₹ **60,50,000 (Rupees Sixty Lakhs Fifty Thousand only)** per month beginning from 1<sup>st</sup> January, 2024 with an annual increment upto 20% from 1<sup>st</sup> April, 2024, as may be decided by the Board of Directors of the Company from time to time.

##### b) Commission:

Such remuneration by way of Commission, in addition to the salary, calculated with reference to the net profit of the Company in any particular financial year, as may be determined by the Board of Directors of the Company at the end of the financial year, subject to the provisions of Sections 197, 198 read with Schedule V and all other applicable provisions of the Companies Act, 2013. The exact amount payable will be decided by the Board of Directors based on certain performance criteria and shall be payable only after the Annual Accounts of the Company have been approved by the Board of Directors and adopted by the Members.

##### c) Reimbursement:

The Company shall reimburse Mr. Shrikant Zaveri (DIN: 00263725), Chairman & Managing Director of the Company all actual expenses incurred by him wholly, necessarily and exclusively for and on behalf of the Company and / or incurred in performance of the duties of the Company.

#### 3. Minimum Remuneration:

Notwithstanding anything to the contrary contained herein, where in any financial year, during the continuation of the tenure of Mr. Shrikant Zaveri (DIN: 00263725), Chairman & Managing Director of the Company, the Company has no profits or its profits are inadequate, Mr. Shrikant Zaveri shall be entitled to receive remuneration including commission subject to the provision of Section 197 and 198 read with Schedule V and all other applicable provisions of the Companies Act, 2013 or as may be prescribed by the Central Government from time to time.

The aggregate of the remuneration as aforesaid shall be within the maximum limits as laid down under Sections 197, 198 read with Schedule V and all other applicable provisions of the Companies Act, 2013, as amended and as in force from time to time, or if the

same is not within limits, the same will be subject to approval of Central Government or as may be prescribed by the Central Government from time to time.

All other terms and conditions of his appointment which have been approved by the Members at the thirteenth Annual General Meeting of the Company held on 30<sup>th</sup> September, 2020, and forming part of Agreement dated 3<sup>rd</sup> October, 2020 entered into by and between the Company and Mr. Shrikant Zaveri, Chairman & Managing Director of the Company, will remain the same.

The draft amendment Agreement to be entered into by and between the Company and Mr. Shrikant Zaveri, Chairman & Managing Director of the Company, initialled by the Company Secretary for the purpose of identification, incorporating the said amendments, and the executed Salary Agreement dated 3<sup>rd</sup> October, 2020 along with all applicable Special Resolution(s) passed in this regards are available for inspection by the Members of the Company at its Registered Office of the Company situated at 241/43, Zaveri Bazar, Mumbai – 400 002 as well as the Corporate Office of the Company situated at 1106 to 1121, 11<sup>th</sup> Floor, West Wing, Tulsiani Chambers, 212, Backbay Reclamation, Free Press Journal Road, Nariman Point, Mumbai - 400 021, between 11.00 am to 1.00 pm on any working day of the Company.

In accordance with the provisions of Sections 197, 198 & all other applicable provisions of the Act, read with Schedule V to the said Act, the proposed remuneration payable to Mr. Shrikant Zaveri (DIN: 00263725), Chairman & Managing Director require approval of members by passing Special Resolution. Hence, the members are requested to pass the Special Resolution accordingly.

Except, Mr. Shrikant Zaveri himself and Ms. Binaisha Zaveri and Ms. Raashi Zaveri being his relatives, no other Directors and Key Managerial Personnel of the Company and their relatives, are concerned or interested, financially or otherwise, in this resolution.

The Board recommends the Special Resolution set out at Item No. 7 of the Notice for the approval of the Members.

#### Item No. 8

##### **To fix Remuneration payable to Ms. Binaisha Zaveri (DIN: 00263657), Whole-time Director of the Company from 1<sup>st</sup> January, 2024 to 31<sup>st</sup> December, 2025**

The present term of re-appointment of Ms. Binaisha Zaveri (DIN: 00263657), Whole-time Director of the Company as per

the approval of Members by way of Special Resolution at the thirteenth Annual General Meeting dated 30<sup>th</sup> September, 2020 was for the period of five years from 1<sup>st</sup> January, 2021 up to 31<sup>st</sup> December, 2025 and the remuneration was fixed for the period of three years i.e. from 1<sup>st</sup> January, 2021 to 31<sup>st</sup> December, 2023.

The Board of Directors on the recommendation of the Nomination and Remuneration Committee at their meeting held on 24<sup>th</sup> May, 2023 and subject to the approval of the Members by way of Special Resolution at the sixteenth Annual General Meeting of the Company has fixed the following monthly remuneration which was fixed from the period 1<sup>st</sup> January, 2024 to 31<sup>st</sup> December, 2025 with the authority to Board to decide the increment, if any, for the balance period of the re-appointment of Ms. Binaisha Zaveri (DIN: 00263657), Chairman & Managing Director of the Company.

The remuneration structure and terms and conditions of her remuneration are set out hereunder:

**1. Period of Remuneration:** From 1<sup>st</sup> January, 2024 to 31<sup>st</sup> December, 2025 (2 years)

**2. Remuneration:**

**a) Basic Salary:**

From 1<sup>st</sup> January, 2024 to 31<sup>st</sup> March, 2024 – ₹ **31,10,400 (Rupees Thirty One Lakhs Ten Thousand Four Hundred only)** per month.

₹ **31,10,400 (Rupees Thirty One Lakhs Ten Thousand Four Hundred only)** per month beginning from 1<sup>st</sup> January, 2024 with an annual increment upto 20% from 1<sup>st</sup> April, 2024, as may be decided by the Board of Directors of the Company from time to time.

**b) Commission:**

Such remuneration by way of Commission, in addition to the salary, calculated with reference to the net profit of the Company in any particular financial year, as may be determined by the Board of Directors of the Company at the end of the financial year, subject to the provisions of Sections 197, 198 read with Schedule V and all other applicable provisions of the Companies Act, 2013. The exact amount payable will be decided by the Board of Directors based on certain performance criteria and shall be payable only after the Annual Accounts of the Company have been approved by the Board of Directors and adopted by the Members.

**c) Reimbursement:**

The Company shall reimburse Ms. Binaisha Zaveri (DIN: 00263657), Whole-time Director of the Company all actual expenses incurred by her wholly, necessarily and exclusively for and on behalf of the Company and / or incurred in performance of the duties of the Company.

**3. Minimum Remuneration:**

Notwithstanding anything to the contrary contained herein, where in any financial year, during the continuation of the tenure of Ms. Binaisha Zaveri (DIN: 00263657), Whole-time Director of the Company, the Company has no profits or its profits are inadequate, Ms. Binaisha Zaveri shall be entitled to receive remuneration including commission subject to the provision of Section 197 and 198 read with Schedule V and all other applicable provisions of the Companies Act, 2013 or as may be prescribed by the Central Government from time to time.

The aggregate of the remuneration as aforesaid shall be within the maximum limits as laid down under Sections 197, 198 read with Schedule V and all other applicable provisions of the Companies Act, 2013, as amended and as in force from time to time, or if the same is not within limits, the same will be subject to approval of Central Government or as may be prescribed by the Central Government from time to time.

All other terms and conditions of her appointment which have been approved by the Members at the thirteenth Annual General Meeting of the Company held on 30<sup>th</sup> September, 2020, and forming part of Agreement dated 3<sup>rd</sup> October, 2020 entered into by and between the Company and Ms. Binaisha Zaveri, Whole-time Director of the Company, will remain the same.

The draft amendment Agreement to be entered into by and between the Company and Ms. Binaisha Zaveri, Whole-time Director of the Company, initialled by the Company Secretary for the purpose of identification, incorporating the said amendments, and the executed Salary Agreement dated 3<sup>rd</sup> October, 2020 along with all applicable Special Resolution(s) passed in this regards are available for inspection by the Members of the Company at its Registered Office of the Company situated at 241/43, Zaveri Bazar, Mumbai – 400 002 as well as the Corporate Office of the Company situated at 1106 to 1121, 11<sup>th</sup> Floor, West Wing, Tulsiani Chambers, 212, Backbay Reclamation, Free Press Journal Road, Nariman Point, Mumbai - 400 021, between 11.00 am to 1.00 pm on any working day of the Company.

In accordance with the provisions of Sections 197, 198 & all other applicable provisions of the Act, read with Schedule

V to the said Act, the proposed remuneration payable to Ms. Binaisha Zaveri (DIN: 00263657), Whole-time Director require approval of members by passing Special Resolution. Hence, the members are requested to pass the Special Resolution accordingly.

Except, Ms. Binaisha Zaveri herself and Mr. Shrikant Zaveri and Ms. Raashi Zaveri being her relatives, no other Directors and Key Managerial Personnel of the Company and their relatives, are concerned or interested, financially or otherwise, in this resolution.

The Board recommends the Special Resolution set out at Item No. 8 of the Notice for the approval of the Members.

**Item No. 9**

**To fix Remuneration payable to Ms. Raashi Zaveri (DIN: 00713688), Whole-time Director of the Company from 1<sup>st</sup> January, 2024 to 31<sup>st</sup> December, 2025**

The present term of re-appointment of Ms. Raashi Zaveri (DIN:00713688), Whole-time Director of the Company as per the approval of Members by way of Special Resolution at the thirteenth Annual General Meeting dated 30<sup>th</sup> September, 2020 was for the period of five years from 1<sup>st</sup> January, 2021 up to 31<sup>st</sup> December, 2025 and the remuneration was fixed for the period of three years i.e. from 1<sup>st</sup> January, 2021 to 31<sup>st</sup> December, 2023.

The Board of Directors on the recommendation of the Nomination and Remuneration Committee at their meeting held on 24<sup>th</sup> May, 2023 and subject to the approval of the Members by way of Special Resolution at the sixteenth Annual General Meeting of the Company has fixed the following monthly which was fixed from the period 1<sup>st</sup> January, 2024 to 31<sup>st</sup> December, 2025 with the authority to Board to decide the increment, if any, for the balance period of the re-appointment of Ms. Raashi Zaveri (DIN: 00713688), Chairman & Managing Director of the Company.

The remuneration structure and terms and conditions of her remuneration are set out hereunder:

- 1. Period of Remuneration:** From 1<sup>st</sup> January, 2024 to 31<sup>st</sup> December, 2025 (2 years)
- 2. Remuneration:**
  - a) Basic Salary:**  
From 1<sup>st</sup> January, 2024 to 31<sup>st</sup> March, 2024 – ₹ **31,10,400 (Rupees Thirty One Lakhs Ten Thousand Four Hundred only)** per month.

₹ **31,10,400 (Rupees Thirty One Lakhs Ten Thousand Four Hundred only)** per month beginning from 1<sup>st</sup> January, 2024 with an annual increment upto 20% from 1<sup>st</sup> April, 2024, as may

be decided by the Board of Directors of the Company from time to time.

**b) Commission:**

Such remuneration by way of Commission, in addition to the salary, calculated with reference to the net profit of the Company in any particular financial year, as may be determined by the Board of Directors of the Company at the end of the financial year, subject to the provisions of Sections 197, 198 read with Schedule V and all other applicable provisions of the Companies Act, 2013. The exact amount payable will be decided by the Board of Directors based on certain performance criteria and shall be payable only after the Annual Accounts of the Company have been approved by the Board of Directors and adopted by the Members.

**c) Reimbursement:**

The Company shall reimburse Ms. Raashi Zaveri (DIN: 00713688), Whole-time Director of the Company all actual expenses incurred by her wholly, necessarily and exclusively for and on behalf of the Company and / or incurred in performance of the duties of the Company.

**3. Minimum Remuneration:**

Notwithstanding anything to the contrary contained herein, where in any financial year, during the continuation of the tenure of Ms. Raashi Zaveri (DIN: 00713688), Whole-time Director of the Company, the Company has no profits or its profits are inadequate, Ms. Raashi Zaveri shall be entitled to receive remuneration including commission subject to the provision of Section 197 and 198 read with Schedule V and all other applicable provisions of the Companies Act, 2013 or as may be prescribed by the Central Government from time to time.

The aggregate of the remuneration as aforesaid shall be within the maximum limits as laid down under Sections 197, 198 read with Schedule V and all other applicable provisions of the Companies Act, 2013, as amended and as in force from time to time, or if the same is not within limits, the same will be subject to approval of Central Government or as may be prescribed by the Central Government from time to time.

All other terms and conditions of her appointment which have been approved by the Members at the thirteenth Annual General Meeting of the Company held on 30<sup>th</sup> September, 2020, and forming part of Agreement dated 3<sup>rd</sup> October, 2020 entered into by and between the Company and Ms. Raashi Zaveri, Whole-time Director of the Company, will remain the same.

The draft amendment Agreement to be entered into by and between the Company and Ms. Raashi Zaveri, Whole-time Director of the Company, initialled by the Company Secretary for the purpose of identification, incorporating the said amendments, and the executed Salary Agreement dated 3<sup>rd</sup> October, 2020 along with all applicable Special Resolution(s) passed in this regards are available for inspection by the Members of the Company at its Registered Office of the Company situated at 241/43, Zaveri Bazar, Mumbai – 400 002 as well as the Corporate Office of the Company situated at 1106 to 1121, 11<sup>th</sup> Floor, West Wing, Tulsiani Chambers, 212, Backbay Reclamation, Free Press Journal Road, Nariman Point, Mumbai - 400 021, between 11.00 am to 1.00 pm on any working day of the Company.

In accordance with the provisions of Sections 197, 198 & all other applicable provisions of the Act, read with Schedule V to the said Act, the proposed remuneration payable to Ms. Raashi Zaveri (DIN: 00713688), Whole-time Director require approval of members by passing Special Resolution. Hence, the members are requested to pass the Special Resolution accordingly.

Except, Ms. Raashi Zaveri herself and Mr. Shrikant Zaveri and Ms. Binaisha Zaveri being her relatives, no other Directors and Key Managerial Personnel of the Company and their relatives, are concerned or interested, financially or otherwise, in this resolution.

The Board recommends the Special Resolution set out at Item No. 9 of the Notice for the approval of the Members.

**Following Statement as required under Schedule V of the Companies Act, 2013 are common for all Directors which is forming part of Item Nos. 5, 7 to 9:**

**Schedule V Part II of Companies Act, 2013**

**I General Information:**

**1. Nature of Industry:**

**Tribhovandas Bhimji Zaveri** is an established and iconic brand since 1864 and is in the business of retail jewellery business over a period of 156 years, with a flagship store at Zaveri Bazar, Mumbai. As on date of the financial year ended 31<sup>st</sup> March, 2023, your Company was operating from thirty two stores in twenty five cities and twelve states, out of which your Company has twenty nine owned stores and three franchise stores and your Company has one Corporate Office at Tulsiani Chambers, Nariman Point. Your Company primarily sells gold jewellery and diamond-studded jewellery, apart from that your Company also sells platinum jewellery, jadau jewellery and silverware. The design and manufacture of our products are done either in-house or by third parties.

We offer our customers a wide variety of jewellery from across India in order to cater to regional tastes. We also customize jewellery for individual needs. We offer our jewellery across different price points so as to maximize our potential customer base.

Your Company's over 158 years' history is proof of sustainability in diverse conditions and the trust that the customers have in the quality and purity of our products. This is enhanced by the fact that we offer a buy-back guarantee on our jewellery, subject to certain conditions. This buy-back guarantee was introduced way back in 1931 and we were the first retail jeweller in India to do so.

We have a dedicated design team who can create the finest and most exquisite pieces of jewellery to suit any occasion, be it a grand wedding or the numerous festive occasions that are celebrated in India or an everyday wear jewellery piece that complements the working or business woman. We have a range of men's jewellery collections

to cater to their preferences. All our designers are focused on developing new products and designs that meet customers' requirements as design uniqueness and differentiation distinguishes TBZ – The Original as a brand from other players in the industry.

**2. Date or expected date of commencement of commercial production / History of your Company:**

Tribhovandas Bhimji Zaveri Limited, was formed as private limited company on 24<sup>th</sup> July, 2007 by conversion of the partnership firm Tribhovandas Bhimji Zaveri under Part IX of the Companies Act, 1956 whereby the partners of the partnership firm became Members with the shareholdings as agreed amongst the partners. Your Company has been converted to a public limited company w.e.f. 3<sup>rd</sup> December, 2010. Your Company successfully completed its Initial Public Offer (IPO) during the Financial Year 2012 – 2013 of ₹ 20,000 Lakhs by fresh issue of 16,666,667 Equity Shares.

**3. Financial performance based on given indicators:**

**Financial performance for last five years:**

(₹ in Lakhs)

Particulars	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022	31 <sup>st</sup> March, 2021	31 <sup>st</sup> March, 2020	31 <sup>st</sup> March, 2019
Revenue	2,39,362.59	1,84,383.95	1,34,199.39	1,81,005.26	1,76,382.65
Gross Profit (GP)	26,652.30	19,727.49	21,371.67	25,353.29	24,892.68
Gross Profit in %	11.13%	10.70%	15.93%	14.01%	14.11%
(Loss)/Profit Before Tax (PBT)	5,152.58	2,287.58	5,969.12	2,887.09	2,311.40
(Loss)/ Profit After Tax (PAT)	3,967.41	1,711.12	4,309.04	2,193.65	1,530.58
Shareholder Funds	56,727.17	53,496.82	53,368.34	49,185.01	49,413.87

**4. Export performance and net foreign collaborations:**

Your Company does not have foreign collaboration agreement.

The export turnover/ performance of your Company as follows:

Year	Total Value (₹ in Lakhs)
2018-19	NIL
2019-20	NIL
2020-21	NIL
2021-22	NIL
2022-23	NIL

**5. Foreign investments or collaborations, if any:**

Your Company does not have any foreign investments or collaborations.

## II Information about the Appointee:

### 1. Background Details (Brief Profile)-

#### **Shrikant Zaveri (DIN: 00263725), Chairman & Managing Director**

Mr. Shrikant Zaveri (DIN: 00263725) is a doyen of the Indian Gems and Jewellery Industry and is one of the most respected personalities of the Gems and Jewellery Industry in India. He has a rich experience of more than forty one years in the Gems and Jewellery industry. He has completed his education upto matriculation. He took over as the managing partner of the business in 2001. He continued his forefather's business with one flagship store at Zaveri Bazar, and given his immense efforts, your Company as on 31<sup>st</sup> March, 2023 has thirty two stores, out of which twenty nine are Company's own stores and three are franchisee stores, in twenty five cities and twelve states across India.

He is discharging the additional responsibility of Chief Executive Officer of your Company.

Mr. Zaveri was the founding member and chairman of the Gems and Jewellery Trade Federation. He has been awarded the Retail Jewellery Award for lifetime achievement in the year 2007. He also won the Retail Leadership Award from the Asia Retail Congress in the year 2013. In year 2023 he won the prestigious award "Retail Jeweller MD & CEO Awards 2023, Excellence in Leadership" in the category of 'Special Contribution to the

Indian Retail Jewellery Industry'.

With his considerable wealth of experience, Mr. Shrikant Zaveri (DIN: 00263725) brings great value and insight to the Board of TBZ.

#### **Ms. Binaisha Zaveri (DIN: 00263657), Whole-time Director**

Ms. Binaisha Zaveri (DIN: 00263657) holds a bachelor's degree in marketing and finance from the Stern School of Business, New York. She joined the business in 2004 and has experience of more than nineteen years. She is involved in all aspects of the business including human capital management, operations, finance and business development. She has been actively involved and has been a key player in the opening of new stores.

#### **Ms. Raashi Zaveri (DIN: 00713688), Whole-time Director**

Ms. Raashi Zaveri (DIN: 00713688) holds a bachelor's degree in finance and entrepreneurship from the Kelly School of Business, Indiana University and is a graduate gemologist from the Gemological Institute of America. She joined the business in 2008 and has experience of more than fifteen years. She is involved in the management of your Company's marketing, enterprise resource planning systems and is actively engaged in accounting, designing, merchandising and general corporate management.

### 2. Past remunerations:

Particulars	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022	31 <sup>st</sup> March, 2021	31 <sup>st</sup> March, 2020	31 <sup>st</sup> March, 2019
<b>Salary including commission</b>					
Mr. Shrikant Zaveri	₹ 24,000,000	₹ 24,000,000	₹ 22,800,000	₹ 24,000,000	₹ 24,000,000
Ms. Binaisha Zaveri	₹ 24,000,000	₹ 24,000,000	₹ 21,300,000	₹ 24,000,000	₹ 24,000,000
Ms. Raashi Zaveri	₹ 24,000,000	₹ 24,000,000	₹ 21,300,000	₹ 24,000,000	₹ 24,000,000

### 3. Recognition or Awards:

Mr. Shrikant Zaveri, Chairman & Managing Director won the following Awards:

Retail Jeweller Awards 2007 – Life Time Achievement Award (Retail),

Asia Retail Congress - Retail Leadership Award in 2013.

Retail Jeweller MD & CEO Awards 2023 - Excellence in Leadership.



#### 4. Job profile and suitability

##### **Shrikant Zaveri, Chairman & Managing Director**

- With the vast experience in the field of Jewellery industry for over three decades and since he has been managing the overall affairs of the partnership firm in the past as managing partner he is the right person to be appointed as Managing Director of your Company and he is managing overall affairs of the Company. On retirement of Chief Executive Officer of your Company w.e.f. 10<sup>th</sup> September, 2015, Mr. Zaveri, with immediate effect has taken charge of Chief Executive Officer of your Company and is discharging all duties and role of Chief Executive Officer of your Company.

##### **Binaisha Zaveri, Whole-time Director**

- She is the Whole-time Director of your Company and is successfully administrating the functioning of TBZ with particular emphasis on human capital management, operations, finance, business development, marketing and merchandising functions. She is B.Sc. in Marketing & Finance from Stern School of Business, New York University thus having the required qualification to look after the human resource and marketing. She was also the partner in the partnership firm prior to conversion into private limited company under part IX of Companies Act, 1956.

##### **Raashi Zaveri, Whole-time Director**

- She is the Whole-time Director of your Company since 2008 and she is handling accounting, merchandising and general corporate management function of your Company and has successfully implemented Oracle E-business suite for your Company. She is B.Sc. in Finance & Entrepreneurship from Kelly School of Business, Indiana University, USA thus having the required qualification to look after the finance & accounting, merchandising and general corporate management. She is a Graduate Gemologist from GIA, thus has a requisite qualification to hold the position of the director of a Gem & Jewellery Company.

#### 5. Remuneration proposed:

##### **Mr. Shrikant Zaveri, Chairman & Managing Director:**

For details of remuneration refer to Item No. 7 of the Explanatory Statement under Section 102 of the Companies Act, 2013 forming part of this Notice of this Annual General Meeting.

##### **Ms. Binaisha Zaveri, Whole-time Director:**

For details of remuneration refer to Item No. 8 of the Explanatory Statement under Section 102 of the Companies Act, 2013 forming part of this Notice of this Annual General Meeting.

##### **Ms. Raashi Zaveri, Whole-time Director:**

For details of remuneration refer to Item No. 9 of the Explanatory Statement under Section 102 of the Companies Act, 2013 forming part of this Notice of this Annual General Meeting.

#### 6. Comparative remuneration profile with respect to industry, size of your Company, profile of the position and person

In comparison to the remuneration profile of similar companies in the industry and commensurate with the size of your Company for a similar kind of profile of the person, the remuneration proposed is at par for an Executive Director(s).

#### 7. Pecuniary relationship directly or indirectly with your Company, or relationship with the managerial personnel, if any

Mr. Shrikant Zaveri, Chairman & Managing Director of your Company and Ms. Binaisha Zaveri and Ms. Raashi Zaveri, Whole-time Directors of your Company, being father and daughters respectively, are related to each other. They are also promoter of the Company.

Ms. Binaisha Zaveri and Ms. Raashi Zaveri, Whole-time Directors of your Company being sisters, are related to each other.

### III. Other information:

#### 1. Reason for inadequacy of profits –

The prices of Gold are very volatile during the financial year 2022-23, due to adverse global market scenario and ongoing geopolitical issue between Russia and Ukraine. The price of Gold has reached a new high and a constant fluctuating market has an adverse impact on sales and customer sentiment. Global uncertainties lead to high volatile and fluctuating prices of Gold and impacted demand for gold jewellery and impacted sales. Customers tend to sell the old gold jewellery / old gold at a higher price or

if they buy the jewellery than they buy with the exchange of old gold / gold jewelry which has impacted the sales and the margin. Customers are waiting for the gold price to be stabilized for making fresh purchases, this factor has impacted sales.

**2. Steps taken or proposed to be taken for improvement / Expected increase in productivity and profits in measurable terms –**

The Company is continuously working on retail sales strategy to attract higher store footfalls, increase the share of diamond jewellery and focus on same store sales growth.

In this volatile market and adverse geopolitical situation, your Company has continued to focus on providing the safest, best & most convenient retail shopping experience to every customer by taking various initiatives and sales promo during the uncertain global market scenario. The Company is following the directives of the local authorities with complete adherence to all safety precautions as prescribed by them. The customers are provided with the facility of Shopping at the Home video, social media-based communication and One on One consultations with customers. The Company has also made its jewellery purchasing offer called Kalpavruksha completely online to ensure higher conversion and increased access during this period. The focus is on ensuring that customers have online access to the brand. The Company is focusing on the 'affordable diamonds' campaign and other festive/occasion-based campaigns per region. The Company is confident that with its approach of focusing on Contemporary designs, Consumer-friendly tech interventions and a well-trained and motivated sales team, it is well-positioned to take advantage of the rebound in consumer buying in the months to come. In order to protect liquidity and ensure adequacy of cash flows, the Company has taken several significant cost efficiencies measures & rationalised its inventory to eliminate

any possibility of stress on its cash flows, thereby maintaining a stable and comfortable liquidity position. Your Company shall come out of the shadow of this pandemic as a brand that is agile, lean and poised for sustainable growth in years to come.

Your Company has taken adequate steps to rationalize its inventory in terms of right sizing it and the benefits of the same shall accrue over the current financial year and beyond. It has maintained strict control on its operating expenses. It has taken measures to reduce the debt cost by procuring its Gold requirements through the Gold on Loan model. This measure also ensures that the metal is protected from price volatility by way of a natural hedge process.

The above statement annexed with the notice is disclosed pursuant to the provisions of Sections 196, 197 and all other applicable provisions of the Companies Act, 2013 ('the Act') and Rules made thereunder read with Part II of Schedule V of the Companies Act, 2013 forming part of Item Nos. 5, 7 to 9 of the Notice.

For and on behalf of the Board of Directors of  
**Tribhovandas Bhimji Zaveri Limited**

**Shrikant Zaveri**

Date: 1<sup>st</sup> August, 2023  
Place: Mumbai

Chairman & Managing Director  
(DIN: 00263725)

**Registered Office:**

241 / 43, Zaveri Bazar,  
Mumbai - 400 002, India.  
CIN: L27205MH2007PLC172598  
Tel. No. 022 – 4046 5000/ 01  
Email: [investors@tbzoriginal.com](mailto:investors@tbzoriginal.com)  
Web: [www.tbztheoriginal.com](http://www.tbztheoriginal.com)

## ANNEXURE – I TO THE NOTICE

### Disclosure pursuant to Regulation 36(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard 2 (SS 2) on General Meeting issued by the Institute of Company Secretaries of India, in order of the items mentioned in the Notice

Details of Directors retiring by rotation, seeking re-appointment at 16<sup>th</sup> Annual General Meeting pursuant to Regulation 36(3) of SEBI(LODR), Regulations, 2015 and Secretarial Standard 2 (SS 2) on General Meeting and for change in term of appointment at the 16<sup>th</sup> Annual General Meeting:

Name of the Director	Mr. Shrikant Zaveri	Ms. Binaisha Zaveri	Ms. Raashi Zaveri
DIN	00263725	00263657	00713688
Category	Chairman & Managing Director	Whole-time Director	Whole-time Director
Date of Birth / Age	07.12.1959 / 63 Years	28.12.1982 / 40 Years	26.12.1986 / 36 Years
Date of First Appointment on the Board	24.07.2007	24.07.2007	01.07.2008
Qualification	Matriculation	Bachelor's degree in Marketing and Finance from Stern School of Business, New York.	Bachelor's degree in Finance and entrepreneurship from Kelly School of Business, Indiana University and is a Graduate Gemologist from Gemological Institute of America
Expertise in specific functional area and Brief resume	Rich experience of more than 41 years in Retail Jewellery Business. Mr. Shrikant Zaveri (DIN: 00263725) is a doyen of the Indian Gems and Jewellery Industry and is one of the most respected personalities of the Gems and Jewellery Industry in India. He has a rich experience of more than forty one years in the Gems and Jewellery industry. He has completed his education upto matriculation. He took over as the managing partner of the business in 2001. He continued his forefather's business with one flagship store at Zaveri Bazar, and given his immense efforts, your Company as on 31 <sup>st</sup> March, 2023 has thirty two stores, out of which twenty nine are Company's own stores and three are franchisee stores, in twenty five cities and twelve states across India.	Experience in human capital management, operations, finance, business development, marketing and merchandising. Ms. Binaisha Zaveri (DIN: 00263657) holds a bachelor's degree in marketing and finance from the Stern School of Business, New York. She joined the business in 2004 and has an experience of more than nineteen years. She is involved in all aspects of the business including human capital management, operations, finance and business development. She has been actively involved and has been a key player in the opening of new stores.	Company's Enterprise Resource Planning Systems and actively engaged in accounting, merchandising & general corporate management. Ms. Raashi Zaveri (DIN: 00713688) holds a bachelor's degree in finance and entrepreneurship from the Kelly School of Business, Indiana University and is a graduate gemologist from the Gemological Institute of America. She joined the business in 2008 and has an experience of more than fifteen years. She is involved in the management of your Company's marketing, enterprise resource planning systems and is actively engaged in accounting, designing, merchandising and general corporate management.
No. of Meeting of the Board attended during the year	6 of 6	6 of 6	6 of 6

<b>Name of the Director</b>	<b>Mr. Shrikant Zaveri</b>	<b>Ms. Binaisha Zaveri</b>	<b>Ms. Raashi Zaveri</b>
Directorships held in other Public Companies as on 31 <sup>st</sup> March, 2020 (excluding foreign Companies and Section 8 companies)	Tribhovandas Bhimji Zaveri (Bombay) Limited (wholly owned subsidiary of the Company)	Tribhovandas Bhimji Zaveri (Bombay) Limited (wholly owned subsidiary of the Company)	Tribhovandas Bhimji Zaveri (Bombay) Limited (wholly owned subsidiary of the Company)
Chairmanships/ Memberships of the Committees of the Board of Directors of the Company as on 31 <sup>st</sup> March, 2023	Audit Committee - Member Stakeholders Relationship Committee - Member	Stakeholders Relationship Committee - Member	Stakeholders Relationship Committee - Member
Chairmanships/ Memberships of the Committees of other Public Companies as on 31 <sup>st</sup> March, 2023			
a) Audit Committee	NIL	NIL	NIL
b) Stakeholders Relationship Committee	NIL	NIL	NIL
Disclosure of Relationship between Directors inter-se	Ms. Binaisha Zaveri & Ms. Raashi Zaveri both are daughters	Mr. Shrikant Zaveri is father and Ms. Raashi Zaveri is sister	Mr. Shrikant Zaveri is father and Ms. Binaisha Zaveri is sister
Terms of Appointment / reappointment along with details of remuneration sought to be paid and the remuneration last drawn by such person, if applicable.	As per the letter of appointment / fixation of salary of CMD uploaded on the website of the Company at <a href="http://www.tbztheoriginal.com">www.tbztheoriginal.com</a> <a href="https://www.tbztheoriginal.com/storage/Shrikant%20Zaveri-Amend-Ag-(23-25).pdf">https://www.tbztheoriginal.com/storage/Shrikant%20Zaveri-Amend-Ag-(23-25).pdf</a> Remuneration last drawn is forming part of Corporate Governance Report (₹ 2,40,00,000/- in FY 2022-23). Fixation of salary for the balance period of 2 (two) years, i.e. from 01.01.2024 to 31.12.2025. All other terms and conditions of appointment will remain unchanged.	As per the letter of appointment / fixation of salary of Whole-time Director uploaded on the website of the Company at <a href="http://www.tbztheoriginal.com">www.tbztheoriginal.com</a> <a href="https://www.tbztheoriginal.com/storage/Binaisha%20Zaveri-Amend-Ag-(23-25).pdf">https://www.tbztheoriginal.com/storage/Binaisha%20Zaveri-Amend-Ag-(23-25).pdf</a> Remuneration last drawn is forming part of Corporate Governance Report (₹ 2,40,00,000/- in FY 2022-23). Fixation of salary for the balance period of 2 (two) years, i.e. from 01.01.2024 to 31.12.2025. All other terms and conditions of appointment will remain unchanged.	As per the letter of appointment / fixation of salary of Whole-time Director uploaded on the website of the Company at <a href="http://www.tbztheoriginal.com">www.tbztheoriginal.com</a> <a href="https://www.tbztheoriginal.com/storage/Raashi%20Zaveri-Amend-Ag-(23-25).pdf">https://www.tbztheoriginal.com/storage/Raashi%20Zaveri-Amend-Ag-(23-25).pdf</a> Remuneration last drawn is forming part of Corporate Governance Report (₹ 2,40,00,000/- in FY 2022-23). Fixation of salary for the balance period of 2 (two) years, i.e. from 01.01.2024 to 31.12.2025. All other terms and conditions of appointment will remain unchanged.
Nos. of Shares held in the Company	33,402,275	5,285,000	4,572,500

<b>Name of the Director</b>	<b>Mr. Ramesh Chandak</b>
DIN	00026581
Category	Independent Director, Non-Executive
Date of Birth / Age	07.11.1946 / 76 Years
Date of First Appointment on the Board	21.06.2023
Qualification	Qualified Chartered Accountant, registered with the Institute of Chartered Accountants of India. He has done post qualification course on Advanced Management Programme, Havard Business School, USA
Expertise in specific functional area and Brief Profile	Accounting and Finance, with main focuses on Corporate Advisory services. Mr. Ramesh Chandak (DIN: 00026581) is a qualified Chartered Accountant registered with the Institute of Chartered Accountants of India. He has done post qualification course on Advanced Management Programme, Havard Business School, USA, Mr. Chandak is the CEO of RDC Business Advisory, which provides individualised leadership coaching, strategy, succession planning and management services. Prior to starting his Advisory practice, he was the MD & CEO of KEC International Limited up to March 2015. He has had a successful career spanning over 40 years across engineering, infrastructure, edible oils and textiles industries having global corporate experience working in India, Malaysia and USA. He currently serves on the Boards of various listed companies and not for profit organisations. He is a recipient of CA Business Leader Award in 2008 by the Institute of Chartered Accountants of India. He is a former President of Indian Electrical & Electronics Manufacturers Association (IEEMA).
No. of Meeting of the Board attended during the year	Not Applicable
Directorships held in other Public Companies as on 31 <sup>st</sup> March, 2023 (excluding foreign Companies and Section 8 companies)	KEC International Limited Anand Rathi Wealth Limited Ram Ratna Wires Limited Summit Securities Limited Prince Pipes & Fittings Limited R R Kabel Limited
Chairmanships/ Memberships of the Committees of the Board of Directors of the Company as on 31 <sup>st</sup> March, 2023	Not Applicable
Chairmanships/ Memberships of the Committees of other Public Companies as on 31 <sup>st</sup> March, 2023 a) Audit Committee b) Stakeholders Relationship Committee	<ol style="list-style-type: none"> <li>1. KEC International Limited - Audit Committee (Member) Stakeholders Relationship Committee – (Chairman)</li> <li>2. Anand Rathi Wealth Limited - Audit Committee (Member) Stakeholders Relationship Committee – (Chairman)</li> <li>3. Ram Ratna Wires Limited - Audit Committee (Member)</li> <li>4. Prince Pipes &amp; Fittings Limited - Audit Committee (Chairman)</li> <li>5. R R Kabel Limited - Audit Committee (Chairman) Stakeholders Relationship Committee – (Member)</li> </ol>
Disclosure of Relationship between Directors inter-se	Not inter-se related to any of the Director or Key Managerial Personnel of the Company.

Name of the Director	Mr. Ramesh Chandak
<p>Terms of Appointment / reappointment along with details of remuneration sought to be paid and the remuneration last drawn by such person, if applicable.</p>	<p>As per the letter of appointment of Independent Director uploaded on the website of the Company at <a href="http://www.tbztheoriginal.com">www.tbztheoriginal.com</a> <a href="https://www.tbztheoriginal.com/storage/App-Letter-Ramesh-Chandak(23-28).pdf">https://www.tbztheoriginal.com/storage/App-Letter-Ramesh-Chandak(23-28).pdf</a></p> <p>Appointed as Independent Director (Non-Executive) for the period of 5 (Five) consecutive years i.e. from the 21<sup>st</sup> June, 2023 to 28<sup>th</sup> June, 2028, not liable to retire by rotation.</p> <p>Being new appointment the Remuneration last drawn – N.A.</p> <p>Independent Director is entitled to sitting fees for attending meetings of the Board &amp; Committees thereof and the commission not exceeding 1% of the net profits or as provided in Schedule V of the Act in the aggregate for all the Independent Directors, as may be approved by the Board of Directors in accordance with the provisions of the law.</p>
<p>Nos. of Shares held in the Company</p>	<p>NIL</p>

**Note:** Pursuant to Regulation 26(1)(b) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, only two Committees, viz. Audit Committee and Stakeholders Relationship Committee have been considered.

For and on behalf of the Board of Directors of  
**Tribhovandas Bhimji Zaveri Limited**

Date: 1<sup>st</sup> August, 2023  
Place: Mumbai

**Shrikant Zaveri**  
Chairman & Managing Director  
(DIN: 00263725)

**Registered Office:**  
241 / 43, Zaveri Bazar,  
Mumbai - 400 002, India.  
CIN: L27205MH2007PLC172598  
Tel. No. 022 – 4046 5000/ 01  
Email: [investors@tbzoriginal.com](mailto:investors@tbzoriginal.com)  
Web: [www.tbztheoriginal.com](http://www.tbztheoriginal.com)

# Directors' Report

To,  
 The Members of  
**Tribhovandas Bhimji Zaveri Limited,**

Your Directors are pleased to present the Sixteenth Annual Report on the business and operations of your Company together with the audited financial statements and Auditor's Report for the financial year ended 31<sup>st</sup> March, 2023:

## Financial Results:

The financial performance of your Company for the financial year ended 31<sup>st</sup> March, 2023 is summarized below:

Particulars	Standalone Financials		Consolidated Financials	
	31-Mar-23	31-Mar-22	31-Mar-23	31-Mar-22
	(₹ in Lacs)	(₹ in Lacs)	(₹ in Lacs)	(₹ in Lacs)
Revenue from operations	239,362.59	184,383.95	239,362.59	184,383.95
Earnings before Finance Cost, Depreciation and Amortization	11,496.65	7,235.36	11,630.99	7,626.33
Add: Other Income	555.86	837.62	497.55	777.75
Less: Finance Cost	4,478.25	3,559.90	4,476.68	3,557.99
Less: Depreciation and Amortization expenses	2,421.69	2,225.50	2,447.65	2,251.40
<b>Net Profit before Exceptional items &amp; Taxes</b>	<b>5,152.58</b>	<b>2,287.58</b>	<b>5,204.20</b>	<b>2,594.70</b>
Add: Exceptional items				
<b>Net Profit for the year before Taxes</b>	<b>5,152.58</b>	<b>2,287.58</b>	<b>5,204.20</b>	<b>2,594.70</b>
<b>Less: Provision for Taxes</b>				
Current Tax / MAT	1,304	517.00	1,304	517.00
MAT Credit				
Deferred Tax charge	(118.83)	59.46	(118.83)	59.46
Provision pertaining to earlier years				
<b>Profit for the year</b>	<b>3,967.41</b>	<b>1,711.12</b>	<b>4,019.03</b>	<b>2,018.24</b>
Add/(less): Other Comprehensive income	(69.75)	85.64	(69.16)	120.32
<b>Total Comprehensive income for the year</b>	<b>3,897.66</b>	<b>1,796.76</b>	<b>3,949.87</b>	<b>2,138.56</b>
Add/(less): Balance Brought Forward from Previous Year	28,630.96	28,502.46	27,893.15	27,422.86
Add/(less): Dividend for the year ended 31 <sup>st</sup> March, 2021	(667.31)	(1,668.27)	(667.31)	(1,668.27)
<b>Surplus Available for Appropriation</b>	<b>31,861.31</b>	<b>28,630.96</b>	<b>31,175.72</b>	<b>27,893.15</b>
<b>Appropriations:</b>				
Transfer to General Reserve		-		-
<b>Total Appropriations</b>				
<b>Surplus Available after Appropriation</b>	<b>31,861.31</b>	<b>28,630.96</b>	<b>31,175.72</b>	<b>27,893.15</b>
Add: Balance in Security Premium Account	16,791.35	16,791.35	16,791.35	16,791.35
Add: Balance General Reserve	1,401.47	1,401.47	1,401.47	1,401.47
Add: Balance Capital Reserve				
<b>Balance carried forward to Balance Sheet</b>	<b>50,054.11</b>	<b>46,823.76</b>	<b>49,367.77</b>	<b>46,085.20</b>

**Financial Performance:**

Your Company has reported revenue profit during the financial year 2022-23. Revenue from operations increased by 29.82% to ₹ 239,362.59 Lacs from ₹ 184,383.95 Lacs in the previous financial year. The profit before tax increased by 125.24 % to ₹ 5,152.58 Lacs, while net profit after tax increased 131.86 % to ₹ 3,967.41 Lacs.

The Gross Profit Margin for the financial year 2022-23 has increased to 11.13% as compared to 10.70 % in the previous financial year. In absolute terms the Gross Profit has increased to ₹ 26,652.30 Lacs as compared to ₹ 19,727.49 Lacs during the previous financial year.

The EBITDA for the financial year 2022-23 has increased to 4.80% as compared to 3.92% in the previous financial year.

**Dividend:**

Your Directors are pleased to recommend the Dividend of ₹ 1.75 (One Rupee Seventy Five Paise only) per Equity Share of face value of ₹ 10 each, i.e. 17.50% Dividend on Equity Capital for the financial year ended 31<sup>st</sup> March, 2023, will involve total cash outflow of ₹ 116,778,585 (Rupees Eleven Crores Sixty Seven Lacs Seventy Eight Thousand Five Hundred Eighty Five only), subject to the approval of Members at the ensuing Annual General Meeting, against an Dividend of ₹ 1 (One Rupee only) per Equity Share of face value of ₹ 10 (Rupees Ten only) each, i.e. 10% Dividend on Equity Capital of your Company for the financial year ended 31<sup>st</sup> March, 2022. In view of the changes made under the Income-tax Act, 1961, by the Finance Act, 2020, dividends paid or distributed by your Company shall be taxable in the hands of the Shareholders. Your Company shall, accordingly, make the payment of the final dividend after deduction of tax at source. The dividend, if approved at the ensuing Annual General Meeting (AGM), will be paid to all eligible members.

Pursuant to Regulation 43A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations"), and as per the SEBI Notification dated 5<sup>th</sup> May, 2021 has made the Dividend Distribution Policy applicable to top 1,000 listed entities by market capitalization. Pursuant to the aforesaid Notification, the Dividend Distribution Policy duly approved by the Board, which is available on the website of your Company and can be accessed at <https://www.tbztheoriginal.com/storage/TBZ-Dividend%20Distribution%20Policy.pdf>.

The Dividend Distribution Policy is annexed herewith as "Annexure – H".

**Changes in nature of business, if any:**

During the financial year 2022-23, there was no change in nature of business of your Company.

**Material Changes and Commitments:**

There have been no material changes and commitments since the close of the financial year i.e. 31<sup>st</sup> March, 2023 till the date of signing of this Directors' Report, affecting the financial position of your Company.

**Changes in Authorised Share Capital:**

During the financial year 2022-23 there was no change in the Authorised Share Capital of your Company.

**Changes in Paid-up Share Capital:**

During the financial year 2022-23 there was no change in the Paid-up Share Capital of your Company.

**Wholly Owned Subsidiary Company:**

As required under Rule 8(1) of the Companies (Accounts) Rules, 2014, the Board's Report has been prepared on the basis of standalone financial statements and a report on performance and financial position of the wholly owned subsidiary included in the consolidated financial statements is presented and is stated in this report.

In accordance with third proviso of Section 136(1) of the Companies Act, 2013, the Annual Report of your Company, containing therein its standalone and the consolidated financial statements has been placed on the website of your Company ([www.tbztheoriginal.com](http://www.tbztheoriginal.com)). Further, as per fourth proviso of the said section, audited annual accounts of the subsidiary company has also been placed on the website of your Company ([www.tbztheoriginal.com](http://www.tbztheoriginal.com)). Members interested in obtaining a copy of the audited annual accounts of the wholly owned subsidiary company may write to the Company Secretary at your Company's corporate office or email to [investors@tbzoriginal.com](mailto:investors@tbzoriginal.com).

Your Company has constituted "Policy on Determining Material Subsidiaries" in accordance with the Regulation 16(1)(c) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Policy will be used to determine the material subsidiaries of your Company and to provide governance framework for such subsidiaries. As per the Policy and as per the requirements of the provisions of the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 none of the wholly owned subsidiary companies are material subsidiary company of your Company. The Policy on determining material subsidiaries is available on your Company's website ([www.tbztheoriginal.com](http://www.tbztheoriginal.com)) at the below link:

[https://www.tbztheoriginal.com/storage/TBZ-Material%20Subsidiary%20Policy\(1.4.19\).pdf](https://www.tbztheoriginal.com/storage/TBZ-Material%20Subsidiary%20Policy(1.4.19).pdf).



As per the requirements of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015, the audited consolidated financial statements of your Company incorporating its wholly owned subsidiary company is prepared in accordance with applicable Indian Accounting Standards (Ind AS) are enclosed herewith.

For the year under review, i.e. as on 31<sup>st</sup> March, 2023, your Company has one wholly owned subsidiary company namely; Tribhovandas Bhimji Zaveri (Bombay) Limited.

### **Tribhovandas Bhimji Zaveri (Bombay) Limited**

Tribhovandas Bhimji Zaveri (Bombay) Limited operates its manufacturing activities from 106, Kandivali Industrial Estate, Charkop, Kandivali (West), Mumbai – 400 067. The said property is taken on Leave & License basis from your Company (i.e. holding company).

Tribhovandas Bhimji Zaveri (Bombay) Limited, during the financial year 2022-23, has reported a total revenue of ₹ 1,922.87 Lacs and has incurred profit of ₹ 63.91 Lacs.

During the financial year 2021–22, your Company have applied and paid for total **9,93,960 (Nine Lakhs Ninety Three Thousand Nine Hundred Sixty)** 7% Non-Cumulative Optionally Convertible Preference Shares (Series –I, Preference Share Capital) ('OCPS') of ₹ 100/- (Rupees One Hundred only) each, totaling to ₹ **9,93,96,000/- (Rupees Nine Crores Ninety Three Lakhs Ninety Six Thousand only)**.

During the financial year 2022–23, your Company has been allotted 9,93,960 7% Non-Cumulative Optionally Convertible Preference Shares (OCPS) on Rights Basis total amounting to ₹ 9,93,96,000/- (Rupees Nine Crores Ninety Three Lakhs Ninety Six Thousand only).

### **Performance of wholly owned subsidiary company:**

Pursuant to provisions of Section 129(3) of the Companies Act, 2013 ('the Act'), a statement containing salient features of Financial Statements of wholly owned subsidiary company in Form AOC-1 is annexed as '**Annexure – A**'.

Your Company does not have any Associate or Joint Venture Companies. Your Company has adopted a Policy for determining the criteria of material subsidiaries which can be viewed on your Company's website at [www.tbztheoriginal.com](http://www.tbztheoriginal.com).

### **Performance / State of Company's Affairs:**

As on 31<sup>st</sup> March, 2023, your Company was operating from thirty two stores in twenty five cities and twelve states, out of which your Company has twenty nine owned stores and

three franchise stores and your Company has one Corporate Office at Tulsiani Chambers, Nariman Point.

### **Awards & Recognition:**

During the year under review your Company has won "Retail Jeweller MD & CEO Awards 2023, Excellence in Leadership" in the category of 'Special Contribution to the Indian Retail Jewellery Industry' in the award function of "Retail Jeweller India (RJI)"

### **New Products Launch & new initiatives:**

During the financial year 2022-23 and till the date of signing of this report your Company has launched following product as well as started new initiatives as follows:

#### **(1) LEELA Bridal Jewellery:**

LEELA Bridal Jewellery, The New Bridal Jewellery collection launched in 2022-23 for the bridal season in December is exclusively designed new launch for 22-23 for today's Indian bride melded with modernity & imbibing the Indian culture. The Bridal Gold & Diamond Jewellery collection starts from 2 Lakhs only and caters to all the brides of India & the unique cultures which are true to TBZ-The Original's ethos for being the best Indian wedding jeweler.

#### **(2) Jewellery making starting from 399/gm for festive:**

Your Company launched a lucrative making from ₹ 399/gm initiative to answer customer feedback & cater to growing customer needs for festive season.

#### **(3) True Challenge**

Your Company launched True Challenge for customers to break the myth of TBZ-The Original being expensive by showcasing the overall cost of Jewellery which comes out to be lower than just comparing gold price in isolation. This saw an increase in walk-ins from campaign to non-campaign period.

#### **(4) Tie ups with major banks:**

Your Company has tied up with major banks like SBI for Festive season of Dhanteras in which the bank sponsored cashback to TBZ customers. Your company has also done corporate tie ups with American Express for special offers to their customers from TBZ-The Original for limited time periods.

#### **(5) Festive Shoot & Digital Reels for special occasions:**

Your Company had an extensive shoot with Sara Ali Khan Pataudi for festive season and launched the campaign during Dhanteras. Your company also

released the Sara & Mom (Amrita Singh) ad during festive season to showcase jewellery being bought as a gift & not just for bridal. Your company also shot many digital reels with Sara for special occasion wishing and launched them on social media.

#### (6) Influencer Campaigns:

Your Company launched multiple influencer campaigns in an attempt to attract younger and newer customers showcasing TBZ Jewellery and launch of new collections.

#### (7) Collections:

Your Company launched new collections such as Navya, Svava (Gold) Hues (Diamond) Kavva (Bangles), Varlaxmi (South) catering to the different audiences across Pan India and also attracting younger women to stores with attractive price points and range.

### Credit Rating

During the year under review your Company has carried out one Credit Ratings from CRISIL. CRISIL has reviewed the Credit Rating on the bank facilities of your Company at 'CRISIL BBB+/ Stable' (Reaffirmed) vide CRISIL Rating Rationale Letter dated 24<sup>th</sup> May, 2023 bearing Letter No. RL/TBZPL/317287/BLR/0523/61047 which is stated as follows:

Total Bank Loan Facilities Rated	₹ 625 Crores
Long-Term Rating	CRISIL BBB+/Stable (Reaffirmed)

The details of the Credit Rating are available on your Company's website ([www.tbztheoriginal.com](http://www.tbztheoriginal.com)) at the below link:

[https://www.tbztheoriginal.com/storage/TBZ\\_Credit\\_Ratings\\_CRISIL\\_250523.pdf](https://www.tbztheoriginal.com/storage/TBZ_Credit_Ratings_CRISIL_250523.pdf)

#### Increase in Inventories:

The inventory of your Company as on 31<sup>st</sup> March, 2023 has increased by ₹ 1,719.53 Lacs as compared to the inventory on 31<sup>st</sup> March, 2022. The increase in inventory is due to upcoming festival season.

#### Operations:

The operations of your Company are elaborated in the annexed Management Discussion and Analysis Report.

### Hedge Accounting / Derivative Financial Instruments:

#### Embedded Derivative:

An embedded derivative is a component of a hybrid (combined) instrument that also includes a non-derivative host contract – with the effect that some of the cash flows

of the combined instrument vary in a way similar to a standalone derivative. An embedded derivative cause some or all of the cash flows that otherwise would be required by the contract to be modified according to a specified variable. Your Company enters into purchase gold contract, in which the amount payable is not fixed based on gold price on the date of purchase, but instead is affected by changes in gold prices in future. Such transactions are entered to protect against the risk of gold price movement in the purchased gold. Accordingly, such unfixed payables (gold loan) are considered to have an embedded derivative. Your Company designates the gold price risk in such instruments as hedging instruments, with gold inventory considered to be the hedged item. The hedged risk is gold prices movement.

Derivatives are initially measured at fair value. Subsequent to initial recognition, derivatives are measured at fair value, and changes there in are generally recognised in profit and loss.

At the inception of a hedge relationship, your Company formally designates and documents the hedge relationship to which your Company wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes your Company's risk management objective and strategy for undertaking hedge, the hedging/ economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the entity will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

Commodity forward contract of NIL lots (NIL Kgs) outstanding as on 31<sup>st</sup> March, 2023 (31<sup>st</sup> March, 2022: NIL Kgs was outstanding). Hedging profit / loss is NIL as on 31<sup>st</sup> March, 2023 (31<sup>st</sup> March, 2022: NIL).

#### Related Party Transactions:

All contracts/ arrangements/ transactions entered by your Company during the financial year under review with related parties were in the ordinary course of business and on an arm's length basis and is in compliance with the applicable provisions of the Act and the Listing Regulations. During the year, there are no materially significant related party transactions entered by your Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of your Company at large. There were no materially significant Related Party Transactions made by

your Company during the year that required shareholders' approval under Regulation 23 of the Listing Regulations.

All related party transactions are placed before the Audit Committee and before the Board for their approval. Prior omnibus approval of the Audit Committee is obtained for the transactions which are of a foreseen and repetitive nature. The transactions entered into pursuant to the omnibus approval so granted are audited and a statement giving details of all related party transactions is placed before the Audit Committee and to the Board of Directors at their Board Meetings for their approval on a quarterly basis.

There are no material related party transactions which are not in ordinary course of business or which are not on arm's length basis and hence there is no information to be provided as required under Section 134(3)(h) of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014. The details of transactions with related parties as required are provided in Form AOC-2 annexed as 'Annexure – B'.

The policy on Materiality on Related Party Transactions and manner of dealing with Related Party Transactions as approved by the Board is uploaded on your Company's website ([www.tbztheoriginal.com](http://www.tbztheoriginal.com)) at the below link:

[https://www.tbztheoriginal.com/storage/TBZ-Policy-on-Materiality-and-Dealing-with-Policy\(2022\)Ver4.pdf](https://www.tbztheoriginal.com/storage/TBZ-Policy-on-Materiality-and-Dealing-with-Policy(2022)Ver4.pdf)

None of the Independent Directors has any pecuniary relationships or transactions vis-a-vis your Company.

A statement of related party transactions pursuant to Indian Accounting Standard (Ind AS) - 24 forms a part of notes to accounts.

#### **Transfer to Reserves:**

During the year under review, your Company has transferred ₹ NIL to the General Reserve.

#### **Particulars of Loans given, Investments made, Guarantees given and Securities provided under Section 186 of the Companies Act, 2013:**

Particulars of loans given, investments made, guarantees given and securities provided covered under the provisions of Section 186 of the Companies Act, 2013, are given in the notes to the standalone financial statements provided in this Annual Report.

#### **Fixed Deposits / Deposits:**

During the year under review your Company has not accepted or invited any fixed deposits from the public and there were no outstanding fixed deposits from the public as on the Balance Sheet date.

Your Company has not accepted deposit from the public falling within the ambit of Section 73 of the Companies Act, 2013 and The Companies (Acceptance of Deposits) Rules, 2014.

#### **Insurance:**

All the insurable interests of your Company including inventories, buildings, plant and machinery and liabilities are adequately insured.

#### **Corporate Social Responsibility (CSR) Initiatives:**

As part of its initiatives under Corporate Social Responsibility (CSR), the Corporate Social Responsibility Committee (CSR Committee) has formulated and recommended to the Board, a Corporate Social Responsibility Policy (CSR Policy) indicating the activities to be undertaken by your Company, which has been approved by the Board and are in accordance with Schedule VII of the Companies Act, 2013.

The CSR Policy is available on your Company's website ([www.tbztheoriginal.com](http://www.tbztheoriginal.com)) at the below link:

[https://www.tbztheoriginal.com/storage/TBZ-CSR%20Policy\(03.05.21\)Rev-Ver-3.pdf](https://www.tbztheoriginal.com/storage/TBZ-CSR%20Policy(03.05.21)Rev-Ver-3.pdf)

Your Company is committed towards the "Corporate Social Responsibility (CSR)" initiatives as per the requirement of Section 135 of the Companies Act, 2013 ("Act"). The details of the composition of the Corporate Social Responsibility (CSR) Committee are disclosed in the Corporate Governance Report forming part of this Annual Report.

As part of initiatives under "Corporate Social Responsibility (CSR)", for the financial year 2022-23, your Company has shortlisted the specific activities/ projects in the area of (a) 'Promoting Healthcare including Preventive Healthcare', which is falling under item (i) of Schedule VII of the Act; (b) 'Promoting Education' which is falling under item (ii) of Schedule VII of the Act and (c) 'Promoting gender equality and women's empowerment which is falling under item (iii) of Schedule VII of the Act. Your Company will also undertake other need based initiatives in compliance with Schedule VII to the Act.

Your Company is required to spend a total amount of ₹ **7,863,672 (Rupees Seventy Eight Lakhs Sixty Three Thousand Six Hundred Seventy Two only)** towards CSR activities for the financial year 2022-23 as per the requirement of Section 135 of the Companies Act, 2013. Your Company has made the required contribution in full to the various NGO's associated with your Company for the CSR activities for the financial year 2022-23. Your Company has actually spent ₹ **7,864,037 (Rupees Seventy Eight Lakhs Sixty Four Thousand Thirty Seven only)** towards CSR activities of your Company for the financial year 2022-23. As

on 31<sup>st</sup> March, 2022 the amount of ₹ **365/- (Rupees Three Hundred Sixty Five only)** was spent in excess towards the CSR activities of your Company for the financial year 2022-23. In accordance with Section 135 of the Companies Act, 2013 read with the CSR Amendment Rules, your Company is in position to carry forward the excess amount spent in financial year 2023-24 of ₹ **365/- (Rupees Three Hundred Sixty Five Only)** up to immediate succeeding three financial year as per the provision of Section 135 of the Companies Act, 2013 read with sub-rule (3) of Rule 7 of Companies (Corporate Social Responsibility Policy) Rules, 2014.

Your Company is fully committed to make contributions towards CSR Activities of your Company as per the requirement of Section 135 of the Companies Act, 2013.

The Annual Report on CSR activities is annexed herewith as **"Annexure – C"**.

### **Business Risk Management:**

Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) (Second Amendment) Regulations, 2021, vide Notification dated 5<sup>th</sup> May, 2021 has amended the requirement of Regulation 21(5) shall be applicable to top 1,000 (which was earlier 500) listed entities by market capitalization as at the end of the immediate previous financial year.

Your Company has already voluntarily constituted the Risk Management Committee, which has now been mandatory for top 1,000 companies as per the SEBI Notification dated 5<sup>th</sup> May, 2021. To identify elements of risk in different areas of operations and to follow better Corporate Governance in the true letter and spirit, your Company has voluntarily constituted the Risk Management Committee of the Board. The details of the Committee and its terms of reference are set out in the Corporate Governance Report forming part of the Annual Report.

Your Company manages, monitors and reports on the principal risks and uncertainties that can impact its ability to achieve its strategic objectives.

Your Company has a robust Risk Management framework to identify, evaluate business risks and opportunities. This framework seeks to create transparency, minimize adverse impact on the business objectives and enhance your Company's competitive advantage. Risk Management Committee provides assistance to the Board of Directors in fulfilling its objective of controlling / monitoring various risks prevailing in the functioning of your Company in day to day life including the Gold Price Risk Management Policy of your Company as well as mitigating the risk on hedging in domestic as well as international market.

The key business risks identified by your Company and its mitigation plan are as under:

#### **(i) Gold Price Fluctuation Risk:**

Prices of gold keep on fluctuating and in last one year there were huge fluctuations observed in gold prices due to various international factors and stringent domestic government policies. To mitigate this risk of gold price fluctuation your Company has started doing hedging in domestic market to protect your Company from the gold price fluctuation. Your Company's endure is to maximize procurement of inventory on gold loan as well as procurement of gold bar under gold loan scheme from various banks which will also help to reduce risk of your Company due to gold price fluctuation and takes care of natural hedging.

#### **(ii) Competition Risks:**

The jewellery industry is becoming intensely competitive with few organized sectors and the majority of unorganized sectors in local area, with the foray of new entrants and many of the existing unorganized players adopting inorganic growth strategies. To mitigate this risk, your Company is leveraging on its expertise, experience and its created capacities to increase market share, enhance brand equity/ visibility and enlarge product portfolio and various tactical offers.

### **Disclosure under Section 164(2) and confirmation of registration of Independent Directors with Independent Directors Databank:**

None of the Directors of your Company are disqualified from being appointed as Directors as specified under Section 164(2) of the Companies Act, 2013.

As required under Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, all the Independent Directors have complied the registration with Independent Directors Databank.

### **Directors:**

Mr. Shrikant Zaveri (DIN: 00263725), Chairman & Managing Director of your Company is not liable to retire by rotation and Ms. Binaisha Zaveri (DIN: 00263657) and Ms. Raashi Zaveri (DIN: 00713688), Whole-time Directors of your Company who are liable to retire by rotation; were all re-appointed by the Members of your Company at its 13<sup>th</sup> Annual General Meeting of your Company dated 30<sup>th</sup> September, 2020, based on the approval of the Board of Directors of your Company on recommendation of the members of the Nomination & Remuneration Committee of your Company, for the period of five years from 1<sup>st</sup> January, 2021 to 31<sup>st</sup> December, 2025 and fixation of remuneration for the period of three years i.e. from 1<sup>st</sup> January, 2021 to 31<sup>st</sup> December, 2023.

In accordance with the provision of Section 152 and all other applicable provisions of the Companies Act, 2013, Independent Directors are not liable to retire by rotation and for the purpose of calculation of 'total number of Directors' who are liable to retire by rotation this shall not include Independent Directors. Mr. Shrikant Zaveri (DIN: 00263725), Chairman & Managing Director of your Company, is the Director not liable to retire by rotation. Ms. Binaisha Zaveri (DIN: 00263657) and Ms. Raashi Zaveri (DIN: 00713688), Whole-time Directors of your Company are the Directors who are liable to retire by rotation.

Ms. Binaisha Zaveri (DIN: 00263657), Whole-time Director of your Company, retires by rotation at the 16<sup>th</sup> Annual General Meeting of your Company, and being eligible, offers herself for re-appointment.

Pursuant to Sections 149, 152 and all other applicable provisions of the Companies Act, 2013, read with the Companies (Appointment and Qualification of Directors) Rules, 2014 along with Schedule IV of the Act (including any statutory modification(s) or re-enactment thereof for the time being in force), the Independent Directors can hold office for a second term of five consecutive years on the Board of Directors of your Company. Mr. Kamlesh Vikamsey (DIN: 00059620), Mr. Ajay Mehta (DIN: 00028405) and Mr. Sanjay Asher (DIN: 00008221); Independent Directors of your Company were re-appointed for the second term of five consecutive years from 1<sup>st</sup> April, 2019 to 31<sup>st</sup> March, 2024, at the 11<sup>th</sup> Annual General Meeting of your Company held on 31<sup>st</sup> July, 2018. Mrs. Sudha Pravin Navandar (DIN: 02804964) was appointed as an Independent Director (Non-Executive Woman Independent Director) for the first term of consecutive five years from 1<sup>st</sup> April, 2021 to 31<sup>st</sup> March, 2026, at the 14<sup>th</sup> Annual General Meeting held on 16<sup>th</sup> September, 2021. Independent Directors shall not be liable to retire by rotation.

During the financial year 2022-23, Mr. Sanjay Asher (DIN: 00008221), Independent Director of your Company resigned w.e.f. close of business hours from 27<sup>th</sup> October, 2022, due to personal reasons. Post 31<sup>st</sup> March, 2023 and before the date of signing of this report, Mr. Kamlesh Vikamsey (DIN: 00059620), Independent Director resigned w.e.f. close of business hours on 13<sup>th</sup> April, 2023 due to personal reasons. To fill the casual vacancy, the Board of Directors based on the approval and recommendation of members of Nomination and Remuneration Committee has appointed Mr. Ramesh Chandak (DIN: 00026581) as Additional Director (Independent Director, Non-Executive) w.e.f. 21<sup>st</sup> June, 2023.

The Board of Directors in the Board Meeting dated 1<sup>st</sup> August, 2023, have considered Mr. Ramesh Chandak's (DIN: 00026581), diverse skills, leadership capabilities, accounting and financial expertise, general management and Industry knowledge. Mr. Chandak has done post qualification course

on Advanced Management Programme on leading change and organisational renewal at Harvard Business School, USA and he provides individualised leadership coaching, strategy, succession planning and management services. The Board of Directors in view of the above and based on the experience and diverse knowledge of Mr. Chandak, and on the recommendation of the Nomination and Remuneration Committee, proposes the name of Mr. Ramesh Chandak (DIN: 00026581) to the Members to appoint as an Independent Director (Non-Executive) of the Company by way of Special Resolution at the ensuing 16<sup>th</sup> Annual General Meeting of the Company for the period of 5 (five) consecutive years commencing from 21<sup>st</sup> June, 2023 up to 20<sup>th</sup> June, 2028. The Independent Director shall not be liable to retire by rotation.

### **Familiarization / Orientation Program of Independent Directors:**

Your Company has a program to familiarize Independent Directors with regard to their roles, rights, responsibilities in your Company, nature of the industry in which your Company operates, the business model of your Company, etc. The purpose of Familiarization Programme for Independent Directors is to provide insights into your Company to enable the Independent Directors to understand its business in depth and contribute significantly to your Company. Your Company has already carried out the familiarization programme for Independent Directors. The Familiarization Programme Imparted to Independent Directors in terms of Regulation 25(7) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, is available on your Company's website ([www.tbztheoriginal.com](http://www.tbztheoriginal.com)) at below link:

[https://www.tbztheoriginal.com/storage/TBZ-Famili-Prog-ID\(22-23\).pdf](https://www.tbztheoriginal.com/storage/TBZ-Famili-Prog-ID(22-23).pdf)

### **Independent Directors / Statement of declaration by Independent Directors under Section 149(7) of the Companies Act, 2013 and Regulations 16(1)(b) and 25(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and confirmation of registration with Independent Director's Database:**

The Independent Directors have given declarations to your Company under Section 149(7) of the Companies Act, 2013, that they meet the criteria of independence provided under Section 149(6) of the Companies Act, 2013 and Regulations 16(1)(b) and 25(8) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Listing Regulations').

The Board of Directors of your Company confirms that the Independent Directors fulfill the conditions specified in Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations and are independent of the management. List of Key skills, expertise and core competencies of the Board is

provided in the Corporate Governance Report forming part of this Annual Report.

The Board of Directors of your Company confirms that the Independent Directors have given their confirmation / declaration to your Company, that in terms of Rule 6(3) of the Companies (Appointment and Qualification of Directors) Rules, 2014, they have registered themselves with the Independent Director's database maintained by the Indian Institute of Corporate Affairs.

### Key Managerial Personnel:

Pursuant to provisions of Sections 2(51) and 203 of the Companies Act, 2013 read with Rule 8 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 following persons are acting as Key Managerial Personnel of your Company as on 31<sup>st</sup> March, 2023:

1. Mr. Shrikant Zaveri, Chairman & Managing Director
2. Ms. Binaisha Zaveri, Whole-time Director
3. Ms. Raashi Zaveri, Whole-time Director
4. Mr. Mukesh Sharma, Chief Financial Officer (CFO)
5. Mr. Niraj Oza, Head - Legal & Company Secretary

Your Company does not have separate position of Chief Executive Officer (CEO), as all the responsibilities of Chief Executive Officer (CEO) has been discharged by Mr. Shrikant Zaveri, Chairman & Managing Director of your Company.

During the financial year 2022-23, Mr. Saurav Banerjee, Chief Financial Officer (CFO) of your Company resigned from the position of the Chief Financial Officer (CFO) and Key Managerial Personnel (KMP) of your Company w.e.f. end of day of 13<sup>th</sup> May, 2022 and he will continue with your Company till 31<sup>st</sup> May, 2022 to facilitate effective handover to the incoming CFO. Mr. Mukesh Sharma, Chief Financial Officer (CFO) and Key Managerial Personnel (KMP) was appointed w.e.f. 16<sup>th</sup> May, 2022.

Brief profile of Mr. Mukesh Sharma, Chief Financial Officer (CFO) and Key Managerial Personnel (KMP):

Mr. Mukesh Sharma is a Chartered Accountant and a company secretary. Mr. Mukesh brings with him over 2 decades of experience in Food Retailing, Fashion, Commercial Real Estate, constructions, manufacturing and retailing among others. His Experience spans across Business Finance, Budgetary Control, financial controlling, Risk Management & Governance, Financial Reporting to Board, System & Process Development, M&A, Fund raising, Taxation management and creating value for various stake holders. Prior to joining us, Mr. Mukesh worked with Future Group in various roles. His immediate past assignment was with Virtuous Retail group as Financial Controller handling various SPVs.

### Annual Evaluation of Performance / Board Evaluation Criteria:

Your Company believes that systematic evaluation contributes significantly to improved performance at the three levels; organizational, Board and Individual Board Member. It encourages the leadership, teamwork, accountability, decision making, communication and efficiency of the Board. Evaluation also ensures teamwork by creating better understanding of Board dynamics, management relations and thinking as a group within the Board. The process includes multi layered evaluation based on well-defined criteria consisting of relevant parameters.

Pursuant to the applicable provisions of the Companies Act, 2013 and Regulations 17(10), 25(4) and all other applicable Regulation(s) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors have carried out annual evaluation of its own performance, Board Committees, individual Directors, Chairperson of your Company.

As required under Regulation 25 of the Listing Regulations, a separate meeting of the Independent Directors of your Company was also held on 8<sup>th</sup> February, 2023 to evaluate the performance of the Chairman, Non-Independent Directors and the Board as a whole and also to assess the quality, quantity and timeliness of flow of information between the management of your Company and the Board.

The performance of the Board / Committee was evaluated after seeking inputs from all the Directors / Committee members on the basis of the defined criterial including composition and structure effectiveness of meeting, information and functioning.

Performance evaluation of Independent Directors was done by the entire Board, excluding the Independent Director being evaluated, on the basis of following evaluation criteria:

- Relevant knowledge, expertise and experience.
- Devotion of time and attention to your Company's long-term strategic issues.
- Discussing and endorsing your Company's strategy.
- Addressing the most relevant issues for your Company.
- Professional conduct, ethics and integrity.
- Understanding of duties, roles and function as Independent Director.

Your Directors have expressed satisfaction to the evaluation process.

The manner in which the evaluation has been carried out has been explained in detail in the Corporate Governance Report, forming part of this Annual Report.

### **Nomination, Remuneration and Evaluation Policy:**

The Board has on the recommendation of the Nomination and Remuneration Committee, framed a policy for selection and appointment of Directors, Senior Management, their remuneration and their evaluation. In compliance with the provision of Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The policy of your Company includes qualifications, positive attributes and independence of a director and policy relating to the remuneration of Directors, Key Managerial Personnel and other employees is framed with the object of attracting, retaining and motivating talent which is required to run your Company successfully. As per the requirement of Listing Regulations, the Nomination, Remuneration and Evaluation Policy is forming a part of Directors' Report as "Annexure – E".

The same is available on your Company's website ([www.tbztheoriginal.com](http://www.tbztheoriginal.com)) at the below link:

<https://www.tbztheoriginal.com/storage/TBZ-Nom,Remu.&Eval.Policy.pdf>

### **Board and Committee Meetings / Number of Meetings:**

A calendar of Board and Committee Meetings is prepared and circulated in advance to the Directors.

The Board of Directors met six times during the year and members of the Audit Committee met four times during the year.

During the financial year 2022-23, six Board Meetings were convened and held on 5<sup>th</sup> May, 2022, 14<sup>th</sup> May, 2022, 1<sup>st</sup> August, 2022, 14<sup>th</sup> November, 2022 8<sup>th</sup> February, 2023 and 29<sup>th</sup> March, 2023. Total five Audit Committee Meetings were convened and held on 5<sup>th</sup> May, 2022, 14<sup>th</sup> May, 2022, 1<sup>st</sup> August, 2022, 14<sup>th</sup> November, 2022 and 8<sup>th</sup> February, 2023. The details of the meetings held and attended by Directors are shown in the Corporate Governance Report. The intervening gap between the two Meetings was less than one hundred and twenty days in compliance with the provisions of Section 173(1) of the Companies Act, 2013 and Regulation 17(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The required quorum as prescribed under Section 174(1) of the Companies Act, 2013, was present in all the Board and Committee meetings. During the year, a separate meeting of the Independent Directors was held on 8<sup>th</sup> February, 2023 without the attendance of non-independent directors and members of the management as per Regulation 25(3) of SEBI

(Listing Obligation and Disclosure Requirements), 2015. All Independent Directors were present at the said meeting.

### **Directors' Responsibility Statement:**

Based on the framework of Internal Financial Controls and compliance systems established and maintained by your Company, the work performed by the Internal Auditors, Statutory Auditors and Secretarial Auditors, 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 your Company's internal financial controls were adequate and effective during Financial Year 2022-23.

To the best of their knowledge and belief and according to the information and explanation obtained by them, your Directors make the following statements in terms of Section 134(3)(c) read with Section 134(5) of the Companies Act, 2013:

- (a) that in preparation of the annual accounts for the Financial Year ended 31<sup>st</sup> March, 2023, the applicable Indian Accounting Standards (Ind AS) have been followed and there are no material departures;
- (b) that they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of your Company at the end of the Financial Year ended 31<sup>st</sup> March, 2023 and of the profit of your Company for that date;
- (c) that they have taken proper and sufficient care, to the best of their knowledge and ability, for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013. They confirm that there are adequate systems and controls for safeguarding the assets of your Company and for preventing and detecting fraud and other irregularities;
- (d) that they have prepared the Annual Accounts on a going concern basis;
- (e) that they have laid down the proper internal financial controls to be followed by your Company and that such internal financial controls were adequate and were operating effectively;
- (f) that they have devised proper systems to ensure the compliance with all applicable laws and that such systems were adequate and operating effectively.

**Review of Annual Accounts by Audit Committee:**

Financials of your Company for the financial year ended 31<sup>st</sup> March, 2023 were reviewed by the Audit Committee before being placed before the Board.

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo:

The information as required under Section 134(3)(m) of the Companies Act, 2013 Rule 8 of the Companies (Accounts) Rules, 2014, for the financial year ended as on 31<sup>st</sup> March, 2023, are as under:

1. Part A & B pertaining to conservation of energy and technology absorption are not applicable to your Company.
2. Foreign Exchange earnings and outflow:
 

Earnings -	₹ NIL
Outflow -	₹ NIL

**Significant and Material Orders passed against your Company by the Regulators or Courts or Tribunals:**

Pursuant to the requirement of Section 134(3)(q) of the Companies Act, 2013 read with Rule 8(5)(vii) of the Companies (Accounts) Rules, 2014, it is confirmed that during the Financial Year under review, there are no significant or material orders passed by the Regulators or Courts or Tribunals impacting the going concern status and your Company's operations in future.

**Audit Committee:**

The Audit Committee comprises of three Independent Directors namely Mr. Kamlesh Vikamsey as Chairman of the Committee and Mr. Ajay Mehta and Mrs. Sudha Navandar as member of the Committee and Mr. Shrikant Zaveri, Chairman & Managing Director of your Company as member of the Committee. All the recommendations made by the Audit Committee were accepted by the Board.

The Committee interalia reviews the Internal Control System and reports of Internal Auditors and compliance of various regulations. The Committee also reviews at length the Financial Statements before they are placed before the Board. The numbers of Audit Committee, its terms of reference, the meetings of the Audit Committee and attendance thereof of the members of the Committee is mentioned in the Corporate Governance Report.

**Vigil Mechanism / Whistle Blower Policy:**

Your Company has adopted and established a vigil mechanism named "Whistle Blower Policy (WBP)" for directors and employees to report genuine concerns and to deal with instance of fraud and mismanagement, if any {in compliance with the provisions of Section 177 (10) of

the Companies Act, 2013 ('the Act') and Regulation 22 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015}. The Policy provides for adequate safeguards against victimization of employees, who avail of the mechanism and provides to employees' direct access to the Chairman of the Audit Committee. It is affirmed that no personnel of your Company have been denied access to the Audit Committee. The details of the Whistle Blower Policy are explained in the Corporate Governance Report and also available on your Company's website ([www.tbztheoriginal.com](http://www.tbztheoriginal.com)) at the below link:

[https://www.tbztheoriginal.com/storage/TBZ-Whistle%20Blower%20Policy\(01.04.19\).pdf](https://www.tbztheoriginal.com/storage/TBZ-Whistle%20Blower%20Policy(01.04.19).pdf)

**Human Resources and Employee Relations:**

Attracting, retaining and developing talent continued to be a focus area for your Company. The increased focus on capability enhancement and employee engagement had a positive impact on talent retention as reflected in the lower attrition levels. Your Company has total employee strength of 897 as on 31<sup>st</sup> March, 2023. Employee Relations continued to be cordial at all levels.

**Prevention of Sexual Harassment at workplace {Disclosure as required under Section 22 of Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013}:**

Your Company has always believed in providing a safe and harassment free workplace for every individual working in its premises through various policies and practices. Your Company always endeavors to create and provide an environment that is free from discrimination and harassment including sexual harassment. Your Company has adopted a policy on Prevention of Sexual Harassment at Workplace which is in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The policy aims at prevention of harassment of employees and lays down the guidelines for identification, reporting and prevention of undesired behavior. An Internal Complaints Committee ("ICC") has been set up from the senior management (with women employees constituting the majority) which is responsible for redressal of complaints related to sexual harassment and follows the guidelines provided in the Policy. All employees (permanent, contractual, temporary, trainees) are covered under the policy.

Your Directors further state that during the year under review, there were no complaint /cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. {There was no complaint received from any employee during the financial year 2022-23 and hence no complaint is outstanding as on 31<sup>st</sup> March, 2023 for redressal}.



The status of cases/ complaint filed, disposed of and pending in respect of Sexual Harassment of Women at Workplace for the financial year ended as on 31<sup>st</sup> March, 2023 (i.e. from 1<sup>st</sup> April, 2022 to 31<sup>st</sup> March, 2023) as given below:

Opening Cases/ complaint as on 1st April, 2022	Cases/ complaint filed during the year ended 31st March, 2023	Cases/ complaint disposed of during the year ended 31st March, 2023	Cases/ complaint pending as on 31st March, 2023
NIL	NIL	NIL	NIL

### Particulars of Employees:

Disclosure pertaining to remuneration and other details as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are provided in the Annual Report. (Refer “Annexure – F”).

In terms of the provisions of Section 197(12) of the Companies Act, 2013 read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing the names and other particulars of top ten employees are provided in the Annual Report. (Refer “Annexure – G”).

### Extract of Annual Return:

In accordance with Sections 134(3)(a) & 92(3) of the Companies Act, 2013 read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014, an extract of the Annual Return for financial year 2022-23 is uploaded on the website of your Company and the same is available at [https://www.tbztheoriginal.com/storage/TBZ-F\\_MGT-7-31\\_03\\_23-Draft.pdf](https://www.tbztheoriginal.com/storage/TBZ-F_MGT-7-31_03_23-Draft.pdf).

### Management Discussion and Analysis:

Pursuant to Regulation 34 read with Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (‘Listing Regulations’), a detailed review of operations, performance and future outlook of your Company and its business is given in the Management Discussion and Analysis which forms part of this Report.

### Corporate Governance:

In compliance with Regulation 34 of the Listing Regulations, a separate report on Corporate Governance along with a certificate from the Auditors on its compliance forms part of this Annual Report. Your Company acknowledges its responsibilities to its Stakeholders and believes that Corporate Governance helps to achieve commitment and goals to enhance stakeholder’s value by focusing towards all stakeholders. Your Company maintains highest level of transparency, accountability and good management practices through the adoption and monitoring of corporate strategies, goals and procedures to comply with its legal and ethical responsibilities. Your Company is committed to meeting the aspirations of all its stakeholders.

Your Company is fully committed to and continues to follow procedures and practices in conformity with the Code of Corporate Governance enshrined in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 and Para C, D and E of Schedule V and all other applicable Regulation(s) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. A detailed report on Corporate Governance forms part of this Report. The Statutory Auditor’s Certificate as per the requirements of Para E of Schedule V and all other applicable Regulation(s) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, on compliance with Corporate Governance requirements by your Company is attached to the Report on Corporate Governance.

### Business Responsibility and Sustainability Report (BRSR):

As required under Regulation 34(2)(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the requirement of Business Responsibility & Sustainability Report (BRSR) is not applicable to your Company.

### General Shareholder Information:

General Shareholder Information is given in Item No. VII of the Report of Corporate Governance forming part of the Annual Report.

### Listing Fees:

The Equity Shares of your Company are listed on the BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE). Your Company has paid the applicable listing fees to the above Stock Exchanges for the financial years 2022-23 and 2023-24. Your Company’s shares are traded in dematerialized segment for all investors compulsorily and your Company had entered into agreements with the Central Depository Services (India) Limited (CDSL) and National Securities Depository Limited (NSDL) for custodial services. Your Company has paid Annual Custodial Fees to both Central Depository Services (India) Limited (CDSL) and National Securities Depository Limited (NSDL) for the financial years 2022-23 and 2023-24.

### Listing Agreement:

The Securities and Exchange Board of India (SEBI), on 2<sup>nd</sup> September, 2015, issued Securities and Exchange Board

of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the aim to consolidate and streamline the provisions of the Listing Agreement for different segments of capital market to ensure better enforceability. The said regulations were effective from 1<sup>st</sup> December, 2015. Accordingly, all listed entities were required to enter into the Listing Agreement within six months from the effective date. Your Company entered into Listing Agreement with BSE Limited and the National Stock Exchange of India Limited during November, 2015.

#### **Adequacy of Internal Financial Controls with reference to financial statements:**

Based on the framework of internal financial controls and compliance systems established and maintained by your Company, work performed by the internal, statutory and secretarial auditors and external consultants and the reviews performed by management and the Audit Committee, the Board is of the opinion that your Company's internal financial controls were adequate and effective with reference to the financial statements for the financial year ended 31<sup>st</sup> March, 2023.

#### **Internal Control Systems and their adequacy:**

The management continuously reviews the internal control systems and procedures for the efficient conduct of your Company's business. Your Company adheres to good practices with respect to transactions and financial reporting and ensures that all its assets are appropriately safeguarded and protected against losses. The Internal Auditor of your Company conducts the audit on regular basis and the Audit Committee actively reviews internal audit reports and effectiveness of internal control systems periodically.

During the year, the Internal Auditor performed comprehensive assessments at various locations and across all functional departments. The Audit Committee regularly reviews the audit findings and corrective measures taken thereon to ensure the efficacy of the Internal Control process. The system of Internal Control is structured to verify that financial and other documents are accurate in compiling financial reports and other data, and in maintaining transparency for individuals.

Internal Control Systems are implemented to safeguard your Company's assets from loss or damage, to keep constant check on the cost structure, to prevent revenue leakages, to provide adequate financial and accounting controls and to implement Indian Accounting Standards (Ind AS).

#### **Stakeholders Relationship:**

Stakeholders' relations have been cordial during the year. As a part of compliance, your Company has constituted Stakeholders Relationship Committee in compliance with the provisions of Section 178 of the Companies Act, 2013

and as per Regulation 20 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 to consider and resolve the grievances of security holders of your Company. There were no investors' grievances pending as on 31<sup>st</sup> March, 2023. The confirmation to this effect has been received from KFin Technologies Limited, Registrar and Share Transfer Agent of your Company.

#### **Enhancing Shareholders Value:**

Your Company believes that its Members are among its most important stakeholders. Accordingly, your Company's operations are committed to the pursuit of achieving high levels of operating performance and cost competitiveness, consolidating and building for growth, enhancing the productive asset and resource base and nurturing overall corporate reputation. Your Company is also committed to creating value for its other stakeholders by ensuring that its corporate actions positively impact the socio-economic and environmental dimensions and contribute to sustainable growth and development.

#### **Participation in the Green Initiative:**

Your Company continues to wholeheartedly participate in the Green Initiative undertaken by the Ministry of Corporate Affairs (MCA) for correspondences by Corporate to its Members through electronic mode. All the Members are requested to join the said program by sending their preferred e-mail addresses to their Depository Participant.

In commitment to keep in line with the Green Initiative and going beyond it to create new green initiatives, electronic copy of the Annual Report along with Notice of 16<sup>th</sup> Annual General Meeting of your Company will be sent to all Members whose email addresses are registered with your Company/ Depository Participant(s). For members who have not registered their e-mail addresses, are requested to register the same with their respective Depository Participants. For this financial year physical copies of Annual Report 2022-23 will be sent to those members who specifically request the same.

#### **Employee Stock Option Scheme (ESOP):**

For the current financial year 2022-23, your Company do not have any open Employee Stock Option Scheme (ESOP) nor granted any fresh stock option to its employees.

#### **Consolidated Financial Statements:**

Your Directors are pleased to enclose the Consolidated Financial Statements pursuant to Section 129(3) and all other applicable provisions of the Companies Act, 2013 and as per Regulation 33(1)(c) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and prepared in accordance with the Indian Accounting Standards (Ind AS) – 110 and all other

applicable Indian Accounting Standards (Ind AS) prescribed by the Institute of Chartered Accountants of India, in this regard.

### **Investor Education and Protection Fund (IEPF)**

In accordance with the applicable provisions of Companies Act, 2013 read with Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016 ('IEPF Rules'), all unclaimed dividends are required to be transferred by your Company to the IEPF, after completion of seven (7) years. Further, according to IEPF Rules, the shares on which dividend has not been claimed by the shareholders for seven (7) consecutive years or more shall be transferred to the demat account of the IEPF Authority. The details relating to amount of dividend transferred to the IEPF during the financial year 2022-23 and corresponding shares on which dividends were unclaimed for seven (7) consecutive years, are provided in the General Shareholders Information section of Corporate Governance Report which is forming part of this Annual Report.

### **Disclosure on compliance with Secretarial Standards:**

Your Directors confirm that the Secretarial Standards issued by the Institute of Company Secretaries of India, have been complied with. Your Company has complied with the Secretarial Standards on Meetings of the Board of Directors (SS-1) and General Meetings (SS-2) issued by the Institute of Company Secretaries of India and approved by the Central Government under Section 118(10) of the Companies Act, 2013.

### **Secretarial Auditor's Report:**

The Secretarial Audit was carried out by M/s. Pramod S. Shah & Associates, (PCS Registration No. 3804) for the Financial Year ended on 31<sup>st</sup> March, 2023.

The Report given by the Secretarial Auditors is in Form 'MR - 3' annexed herewith as "**Annexure - D**" and forms integral part of this Annual Report.

The Secretarial Audit Report is self-explanatory and do not call for any further comments. The Secretarial Audit Report does not contain any qualification, reservation, adverse remark or disclaimer.

### **Reporting of Fraud by Auditors:**

During the year under review, the Statutory Auditors and Secretarial Auditor have not reported any instances of frauds committed in your Company by its Officers or Employees to the Audit Committee and / or to the Board under Section 143(12) of the Companies Act, 2013 details of which needs to be mentioned in this Report.

### **IBC Code & One-time Settlement**

There is no proceeding pending against your Company under the Insolvency and Bankruptcy Code, 2016 (IBC Code). There has not been any instance of one-time settlement of your Company with any bank or financial institution.

### **Statutory Auditors' Report:**

The observations made in the Auditors' Report of M/s. Chaturvedi & Shah LLP, Chartered Accountants (ICAI Firm Registration No. 101720W/W100355), Chartered Accountants for the year ended 31<sup>st</sup> March, 2023, read together with the relevant notes thereon, are self-explanatory and hence do not call for any comment under Section 134 of the Companies Act, 2013.

The Auditors' Report to the Members does not contain any qualification, reservation, adverse remark or disclaimer by the Statutory Auditors in their Report. The Audit Report is enclosed with the financial statements forming part of this Annual Report.

### **Statutory Auditors:**

At the 13<sup>th</sup> Annual General Meeting of your Company held on 30<sup>th</sup> September, 2020 the Members approved appointment of M/s. Chaturvedi & Shah LLP, Chartered Accountants (ICAI Firm Registration No. 101720W/W100355) as Statutory Auditors of your Company to hold office for a continuous period of five years, i.e. from conclusion of 13<sup>th</sup> Annual General Meeting of your Company until the conclusion of 18<sup>th</sup> Annual General Meeting of your Company (i.e. for the FY 2020-21 until FY 2024-25).

The Statutory Auditors have issued a clean report on the financials of your Company and have not issued any qualifications for the financial year ended 31<sup>st</sup> March, 2023.

### **Secretarial Auditors:**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, your Company has appointed M/s. Pramod S. Shah & Associates (PCS Registration No. 3804), a firm of Company Secretaries in Practice, Mumbai to undertake the Secretarial Audit of your Company for the year ended 31<sup>st</sup> March, 2023. The Board of Directors of your Company has appointed M/s. Pramod S. Shah & Associates, a firm of Company Secretaries in Practice, Mumbai to carry out Secretarial Audit of your Company for financial year 2023-24. The Secretarial Auditors have confirmed that, they are not disqualified to be appointed as the Secretarial Auditors of your Company for the financial year 2023-24.

**Internal Auditors:**

In compliance with the provisions of Section 138 of the Companies Act, 2013 read with rule 13 of Companies (Accounts) Rules, 2014 the Board of Directors on the recommendation of Audit Committee has appointed M/s. Deloitte Touche Tohmatsu India LLP (Firm Registration No. AAE-8458), Chartered Accountants as Internal Auditors of your Company for financial year 2023-24.

**General:**

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

- Details relating to deposits covered under Chapter V of the Act.
- Issue of equity shares with differential rights as to dividend, voting or otherwise.
- Issue of shares (including sweat equity shares) to employees of your Company under any scheme.
- Neither the Managing Director nor the Whole-time Directors of your Company receive any remuneration or commission from any of its wholly owned subsidiaries.
- No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.

**Acknowledgement:**

Your Company has maintained healthy, cordial and harmonious industrial relations at all levels. Your Directors place on record their deep appreciation to employees at all levels for their hard work, dedication and commitment.

The Board place on record its appreciation for the support and co-operation your Company has been receiving from its investors, customers, vendors, bankers, financial institutions, business associates, Central & State Government authorities, Regulatory authorities and Stock Exchanges. Your Board looks forward for the long-term future with confidence, optimism and full of opportunities.

**Cautionary Statement:**

Statement in the Board's Report and the Management Discussion and Analysis describing your Company's objectives, expectations or forecasts may be forward-looking within the meaning of applicable securities laws and regulations. Actual results may differ materially from those expressed in the statement. Important factors that could influence your Company's operations include global and domestic demand and supply conditions affecting selling price of finished goods, input availability and prices, changes in government regulations, tax laws, economic developments within the country and other factors such as litigation and industrial relations.

For and on behalf of the Board of Directors of  
**Tribhovandas Bhimji Zaveri Limited**

**Shrikant Zaveri**  
Chairman & Managing Director  
(DIN: 00263725)

**Raashi Zaveri**  
Whole-time Director  
(DIN: 00713688)

Date: 1<sup>st</sup> August, 2023

Place: Mumbai

## Form No. 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

#### Part "A": Subsidiaries

(Information in respect of each subsidiary is presented with amounts in ₹)

1. Name of the subsidiary	Tribhovandas Bhimji Zaveri (Bombay) Limited
2. Date since when subsidiary was acquired / formed	24 <sup>th</sup> April, 1986
3. Reporting period	31.03.2023 (same as of holding Company)
4. Reporting currency	INR
5. Equity Share Capital	502,000
6. Preference Share Capital (Allotment done during the FY 2022-23)	9,93,96,000
7. Total Share Capital (Equity+ Preference)	9,98,98,000
8. Reserves & Surplus	(470,99,855)
9. Total Assets	9,63,71,655
10. Total Liabilities	4,35,73,510
11. Investments	3,32,872
12. Turnover	19,07,41,947
13. Profit / (Loss) before taxation	63,90,851
14. Provision for taxation	-
15. Profit / (Loss) after taxation	63,90,851
16. Proposed Dividend	NIL
17. % of shareholding	100% Shareholding

Notes:

1. Reporting period for the subsidiaries is same as that of the holding company i.e. 1st April, 2022 to 31st March, 2023.
2. Names of subsidiaries which are yet to commence operations – NIL
3. Names of subsidiaries which have been liquidated or sold during the year – N.A.

Since your Company does not have any Associates or Joint Ventures, information pertaining to Part "B" to this form relating to Associates and Joint Ventures is not given.

For and on behalf of the Board of Directors of  
**Tribhovandas Bhimji Zaveri Limited**

**Shrikant Zaveri**  
Chairman & Managing Director  
(DIN: 00263725)

**Raashi Zaveri**  
Whole-time Director  
(DIN: 00713688)

**Mukesh Sharma**  
Chief Financial Officer

**Niraj Oza**  
Head-Legal & Company Secretary  
(Membership No.: A20646)

Date: 1<sup>st</sup> August, 2023

Place: Mumbai

**Annexure - B**

# Form AOC-2

(Pursuant to clause (h) of sub-section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-Section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto:

**1. Details of contracts or arrangements or transactions not at arm's length basis:**

Tribhovandas Bhimji Zaveri Limited (the Company) has not entered into any contract/arrangement/transaction with its related parties which are not in ordinary course of business or at arm's length during the financial year 2022-23. The Company has laid down policies and processes / procedures so as to ensure compliance to the subject section in the Companies Act, 2013 and the corresponding Rules.

In addition, the process goes through internal and external checking, followed by quarterly reporting to the Audit Committee.

- (a) Name(s) of the related party and nature of relationship: Not Applicable
- (b) Nature of contracts/arrangements/transactions: Not Applicable
- (c) Duration of the contracts / arrangements/transactions: Not Applicable
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any: Not Applicable
- (e) Justification for entering into such contracts or arrangements or transactions: Not Applicable
- (f) Date(s) of approval by the Board: Not Applicable
- (g) Amount paid as advances, if any: Not Applicable
- (h) Date on which the special resolution was passed in general meeting as required under first proviso to Section 188: Not Applicable

**2. Details of material contracts or arrangement or transactions at arm's length basis:**

- (a) Name(s) of the related party and nature of relationship: Not Applicable
- (b) Nature of contracts/arrangements/transactions: Not Applicable
- (c) Duration of the contracts/arrangements/transactions: Not Applicable
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any: Not Applicable
- (e) Date(s) of approval by the Board, if any: Not Applicable
- (f) Amount paid as advances, if any: Not Applicable

For and on behalf of the Board of Directors of  
**Tribhovandas Bhimji Zaveri Limited**

**Shrikant Zaveri**  
Chairman & Managing Director  
(DIN: 00263725)

**Raashi Zaveri**  
Whole-time Director  
(DIN: 00713688)

Date: 1<sup>st</sup> August, 2023

Place: Mumbai

# Annexure 'C' to Directors' Report

## ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES

{Pursuant to the Companies (Corporate Social Responsibility Policy) Rules, 2014}

### 1. A brief outline of the Company's CSR policy, including overview of projects or programmes proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programmes.

The policy on Corporate Social Responsibility (CSR) is adopted by your Company to align its philosophy to initiate measures and pursue socially useful programs with the objectives and activities of CSR envisaged and incorporated in the Companies Act, 2013 and the rules made thereunder. The CSR initiatives focus on holistic development of host communities and create social, environmental and economic value to the society.

Your Company's Corporate Social Responsibility Policy (CSR Policy) provides for carrying out CSR activities in the various area covered under Schedule VII of the Act, such as (a) 'Promoting Healthcare including Preventive Healthcare', which is falling under item (i) of Schedule VII of the Act; (b) 'Promoting Educational Activity including better infrastructure and amenities for the students' which is falling under item (ii) of Schedule VII of the Act and (c) 'Promoting gender equality and women's empowerment' which is falling under item (iii) of Schedule VII of the Act.

Your Company has made total CSR contribution of ₹ **7,864,037 (Rupees Seventy Eight Lakhs Sixty Four Thousand Thirty Seven only)**. Your Company has made CSR Contribution to (1) Cancer Patient Aid Association (CPAA) of ₹ 33,000 for Promoting Healthcare including Preventive Healthcare. Your Company carries out CSR Activities for Promoting Educational Activities under its flagship project known as **"Ek Disha"**. Your Company has made CSR Contribution to (2) West Wind Association of ₹ 100,000 for Promotion of Educational Activities; (3) RPG Foundation (routed to Pehlay Akshar Foundation to carry out CSR Activities) of ₹ 5,390,000 for Promotion of Educational Activities; (4) Rotary Club of ₹ 106,148 for Promotion of Educational Activities; (5) Under CSR Activity of your Company carries out CSR Activities for promoting gender equality and women's empowerment (by providing family counseling under domestic violence) under its flagship project known as **"Pankhi Project"**. Your Company has made total CSR Contribution of ₹ 2,235,300 for the financial year 2022-23 and out of which ₹ 42,000 was incurred towards administrative expenses and balance ₹ 2,193,300 made to various organisations such as: (a) Action for Self-Reliance+ Hope+ Awareness (ASHA) of ₹ 109,800 for providing family counseling under domestic violence; (b) Cultural Academy for Peace (CAP) of ₹ 221,100 for providing family counseling under domestic violence; (c) Shanti Sahyog (SS) of ₹ 109,800 for providing family counseling under domestic violence; (d) Bihar Voluntary Health Association (BVHA) of ₹ 109,800 for providing family counseling under domestic violence; (e) Society for Participatory Integrated Development (SPID) of ₹ 109,800 for providing family counseling under domestic violence; (f) Baroda Citizen Council (BCC) of ₹ 72,789 for providing family counseling under domestic violence; (g) Ahmedabad Women's Action Group (AWAG) of ₹ 254,100 for providing family counseling under domestic violence; (h) Stree Mukti Sangathana (SMS) of ₹ 622,200 for providing family counseling under domestic violence; (i) Her Choices Trust [My Choice Foundation (MCF)] of ₹ 73,200 for providing family counseling under domestic violence; (j) Urja of ₹ 327,300 for providing family counseling under domestic violence; (k) SAKHYA-Women's Guidance Cell (Nirmala Institute) of ₹ 109,800 for providing family counseling under domestic violence and (l) CORO of ₹ 73,200 for providing family counseling under domestic violence. However, your Company was required to spend a total amount of ₹ **7,863,672 (Rupees Seventy Eight Lakhs Sixty Three Thousand Six Hundred Seventy Two only)** towards CSR activities for the financial year 2022-23 as per the requirement of Section 135 of the Companies Act, 2013. Your Company has actually spent ₹ **7,864,037 (Rupees Seventy Eight Lakhs Sixty Four Thousand Thirty Seven only)** on CSR activities of your Company for the financial year 2022-23. Your Company has spent ₹ **365/- (Rupees Three Hundred Sixty Five Only)** in excess of the required amount to be spent as per the requirement of Section 135 of the Companies Act, 2013 for the financial year 2022-23. As per the provision of Section 135 of the Companies Act, 2013 read with sub-rule (3) of rule 7 of Companies (Corporate Social Responsibility Policy) Rules, 2014, the amount spent in excess of requirement provided under sub-section (5) of Section 135, such excess amount may be set off against the amount required to spend under sub-section (5) of Section 135 of the Companies Act, 2013 up to immediate succeeding three financial years. Your Company is in a position to carry forward and set off the excess amount spent of ₹ 365/- (Rupees Three Hundred Sixty Five Only) during the financial year 2022-23 up to immediate succeeding three financial years.

The CSR spending may be carried out by way of donation to the corpus of the above organization or expenditure towards specific project being undertaken by any of the organization.

**2. Composition of CSR Committee:**

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mr. Shrikant Zaveri	Chairman/ Chairman & Managing Director	4	4
2.	Mr. Ajay Mehta	Member/ Independent Director	4	3
3.	Ms. Binaisha Zaveri	Member/ Whole-time Director	4	4
4.	Ms. Raashi Zaveri	Member/ Whole-time Director	4	4

**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.**

CSR Policy of your Company is available on website of the Company at following Web-link:

[https://www.tbztheoriginal.com/storage/TBZ-CSR%20Policy\(03.05.21\)Rev-Ver-3.pdf](https://www.tbztheoriginal.com/storage/TBZ-CSR%20Policy(03.05.21)Rev-Ver-3.pdf)

Composition of the CSR committee of your Company is available on website of the Company at following Web-link:

<https://www.tbztheoriginal.com/storage/TBZ-Composition%20of%20CSR%20Committee.pdf>

CSR Projects approved by the Board of your Company is available on website of the Company at following Web-link:

<http://www.tbztheoriginal.com/csr-page>

**4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable. -N.A.****5. (a) Average net profit of the company as per section 135(5).**

Average net profit: ₹ 393,183,577

**(b) Two percent of average net profit of the company as per section 135(5)**

Your Company is required to spend ₹ 7,863,672 towards CSR activities.

**(c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years.**

NIL

**(d) Amount required to be set off for the financial year, if any**

NIL

**(e) Total CSR obligation for the financial year (5b + 5c - 5d).**

Your Company is required to spend ₹ 7,863,672 towards CSR activities.

**6. (a) Amount Spent on CSR Projects (both Ongoing Project and other than Ongoing Project).**

(i) Ongoing Project : NIL

(ii) Other than Ongoing Project (Refer Annexure C-1) : ₹ 78,64,037

**(b) Amount spent in Administrative Overheads : (Refer Annexure C-1)**

(Refer Annexure C-1)

(Note: The said amount is included in Annexure C1, under the 'Pankhi Project' of your Company incurred for the Annual Helpline number under Leased Line).

**(c) Amount spent on Impact Assessment, if applicable : NA****(d) Total amount spent for the Financial Year (a+b+c) : ₹ 7,864,037**



**(e) CSR amount spent or unspent for the Financial Year:**

Total Amount Spent for the Financial Year (in ₹)	Amount Unspent (in ₹)				
	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 (in ₹)	Date of transfer
₹ 7,864,037	-	-	-	-	-

**(f) Excess amount for set-off, if any**

Sl. No.	Particulars	Amount (in ₹)
(i)	Two percent of average net profit of the company as per section 135(5)	7,863,672
(ii)	Total amount spent for the Financial Year	7,864,037
(iii)	Excess amount spent for the financial year [(ii)-(i)]	365
(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 [(iii)-(iv)]	365

**7. a) 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) (in ₹)	Balance Amount in Unspent CSR Account under sub-section 135 (6)	Amount spent in the reporting Financial Year (in ₹)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in ₹)	Deficiency, if any
					(in ₹)	Amount (in ₹)	Date of transfer		
1.	FY-1 2019-20	NIL	NA	NIL	-	NIL	-	NIL	NIL
2.	FY-2 2020-21	NIL	NA	NIL	-	NIL	-	NIL	NIL
3.	FY-3 2021-22	NIL	NA	Prime Minister's National Relief Fund (PMNRF)	-	3,12,112	26.05.2022	NIL	NIL
TOTAL		NIL		NIL		3,12,112		NIL	NIL

**8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the financial year:**

No

**9. Specify the reason(s), if the company has failed to spend two percent of the average net profit as per 135(5). N.A.**

For and on behalf of the Board of Directors of  
**Tribhovandas Bhimji Zaveri Limited**

**Shrikant Zaveri**  
Chairman & Managing Director  
Chairman - CSR Committee  
(DIN: 00263725)

**Raashi Zaveri**  
Whole-time Director  
Member – CSR Committee  
(DIN: 00713688)

Date: 1<sup>st</sup> August, 2023

Place: Mumbai

**Annexure C - 1****ANNEXURE TO ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES**

Sr. No.	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes/No)	Location of the Project		Amount spent for the project (in ₹)	Mode of implementation - Direct (Yes/No)	Mode of implementation - Through implementing Agency	
				State	District			Name	CSR Registration Number
1	Cancer Patients Aid Association (CPAA)	Promoting Healthcare including Preventive Healthcare Clause (i)	Yes	Maharashtra	Mumbai	33,000	No	Cancer Patient Aid Association (CPAA)	CSR00000926
2	Ek Disha Project	Promoting Educational Activities Clause (ii) Sch. VII (ii)							
	(a) West Wind Association;	Sch. VII (ii)	Yes	Maharashtra	Mumbai	100,000	No	West Wind Association	CSR00012199
	(b) RPG Foundation (Routed to Pehlay Akshar Foundation);	Sch. VII (ii)	Yes	Maharashtra	Mumbai	5,390,000	No	RPG Foundation (routed to Pehlay Akshar Foundation)	CSR00000030
	(c) Rotary Club; Ghatkopar (East)	Sch. VII (ii)	Yes	Maharashtra	Mumbai	106,148	No	Rotary Club	CSR00011194
3	Pankhi Project	Promoting gender equality and empowering women Clause (iii) Sch. VII (iii) & providing special education and employment enhancing vocational skills (skill development) Clause (ii) Sch. VII (ii)							
	(a) Action for Self-Reliance+ Hope+Awareness (ASHA);	Sch. VII (iii)	Yes	Maharashtra	Pune	109,800	No	Action for Self-Reliance+ Hope+Awareness (ASHA)	CSR00005704
	(b) Cultural Academy for Peace (CAP);	Sch. VII (iii)	Yes	Kerala	Cochin	221,100	No	Cultural Academy for Peace (CAP)	CSR00012994
	(c) Shanti Sahyog (SS);	Sch. VII (iii)	Yes	Delhi	Delhi	109,800	No	Shanti Sahyog (SS)	CSR00008695
	(d) Bihar Voluntary Health Association (BVHA);	Sch. VII (iii)	Yes	Bihar	Patna	109,800	No	Bihar Voluntary Health Association (BVHA)	CSR00001047
	(e) Society for Participatory Integrated Development (SPID);	Sch. VII (iii)	Yes	Delhi	Delhi	109,800	No	Society for Participatory Integrated Development (SPID)	CSR00010002
	(f) Baroda Citizen Council (BCC);	Sch. VII (iii)	Yes	Gujarat	Baroda	72,789	No	Baroda Citizen Council (BCC)	CSR00007015
	(g) Ahmedabad Women's Action Group (AWAG);	Sch. VII (iii)	Yes	Gujarat	Ahmedabad	254,100	No	Ahmedabad Women's Action Group (AWAG)	CSR00000709
	(h) Stree Mukti Sangathana (SMS);	Sch. VII (iii)	Yes	Maharashtra	Mumbai	622,200	No	Stree Mukti Sangathana (SMS)	CSR00001126

Sr. No.	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes/No)	Location of the Project		Amount spent for the project (in ₹)	Mode of implementation - Direct (Yes/No)	Mode of implementation - Through implementing Agency	
				State	District			Name	CSR Registration Number
(i)	Her Choices Trust [My Choice Foundation (MCF)];	Sch. VII (iii)	Yes	Telangana	Hyderabad	73,200	No	Her Choices Trust [My Choice Foundation (MCF)]	CSR00001306
(j)	Urja;	Sch. VII (iii)	Yes	Maharashtra	Mumbai	327,300	No	Urja	CSR00002422
(k)	SAKHYA-Women's Guidance Cell (Nirmala Institute)	Sch. VII (iii)	Yes	Maharashtra	Mumbai	109,800	No	SAKHYA-Women's Guidance Cell (Nirmala Institute)	CSR00003623
(l)	CORO;	Sch. VII (iii)	Yes	Maharashtra	Mumbai	73,200	No	CORO	CSR00006169
(m)	Administrative Expenses/ Overheads; (Annual Helpline number under Leased Line)					42,000			
<b>TOTAL</b>						<b>7,864,037</b>			

# Annexure 'D' to Directors' Report

**FORM NO. MR-3****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 Personnel) Rules, 2014]

To,  
The Members,  
**Tribhovandas Bhimji Zaveri Limited**

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Tribhovandas Bhimji Zaveri Limited (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided me/us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year from 01<sup>st</sup> April, 2022 to 31<sup>st</sup> March, 2023, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2023 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 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'): -
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 as amended from time to time;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time;
  - (c) Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 and amendments from time to time;
  - (d) The Listing Agreements entered into by the Company with the BSE Limited and the National Stock Exchange of India Limited.

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

- (i) Secretarial Standards-1 & Secretarial Standards-2 issued by the Institute of Company Secretaries of India, and
- (ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. ("SEBI LODR")

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

**We further report that**

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

Adequate notice is given to all directors to schedule the Board / Committee Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

During the period, all the decisions in the Board Meetings were passed with requisite majority.

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

**We further report that** during the audit period the company has not undergone any specific events/actions that may have a major impact on the Company's affairs.

**Pramod S. Shah & Associates**  
Practising Company Secretaries

**Pramod S. Shah-Partner**  
Pramod S. Shah & Associates  
FCS No.: 334  
C P No.: 3804  
UDIN.: F000334E000285179

Place: Mumbai  
Date: 10<sup>th</sup> May, 2023

Note: This report is to be read with our letter of even date which is annexed as 'ANNEXURE A' to MR-3 and forms an integral part of this report.

**Annexure A to Form MR-3**

To,  
The Members,  
**Tribhovandas Bhimji Zaveri Limited**

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

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. As regard the books, papers, forms, reports and returns filed by the Company under the provisions referred to in our Secretarial Audit Report in Form MR-3 the adherence and compliance to the requirements of the said regulations is the responsibility of management. Our examination was limited to checking the execution and timeliness of the filing of various forms, reports, returns and documents that need to be filed by the Company with various authorities under the said regulations. We have not verified the correctness and coverage of the contents of such forms, reports, returns and documents.
7. 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.

**Pramod S. Shah & Associates**  
Practising Company Secretaries

**Pramod S. Shah-Partner**  
Pramod S. Shah & Associates  
FCS No.: 334  
C P No.: 3804  
UDIN.: F000334E000285179

Place: Mumbai  
Date: 10<sup>th</sup> May, 2023

# Annexure 'E' to Directors' Report

## Nomination, Remuneration and Evaluation Policy

In terms of provision of Section 178 of the Companies Act, 2013 (hereinafter referred to as the 'Act'), Rules made thereunder and Regulation 19 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as the 'Listing Regulations') (as amended from time to time), this Nomination, Remuneration and Evaluation Policy' (hereinafter referred to as the "Policy") of Tribhovandas Bhimji Zaveri Limited has been formulated.

At **Tribhovandas Bhimji Zaveri Limited**, we consider human resources as one of our key invaluable asset and strive to reach goals of organization by excellence by nurturing and leveraging vast potential of our employees. We believe that organizational development and employee development are inseparably linked. Our objective to align and harmonize employee development and employee aspirations with the organization goals, values and strategies.

This Nomination, Remuneration and Evaluation Policy (the "Policy") applies to the Board of Directors ("Board"), Key Managerial Personnel ("KMP") and the Senior Management Personnel of Tribhovandas Bhimji Zaveri Limited.

### 1. DEFINITIONS

- 1.1. "Act"** means the Companies Act, 2013 and Rules framed thereunder, as amended from time to time.
- 1.2 "Company"** means Tribhovandas Bhimji Zaveri Limited.
- 1.3. "Board"** means the Board of Directors of Tribhovandas Bhimji Zaveri Limited.
- 1.4. "Directors"** mean a person appointed as such and who is a member of 'the Board of Directors' of the Company.
- 1.5. "Key Managerial Personnel (KMP)"** in relation to the Company, means the Company's employee designated as:
  - (i) Managing Director (MD) or Chief Executive Officer or the Manager;
  - (ii) Whole-time Director (WTD);
  - (iii) Chief Financial Officer (CFO);
  - (iv) Company Secretary (CS);
  - (v) Such other officers as may be prescribed from time to time.

**1.6. "Nomination and Remuneration Committee (NRC)"** mean the Committee constituted / re-constituted by the Board of Directors of the Company in accordance with Section 178 of the Companies Act, 2013 and read with Regulation 19 of the Listing Regulations (as amended from time to time).

**1.7. "Senior Management Personnel"** shall mean the members of the Executive Leadership team of the Company and shall include the Chief Financial Officer (CFO) and the Company Secretary (CS) of the Company, if not forming part of Executive Leadership Team.

Unless the context otherwise requires, the words and expression used in this Policy are not defined herein but defined in the Companies Act, 2013 and Listing Regulations (as amended from time to time) shall have the meaning respectively assigned to them therein.

### 2. OBJECTIVES AND PURPOSE OF THIS POLICY

The primary objective of the Policy is to provide a framework and set standards for the nomination, remuneration and evaluation of the Directors, Senior Management and Key Managerial Personnel (KMP) of the Company. The Company aims to achieve a balance of merit, experience and skills amongst its Directors, Senior Management and Key Managerial Personnel (KMP).

The Key Objectives of the Committee would be:

- 2.1.** To formulate criteria and advise the Board in the matters of determining qualifications, competencies, positive attributes and independence of Directors and policies relating to their appointment and removal;
- 2.2.** To guide the Board in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management;
- 2.3.** To review corporate goals and objectives, to set norms of performance evaluation and to lay out remuneration principles for Director, KMP and Senior Management linked to their efforts, performance and contribution towards achievement of organization goals;

- 2.4.** To evaluate performance and give recommendations to the Board on Remuneration payable to the Directors, Key Managerial Personnel and Senior Management;
- 2.5.** To provide to Key Managerial Personnel and Senior Management reward linked directly to their effort, performance, dedication and achievement relating to the Company's operations;
- 2.6.** To review and recommend to the Board measures to retain, motivate and promote talent including KMP and Senior Management personnel with a view to retain and ensure long term sustainability of talented managerial persons and create competitiveness of the organization;
- 2.7.** To devise a policy on Board diversity;
- 2.8.** To develop a succession plan for the Board and to regularly review the plan.

In addition to above, the NRC may take up any other matters related to talent management in general upon advice of the Board.

### 3. ROLE OF COMMITTEE

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

The Committee shall:

- 3.1.1. formulate the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the board of directors a policy relating to, the remuneration of the Directors, key managerial personnel and other employees;
- 3.1.2. formulation of criteria for evaluation of performance of independent directors and the board of directors;
- 3.1.3. devising a policy on diversity of board of directors;
- 3.1.4. identify persons who are qualified to become directors and who may be appointed in senior management positions in accordance with the criteria laid down in this policy, and recommend to the board of directors their appointment and removal;
- 3.1.5. whether to extend or continue the term of appointment of the independent director,

on the basis of the report of performance evaluation of independent directors;

- 3.1.6. recommend to the board, all remuneration, in whatever form, payable to senior management.

#### 3.2. Policy for appointment and removal of Director, Key Managerial Personnel (KMP) and Senior Management:

##### 3.2.1. Appointment criteria and qualifications:

- (a) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his/her appointment.
- (b) A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.
- (c) For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
- i. use the services of an external agencies, if required;
  - ii. consider candidates from a wide range of backgrounds, having due regard to diversity; and
  - iii. consider the time commitments of the candidates.



- (d) The Company shall not appoint or continue the employment of any person as Whole-time Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a Special Resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.

### 3.2.2. Term / Tenure:

- a) Managing Director / Whole-time Director:

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

- b) Independent Director:

- An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a Special Resolution by the Company and disclosure of such appointment in the Board's Report.
- No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.
- At the time of appointment of Independent Director, it should be ensured that number

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

### 3.2.3. Evaluation:

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

### 3.2.4. Removal:

Due to reasons of any disqualification mentioned in the Act or under any other applicable Act, Rules and Regulations thereunder, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, Key Managerial Personnel (KMP) or Senior Management Personnel subject to the provisions and compliance of the said Act, Rules and Regulations.

### 3.2.5. Retirement:

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

## **3.3. Policy relating to the Remuneration for the Whole-time Director, Key Managerial Personnel (KMP) and Senior Management Personnel**

### 3.3.1. General:

- (a) The remuneration / compensation / commission etc. to the Whole-time Director, Key Managerial Personnel (KMP) and Senior Management Personnel will be determined by the

Committee and recommended to the Board for approval. The remuneration / compensation / commission etc. of the Directors shall be subject to the prior/post approval of the shareholders of the Company and Central Government, wherever required.

- (b) The remuneration and commission to be paid to the Whole-time Director shall be in accordance with the percentage / slabs / conditions laid down in the Articles of Association of the Company, if any, and as per the provisions of the Act and the Rules framed thereunder.
- (c) Increments to the existing remuneration/ compensation structure may be recommended by the Committee to the Board which should be within the slabs approved by the Shareholders in the case of Whole-time Director.
- (d) Where any insurance is taken by the Company on behalf of its Whole-time Director, Chief Executive Officer, Chief Financial Officer, the Company Secretary, Senior Management Personnel and any other employees for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel. Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.

### 3.3.2. Remuneration to Whole-time / Executive / Managing Director, Key Managerial Personnel (KMP) and Senior Management Personnel:

- (a) Fixed pay:  
The Whole-time Director/ Key Managerial Personnel (KMP) and Senior Management Personnel shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee. The breakups of the pay scale as per the HR Policy of the Company and

shall be decided and approved by the Board/ the Person authorized by the Board on the recommendation of the Committee and approved by the shareholders and Central Government (in case of Whole-time Directors), wherever required.

#### (b) Minimum Remuneration:

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

#### (c) Provisions for excess remuneration:

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

### 3.3.3. Remuneration to Non-Executive / Independent Director:

#### (a) Remuneration / Commission:

The remuneration / commission shall be fixed as per the slabs and conditions mentioned in the Articles of Association of the Company, if any, and the Act and as approved by the Shareholders.

#### (b) Sitting Fees:

The Non- Executive / Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof. Provided that the amount of such fees shall

not exceed ₹ One Lakh per meeting of the Board or Committee or such amount as may be prescribed by the Act / Central Government from time to time.

(c) Commission:

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

(d) Stock Options:

An Independent Director shall not be entitled to any Stock Option of the Company.

#### 4. MEMBERSHIP & QUORUM

4.1 the committee shall comprise of at least three (3) directors;

4.2 all the directors of the committee shall be non-executive directors;

4.3 at least fifty percent of the directors shall be independent directors.

4.4 the Chairperson of the nomination and remuneration committee shall be an independent director;

4.5 the quorum for a meeting of the nomination and remuneration committee shall be either two (2) members or one third of the members of the committee, whichever is greater, including at least one independent director in attendance;

4.6 membership of the committee shall be disclosed in the Annual Report.

4.7 term of the committee shall be continued unless terminated by the Board of Directors.

#### 5. CHAIRPERSON

5.1 Chairperson of the Committee shall be an Independent Director.

5.2 Chairperson of the Company may be appointed as a member of the Committee but shall not be a Chairman of the Committee.

5.3 In the absence of the Chairperson, the members

of the Committee present at the meeting shall choose one amongst them to act as Chairperson.

5.4 Chairman of the Nomination and Remuneration Committee meeting may be present at the Annual General Meeting or may nominate some other member to answer the shareholders' queries.

#### 6. FREQUENCY OF MEETINGS

The nomination and remuneration committee shall meet at least once in a year. The meeting of the committee shall be held at such regular intervals as may be required subject to at least one meeting in a year.

#### 7. COMMITTEE MEMBERS' INTERESTS

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

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

#### 8. SECRETARY

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

#### 9. VOTING

9.1 Matters arising for determination at Committee meetings shall be decided by a majority of votes of Members present and voting and any such decision shall for all purposes be deemed a decision of the Committee.

9.2 In the case of equality of votes, the Chairman of the meeting will have a casting vote.

#### 10. DUTIES OF COMMITTEE IN RELATION TO NOMINATION (NOMINATION DUTIES)

The duties of the Committee in relation to nomination matters include:

10.1 Ensuring that there is an appropriate induction in place for new Directors and members of Senior Management and reviewing its effectiveness;

10.2 Ensuring that on appointment to the Board, Non-Executive Directors receive a formal letter of appointment in accordance with the Guidelines provided under the Act;

**10.3** Identifying and recommending Directors who are to be put forward for retirement by rotation.

**10.4** Determining the appropriate size, diversity and composition of the Board;

**10.5** Setting a formal and transparent procedure for selecting new Directors for appointment to the Board;

**10.6** Developing a succession plan for the Board, Key Managerial Personnel (KMP) and Senior Management and regularly reviewing the plan;

**10.7** Evaluating the performance of the Board members, Key Managerial Personnel (KMP) and Senior Management in the context of the Company's performance from business and compliance perspective;

**10.8** Making recommendations to the Board concerning any matters relating to the continuation in office of any Director at any time including the suspension or termination of service of an Executive Director as an employee of the Company subject to the provision of the law and their service contract.

**10.9** Delegating any of its powers to one or more of its members or the Secretary of the Committee;

**10.10** Recommend any necessary changes to the Board; and

**10.11** Considering any other matter, as decided by the Board.

## **11. DUTIES OF COMMITTEE IN RELATION TO REMUNERATION (REMUNERATION DUTIES)**

The duties of the Committee in relation to remuneration matters include:

**11.1** To consider and determine the Remuneration Policy, based on the performance and also bearing in mind that the remuneration is reasonable and sufficient to attract retain and motivate members of the Board and such other factors as the Committee shall deem appropriate all elements of the remuneration of the members of the Board.

**11.2** To approve the remuneration of the Senior Management including Key Managerial Personnel (KMP) of the Company maintaining a balance between fixed and incentive pay

reflecting short and long term performance objectives appropriate to the working of the Company.

**11.3** To delegate any of its powers to one or more of its members or the Secretary of the Committee.

**11.4** To consider any other matter as decided by the Board.

**11.5** Professional indemnity and liability insurance for Directors, Key Managerial Personnel (KMP) and Senior Management.

## **12. Evaluation / Assessment of Directors, Key Managerial Personnel (KMP) and Senior Management of the Company**

The evaluation / assessment of the Directors, Key Managerial Personnel (KMP) and the Senior Management of the Company are to be conducted on an annual basis and to satisfy the requirements of the Listing Agreement.

The following criteria may assist in determining how effective the performances of the Directors/KMPs/Senior Management have been:

**12.1** Leadership & stewardship abilities.

**12.2** Contributing to clearly define corporate objectives & plans.

**12.3** Communication of expectations & concerns clearly with subordinates.

**12.4** Obtain adequate, relevant & timely information from external sources.

**12.5** Review & approval achievement of strategic and operational plans, objectives, budgets.

**12.6** Regular monitoring of corporate results against projections.

**12.7** Identify, monitor & mitigate significant corporate risks.

**12.8** Assess policies, structures & procedures.

**12.9** Direct, monitor & evaluate KMPs, Senior Management.

**12.10** Review management's succession plan.

**12.11** Effective meetings.

**12.12** Assuring appropriate board size, composition, independence, structure.

**12.13** Clearly defining roles & monitoring activities of committees.

**12.14** Review of corporation's ethical conduct.

Evaluation on the aforesaid parameters will be conducted by the Independent Directors for each of the Executive/Non-Independent Directors in a separate meeting of the Independent Directors.

The Executive Director/Non-Independent Directors along with the Independent Directors will evaluate/assess each of the Independent Directors on the aforesaid parameters. Only the Independent Director being evaluated will not participate in the said evaluation discussion.

### **13. MINUTES OF COMMITTEE MEETING**

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

### **14. POLICY REVIEW AND AMENDMENTS**

In case of subsequent changes / amendment / modification in the provisions of the Companies Act, 2013 or any other regulation which make provisions in the Policy inconsistent with the Act or Regulations, then the provisions of the Act or Regulations would prevail over the Policy and provisions in the Policy would be modified in due course to make it consistent with the changes in law.

#### **14.1** Statutory updates:

This Policy shall be considered as updated automatically, without any formal approval, to the extent it needs to be aligned with any change in law. An update thereon would be reported to NRC and Board of Directors.

#### **14.2** Other updates:

All major procedural updates, shall be effective only, if those are carried out after the review and approval of the Board of Directors through the Nomination and Remuneration Committee.

For and on behalf of the Board of Directors of  
**Tribhovandas Bhimji Zaveri Limited**

**Shrikant Zaveri**

Chairman & Managing Director  
(DIN: 00263725)

**Raashi Zaveri**

Whole-time Director  
(DIN: 00713688)

Date: 1<sup>st</sup> August, 2023

Place: Mumbai

## Annexure 'F' to Directors' Report

**Details pertaining to remuneration as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 for the financial year 2022–23:**

- (i) The percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer and Company Secretary during the financial year 2022–23, ratio of the remuneration of each Director to the median remuneration of the employees of your Company for the financial year 2022–23 are as under:

Sr. No.	Name of Director / KMP and Designation	Remuneration of Directors/ KMP for Financial Year 2022-23 (₹ in Lacs)	% Increase/ (Decrease) in Remuneration in the Financial Year 2022-23	Ratio of Remuneration of each Director/ to median remuneration of employee
1	Mr. Shrikant Zaveri Executive Chairman & Managing Director	240.00	-	67.38
2	Ms. Binaisha Zaveri Whole-time Director	240.00	-	67.38
3	Ms. Raashi Zaveri Whole-time Director	240.00	-	67.38
4	Mr. Kamlesh Vikamsey Independent Director	12.00	31.68 %	3.37
5	Mr. Ajay Mehta Independent Director	12.50	30.20%	3.51
6 (*)	Mr. Sanjay Asher Independent Director	5.80	(33.33) %	1.63
7	Mrs. Sudha Navandar Independent Director	11.60	33.33%	3.26
8 (\$)	Mr. Saurav Banerjee Chief Financial Officer	61.18	NA	Not Applicable
8 (%)	Mr. Mukesh Sharma Chief Financial Officer	94.51	NA	Not Applicable
9	Mr. Niraj Oza Head - Legal & Company Secretary	39.57	1.10%	Not Applicable

Note: (\*) Mr. Sanjay Asher, Independent Director of the Company resigned w.e.f. 27<sup>th</sup> October 2022

(\$) Mr. Saurav Banerjee, Chief Financial Officer of the Company resigned w.e.f. 13<sup>th</sup> May 2022

(%) Mr. Mukesh Sharma, appointed as Chief Financial Officer of the Company w.e.f. 16<sup>th</sup> May, 2022

Remuneration for the Executive Directors and Key Managerial Personnel (KMP) in the table above is based on Cost to Company (CTC).

- (ii) In the financial year, there was a increase of 1.61% in the median remuneration of employees.
- (iii) There were 967 permanent employees on the rolls of your Company as on 31<sup>st</sup> March 2023.
- (iv) The average percentage increased made in the salaries of employees other than the managerial personnel in the last financial year i.e., 2022–23 was 11.85 % whereas increase in the managerial remuneration for the same financial year was 12.70%. The managerial remuneration during the year 2022-23 was paid as per Sections 197, 198 and as per Schedule V of the Companies Act, 2013.

- (v) The key parameters for the variable component of remuneration availed in the form of Commission by the directors are considered by the Board of Directors based on the recommendations of the Nomination and Remuneration Committee as per the Remuneration Policy for Directors, Key Managerial Personnel, and other Employees. (For the financial year 2022–23, none of the Executive Directors received any Commission).
- (vi) The ratio of remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year – Not Applicable; and
- (vii) It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

For and on behalf of the Board of Directors of  
**Tribhovandas Bhimji Zaveri Limited**

**Shrikant Zaveri**  
Chairman & Managing Director  
(DIN: 00263725)

**Raashi Zaveri**  
Whole-time Director  
(DIN: 00713688)

Date: 1<sup>st</sup> August, 2023

Place: Mumbai

# Annexure 'G' to Directors' Report

**Statement of Particulars of employees pursuant to provisions of Section 197(12) of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 for the financial year 2022-23**

**(A) Name of Top Ten (10) employees in terms of remuneration drawn, employed throughout the Financial Year 2022–23 whose remuneration was falling under remuneration as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:**

Sr. No.	Name of Employee	Age (Years)	Date of commencement of employment	Gross Remuneration Received (in ₹)	Designation & (Nature of Employment)	Educational Qualification	Experience in Years	Previous Employment	% of Equity Shares Held
1	Shrikant Zaveri	63	24.07.2007	24,000,000	Executive Chairman & Managing Director (Permanent)	Matriculation	41	Worked as Partner in the erstwhile Partnership firm of M/s. Tribhovandas Bhimji Zaveri (joined in 1991)	50.06
2	Binaisha Zaveri	40	24.07.2007	24,000,000	Whole-time Director (Permanent)	Bachelor's degree in Marketing and Finance from Stern School of Business, New York	19	Worked as Partner in the erstwhile Partnership firm of M/s. Tribhovandas Bhimji Zaveri (Joined w.e.f. 01.01.2004)	7.92
3	Raashi Zaveri	36	01.07.2008	24,000,000	Whole-time Director (Permanent)	Bachelor's degree in Finance and Entrepreneurship from Kelly school of Business, Indiana University and is a graduate Gemologist from Gemological Institute of America	15	Worked as Partner in the erstwhile Partnership firm of M/s. Tribhovandas Bhimji Zaveri	6.85
4	Mayur Choksi	54	01.10.2011	13,467,273	Head – Diamond Operation (Permanent)	Matriculation	34	Worked as employee in Tribhovandas Bhimji Zaveri (Bombay) Limited (Joined w.e.f. 01.04.1997)	0.04
5	Rajeev Sagar	45	24.07.2007	12,045,453	Head - Gold Operations (Permanent)	B. Com	23	Worked as employee in the erstwhile Partnership firm of M/s. Tribhovandas Bhimji Zaveri (Joined w.e.f. 01.09.2000)	0.04
6	Sunil Gujarathi	59	05.04.2011	8,244,030	Head –MIS & Treasury (Permanent)	ICWA & M.Com., B.Com.	28	Worked as DGM in VIP Industries Ltd.	NIL
7	Sanjay Billimoria	49	22.03.2011	6,734,688	Senior Manager – Gold Operation (Permanent)	B.Com.	30	Worked as General Manager (Domestic Marketing) M/s. R. T. Star Solitaires	NIL
8	Pooran Jaiswal	43	03.03.2022	6,044,010	Chief Technical Officer	MCA FROM SMU, MBA IN IT SMU	23	Worked as Chief Technical Officer, M/s Entero Health Care PVT Ltd	NIL
9	Abhishek Mishra	42	13.06.2018	4,985,989	Executive Assistant – CMD (Permanent)	PG Diploma in Industrial Eng. From NITIE	17	Worked as Lead consultant with M/s Actuate Business Consulting, Gurgaon	NIL
10	Lalit Singh Bathyal	43	02.07.2012	4,204,591	General Manager- Retail Business and Operation	Graduation (B.A)	22	Worked as Area Retail Manager with M/s Future Axiom Pvt. Ltd.,	NIL



**(B) Name of employees employed throughout the Financial Year 2022–23 whose remuneration was falling under remuneration as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:**

Sr. No.	Name of Employee	Age (Years)	Date of commencement of employment	Gross Remuneration Received (in ₹)	Designation & (Nature of Employment)	Educational Qualification	Experience in Years	Previous Employment	% of Equity Shares Held
1	Shrikant Zaveri	63	24.07.2007	24,000,000	Executive Chairman & Managing Director (Permanent)	Matriculation	41	Worked as Partner in the erstwhile Partnership firm of M/s. Tribhovandas Bhimji Zaveri (joined in 1991)	50.06
2	Binaisha Zaveri	40	24.07.2007	24,000,000	Whole-time Director (Permanent)	Bachelor's degree in Marketing and Finance from Stern School of Business, New York	19	Worked as Partner in the erstwhile Partnership firm of M/s. Tribhovandas Bhimji Zaveri (Joined w.e.f. 01.01.2004)	7.92
3	Raashi Zaveri	36	01.07.2008	24,000,000	Whole-time Director (Permanent)	Bachelor's degree in Finance and Entrepreneurship from Kelly school of Business, Indiana University and is a graduate Gemologist from Gemological Institute of America	15	Worked as Partner in the erstwhile Partnership firm of M/s. Tribhovandas Bhimji Zaveri	6.85
4	Mayur Choksi	54	01.10.2011	13,467,273	Head – Diamond Operation (Permanent)	Matriculation	34	Worked as employee in Tribhovandas Bhimji Zaveri (Bombay) Limited (Joined w.e.f. 01.04.1997)	0.04
5	Rajeev Sagar	45	24.07.2007	12,045,453	Head - Gold Operations (Permanent)	B. Com	23	Worked as employee in the erstwhile Partnership firm of M/s. Tribhovandas Bhimji Zaveri (Joined w.e.f. 01.09.2000)	0.04

**(C) Details of employee was employed for part of the Financial Year 2022–23 whose remuneration was falling under remuneration as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:**

Sr. No.	Name of Employee	Age (Years)	Date of commencement of employment	Gross Remuneration Received (in ₹)	Designation & (Nature of Employment)	Educational Qualification	Experience in Years	Previous Employment	% of Equity Shares Held
1 (*)	Saurav Banerjee	57	17.02.2014	61,18,288	Chief Financial Officer (Permanent)	B. Com (Hons), CA	33	Worked as CFO in Rosy Blue India Pvt. Ltd.	NIL
2 (**)	Mukesh Sharma	46	16.05.2022	9,451,490	Chief Financial Officer (Permanent)	CA, CS & B. Com	19	Worked as Financial Controller with Future Group	NIL
3 (+)	Mukesh Gajra	49	21.11.2022	3,821,781	President – Retail Sales & Operations (Permanent)	MBA, Specialized in Integrated MarCom, Risk & Crisis and New Venture Planning from The University of Sheffield.	28	Worked with Reliance Retail - Trends, Ajio-B2B as Vice President & Head Non-Apparels.	NIL

(\*) Mr. Saurav Banerjee, Chief Financial Officer of the Company resigned w.e.f. 13<sup>th</sup> May, 2022.

(\*\*) Mr. Mukesh Sharma, Chief Financial Officer of the Company appointed w.e.f. 16<sup>th</sup> May, 2022.

(+) Mr. Mukesh Gajra joined w.e.f. 21<sup>th</sup> November, 2022.

**(D) Details of employee who was employed throughout the financial year or part thereof, was in receipt of remuneration in that year 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 two percent of the equity shares of the Company:**

Sr. No.	Name of Employee	Age (Years)	Date of commencement of employment	Gross Remuneration Received (in ₹)	Designation & (Nature of Employment)	Educational Qualification	Experience in Years	Previous Employment	% of Equity Shares Held
1	NIL	NA	NA	NA	NA	NA	NA	NA	NA

**Notes:**

- Gross Remuneration shown above is subject to tax.
- Remuneration includes:
 

For Chairman & Managing Director and Whole-time Directors – Remuneration and commission. (Commission will be payable once accounts will be adopted by the members at the ensuing Annual General Meeting).

For Chief Financial Officer - basic salary, perquisites, bonus, other allowances, variable pay, leave encashment, etc.

For others – basic salary, perquisites, bonus, other allowances, variable pay, leave encashment, etc.
- In addition to the above remuneration the employees are entitled to Gratuity in accordance with your Company's rules.
- The nature of employment is contractual for all the employees.
- The date of commencement of employment have shown as 24<sup>th</sup> July, 2007, i.e. date of conversion of partnership firm into private limited company, even though the Directors/ Employee(s) who were with Company at the time of partnership firm.
- Designation denotes the nature of duties also.
- For Executive Director(s) the nature of Employment and terms and conditions are governed by the Board and Members Resolution.
- Experience includes a number of years of service elsewhere, wherever applicable.
- Mr. Shrikant Zaveri, Chairman & Managing Director of your Company and Ms. Binaisha Zaveri and Ms. Raashi Zaveri, Whole-time Directors of your Company, being father and daughters respectively, are related to each other. Ms. Binaisha Zaveri and Ms. Raashi Zaveri, Whole-time Directors of your Company, being sisters are related to each other. None of the other employees is relative in the terms of provision of Section 2(77) of the Companies Act, 2013 of any Director of your Company.

For and on behalf of the Board of Directors of  
**Tribhovandas Bhimji Zaveri Limited**

**Shrikant Zaveri**

Chairman & Managing Director  
(DIN: 00263725)

**Raashi Zaveri**

Whole-time Director  
(DIN: 00713688)

Date: 1<sup>st</sup> August, 2023

Place: Mumbai

# Annexure 'H' to Directors' Report

Tribhovandas Bhimji Zaveri Limited

## Dividend Distribution Policy

### 1. INTRODUCTION

The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2021 came into force vide Notification dated 5<sup>th</sup> May, 2021 bearing No. SEBI/LAD-NRO/GN/2021-22, vide these Regulations, has amended Regulation 43A of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, which requires top one thousand (1,000) {earlier five hundred (500)} listed entities (based on market capitalization calculated as on March 31 of every financial year) to formulate a Dividend Distribution Policy, which shall be disclosed on the website of the listed entity and a web-link shall also be provided in their annual reports {which was earlier in the Annual Reports and on their website}.

Tribhovandas Bhimji Zaveri Limited ('the Company') being one of the One thousand (1,000) companies as on 31<sup>st</sup> March, 2021, the Board of Directors in compliance with amended Regulation 43A of the Listing Regulations, has approved and adopted this Dividend Distribution Policy which shall be effective with effect from 5<sup>th</sup> May, 2021 (from the date of Notification), being the effective date of the Policy.

### 2. PURPOSE

This Policy reflects the intent of the Company to reward to its shareholders by sharing the portion of its distributable profit after retaining sufficient fund for the future growth and maintaining the financial soundness of the Company. The purpose of this Policy is also to lay down criteria to be considered by the Board of Directors of the Company ('the Board') in taking decision for recommending dividend to its shareholders for any Financial Year.

### 3. OBJECTIVES AND SCOPE

This Policy lays down the broad framework which will act as a guiding principle for the purpose of declaring or recommending Dividend during or for any financial year, by the Company.

The intent of the Policy is to broadly specify the external and internal factors including financial parameters that shall be considered while declaring Dividend and

the circumstances under which shareholders of the Company may or may not expect Dividend and how the retained earnings shall be utilized etc.

The Policy, however, is not an alternative to the decision-making process of the Board for recommending Dividend and the Board may take into consideration other factors as well in addition to those numerated in this Policy.

### 4. APPLICABILITY

This Policy shall apply to the Dividend on the Equity Shares of the Company. Presently, the Company has only one class of Equity Shares.

This Policy shall not apply to determination and declaration of Dividend on preference shares, as and when issued by the Company, as the same will be as per the terms of issue of such preference shares, approved by the shareholders.

### 5. DEFINITIONS

**"Board of Director"** or **"Board"** shall mean the Board of Directors of the Company, as constituted from time to time.

**"Company"** shall have the same meaning as defined under Section 2(20) of the Companies Act, 2013 and any amendment thereto.

**"Dividend"** includes any interim dividend.

**"Profit"** shall mean profit after tax and deferred tax.

**"Financial Year"** shall have the same meaning defined under Section 2(41) of the Companies Act, 2013 and any amendment thereto.

**"Policy"** means this Dividend Distribution Policy.

**"Companies Act"** or **"Act"** shall mean the Companies Act, 2013 and Rules framed thereunder, including any amendments, modifications, clarifications or re-enactment thereof, for the time being in force.

**"Regulations"** shall mean SEBI (Listing Obligations and

Disclosure Requirements) Regulation, 2015, including any amendments, modifications, clarifications, or re-enactment thereof, for the time being in force.

## 6. DECLARATION OF DIVIDEND

6.1 Subject to the provisions of the Act, Dividend may be declared and paid out of:

- (a) Profits of the Company for the financial year for which the Dividend is to be paid after setting off carried over losses of the previous financial year and depreciation not provided in the previous financial year(s);
- (b) Undistributed profits of the previous financial years remaining undistributed after providing for depreciation in accordance with the Act and/or Regulations; or
- (c) Out of (a) and (b) both.

6.2 Before declaration of Dividend, the Company may transfer a portion of its profits to reserves of the Company as may be considered appropriate by the Board at its discretion.

## 7. PARAMETERS FOR DECLARATION OF DIVIDEND

7.1 The Board of Directors may consider the following financial parameters, internal and external factors while recommending or declaration of the Dividend:

### A. Financial Parameters / Internal Factors

- Profits earned during the Financial Year and the retained profits of the previous years in accordance with the provision of Section 123 and other applicable provisions of the Companies Act, 2013 read with Rules framed thereunder;
- Operating cash flow of the Company and debt equity ratio;
- Retained earnings;
- Reserve and Surplus;
- Earnings Per Share (EPS);
- Gross Dividend payout ratios;
- Financial Ratios;
- Business expansion and growth;
- Funds required to finance capital expenditure;

- Projection with regard to performance of the Company;
- Company's liquidity position and future cash flow need;
- Stipulation / covenants in loan Agreements;
- Dividend payout history;
- Such other factors as the Board may deem fit from time to time.

### B. External Factors

- Economic environment;
- Capital markets;
- Global conditions;
- Industry outlook and growth rate;
- Economic and regulatory framework;
- Governmental policies.

7.2 While recommending or declaring Dividend, the Board will consider adequacy of profit calculated in accordance with the applicable provisions of the Act and Indian Accounting Standards. The Board of Directors may, in exceptional circumstances, consider utilising retained earnings for declaration of Dividend subject to the provisions of the Act and/or Regulations.

## 8. CIRCUMSTANCES UNDER WHICH SHAREHOLDERS MAY OR MAY NOT EXPECT DIVIDEND

Dividend payout is a crucial decision as it determines the share of profit to be distributed amongst the shareholders and share of profit to be retained in the business. The decision seeks to balance the dual objectives of appropriately rewarding shareholders through Dividends and retaining profits in order to maintain a healthy capital adequacy ratio to support future growth. The shareholders of the Company may not normally expect Dividend in the following circumstances, subject to discretion of Board of Directors:

- In case the Company has incurred losses or inadequacy of profit;
- It would in the interest of the Company to re-invest / plough back the profits of the Company for major expansion / diversification requiring major funding;
- Any other unforeseen event which would restrict ability to recommend Dividend.

## 9. UTILISATION OF RETAINED EARNINGS

The Board of Directors may retain its earnings in order to make better use of the available funds and increase the value of the stakeholders in the long run. The decision of utilisation of the retained earnings of the Company shall be based on the following:

- Market expansion plan by opening of new stores
- Product expansion plan
- Replacement of capital assets
- Diversification of business
- Long term strategic plans
- Dividend payment
- Such other criteria as the Board may deem fit from time to time
- Such purpose as may be permitted under the Act and/or Regulations

## 10. PROCEDURE

10.1 Pursuant to the provisions of the Act, the Regulations and the Policy, the Board of Directors may declare one or more interim dividends during the year, which will be confirmed by the shareholders at the ensuing Annual General Meeting of the Company and the final Dividend, if any, recommended by the Board of Directors, will be subject to shareholders' approval, at the ensuing Annual General Meeting of the Company.

10.2 The Members, whose name appears in the Register of Member as on Record Date / Book Closure, as may be decided by the Board of Directors, shall be entitled for Dividend.

10.3 The Dividend shall be paid to the Members within the limit prescribed under the Act and/or Regulations.

10.4 The Company shall ensure compliance of provisions of the Act and/or Regulations and this Policy in relation to Dividend declared by the Company.

## 11. PARAMETERS WITH REGARD TO VARIOUS CLASSES OF SHARES

Since the Company has issued only one class of Equity Shares with equal voting rights, all the members of the Company are entitled to receive the same amount of Dividend per share. The Policy shall be suitably revised at the time of issue of any new class of shares depending upon the nature and guidelines thereof.

## 12. DISCLOSURES

The Dividend Distribution Policy shall be disclosed in the Annual Report and on the website of the Company.

## 13. REVIEW AND AMENDMENTS

13.1 This Policy will be reviewed by the Board of Directors of the Company as they deem necessary.

13.2 The Board of Directors on its own can amend this Policy, as and when deem fit.

13.3 In case of any amendment(s), clarification(s), circular(s) etc. issued by the relevant authorities, not being consistent with the provisions laid down under this Policy, then such amendment(s), clarification(s), circular(s) etc. shall prevail upon the provisions hereunder and this Policy shall stand amended accordingly from the effective date as laid down under such amendment(s), clarification(s), circular(s) etc.

For and on behalf of the Board of Directors of  
**Tribhovandas Bhimji Zaveri Limited**

**Shrikant Zaveri**  
Chairman & Managing Director  
(DIN: 00263725)

**Raashi Zaveri**  
Whole-time Director  
(DIN: 00713688)

Date: 1<sup>st</sup> August, 2023  
Place: Mumbai

# Report on Corporate Governance

The Directors present your Company's Report on Corporate Governance for the financial year ended 31<sup>st</sup> March, 2023 as stipulated in Para C of Schedule V and all other applicable Regulation(s) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the disclosure requirements of which are given below:

## COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:

Corporate Governance is the application of best management practices, compliance of laws and adherence to ethical standards to achieve your Company's objective of enhancing stakeholder value and discharge of social responsibility. The Corporate Governance framework includes corporate structures, culture, policies and the manner in which the corporate entity deals with various stakeholders, with transparency being the key word. Accordingly, timely, adequate and accurate disclosure of information on the performance and ownership forms the cornerstone of Corporate Governance. It is a journey for constantly improving sustainable value creation and an upward moving target.

At Tribhovandas Bhimji Zaveri Limited (TBZ), Corporate Governance is all about maintaining a valuable relationship and trust with all stakeholders. We consider stakeholders as partners in our success, and we remain committed to maximising stakeholders' value, be it shareholders, employees, suppliers, customers, investors, communities or policy makers. This approach to value creation emanates from our belief that sound governance system, based on relationship and trust, is integral to creating enduring value for all.

Your Company believes that good Corporate Governance is essential in achieving long-term corporate goals, enhancing shareholders' value and attaining the highest level of transparency. Your Company's philosophy on Corporate Governance is led by a strong emphasis on transparency, accountability and integrity and your Company has been practicing the principles of Corporate Governance since date of listing.

Your Company believes that all its operations and actions must serve the underlined goal of enhancing customers' satisfaction and stakeholders' value over a sustained period of time. All directors and employees are bound by a Code of Conduct that sets forth your Company's policy on important issues, including its relationship with customers, shareholders and Government.

## GOVERNANCE STRUCTURE:

Your Company's Governance structure broadly comprises the Board of Directors and the Committees of the Board at the apex level and the Management structure at the operational level. This layered structure brings about a harmonious blend in governance as the Board sets the overall corporate objectives and gives direction and freedom to the Management to achieve these corporate objectives within a given framework, thereby bringing about an enabling environment for value creation through sustainable growth.

### Board of Directors

TBZ's Board plays a pivotal role in ensuring that your Company runs on sound and ethical business practices and that its resources are utilised for creating sustainable growth. The Board operates within a well-defined framework which enables it to discharge its fiduciary duties of safeguarding the interest of your Company, ensuring fairness in the decision-making process, integrity and transparency in your Company's dealing with its Members and other stakeholders.

### Committee of Directors

The Board has constituted various committees with a view to have more focused attention on various areas of business and for better accountability, viz. Audit Committee, Stakeholders Relationship Committee, Nomination and Remuneration Committee, Risk Management Committee, Corporate Social Responsibility (CSR) Committee and Special Committee of Board of Directors. Each of these Committees has been mandated to operate within a given framework.

### Management Structure

Management structure for running the business of your Company as a whole is in place with appropriate delegation of powers and responsibilities. This broadly is as under:

#### a) Chairman & Managing Director (CMD)

The Chairman & Managing Director (CMD) is in overall control and responsible for the day-to-day working and functioning of your Company. He gives strategic directions, lays down policy guidelines and ensures implementation of the decisions of the Board of Directors and its various committees. All the responsibilities of the Chief Executive Officer are handled by Mr. Shrikant Zaveri, Chairman & Managing Director of your Company.

## b) Functional Heads

Functional Heads of various departments, viz. Retail Department, Gold Order Department, Diamond Order Department, Advertisement and Marketing Department, Human Resource Department, Administration Department, Information and Technology (IT) Department, Secretarial & Legal Department, Treasury & MIS Department, Accounts and Finance Department and Project Department. The Chief Financial Officer reports to the Chief Executive Officer of your Company. These Department Heads review the functioning of their department.

## Shareholders' Communications

The Board recognises the importance of two-way communication with shareholders and giving a balanced report of results and progress and responding to questions and issues raised in a timely and consistent manner. Your Company's corporate website ([www.tbztheoriginal.com](http://www.tbztheoriginal.com)) has information for institutional and retail shareholders alike. Shareholders seeking information relating to their shareholding may contact your Company directly or through the Registrar and Share Transfer Agent, details of which are available on your Company's website and also forming part of the Corporate Governance Report. Your Company ensures that complaints and suggestions of its shareholders are responded to in a timely manner.

## Role of the Company Secretary in overall governance process

The Company Secretary plays a key role in ensuring that the Board (including committees thereof) procedures are followed and regularly reviewed. The Company Secretary ensures that all the relevant information, details and documents are made available to the Directors and Senior Management for effective decision making at the meetings. The Company Secretary is primarily responsible to assist and advise the Board in the conduct of the legal and procedural requirements of your Company, to ensure compliance with applicable statutory requirements and Secretarial Standards and to facilitate convening of meetings. He interfaces between the management and regulatory authorities for governance matters.

## I. BOARD OF DIRECTORS:

A. The composition of the Board of Directors represents a combination of knowledge, experience and professionalism and enables the Board to discharge its responsibilities and provide effective leadership to the business. The Board comprises of Executive and Independent Directors as required under applicable

legislation. As on 31<sup>st</sup> March, 2023, the Board consists of six Directors comprising of three Executive Directors and three Independent Directors who are Non-Executive Directors, i.e. fifty per cent of the Board comprises of Independent Directors. The number of Independent Directors on the Board is in conformity with the requirement of Regulation 17(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Board also consists of two women Whole-time Directors. All three Executive Directors are the Promoters of your Company.

As per Regulation 17(1)(a) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, your Company has appointed Mrs. Sudha Pravin Navandar (DIN: 02804964) as an Independent Woman Director (Non-Executive) for the for the first term of consecutive five years from 1<sup>st</sup> April, 2021 to 31<sup>st</sup> March, 2026.

All the responsibilities of the Chief Executive Officer (CEO) are discharged by Mr. Shrikant Zaveri, Chairman & Managing Director of your Company.

During the year under review, the Board of Directors comprised of Mr. Shrikant Zaveri, Chairman & Managing Director, Ms. Binaisha Zaveri and Ms. Raashi Zaveri, Whole-time Directors who are all Executive Directors (ED) and the Promoters of your Company. The other four Directors are Independent Directors, namely Mr. Kamlesh Vikamsey, Mr. Ajay Mehta Mr. Sanjay Asher and Mrs. Sudha Navandar. All four Independent Directors are Non-Executive Directors (NED). Mr. Sanjay Asher resigned as Independent Director of your Company w.e.f. close of business hours of 27<sup>th</sup> October, 2022. Hence, as on 31<sup>st</sup> March, 2023, your Company has total number of six Directors out of which three Directors were Executive Directors and other three Directors were Independent Directors.

None of the Directors on the Board is a member of more than ten Committees or the Chairman of more than five committees (Committees being Audit Committee and Stakeholders' Relationship Committee), as per the requirements of Regulation 26(1) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, across all the public limited companies in which he/she is a director. The necessary disclosure regarding committee positions have been made by all the Directors of your Company.

None of the Executive Directors of your Company holds office as a director including alternate directorship in more than twenty companies at the same time, provided the maximum number of public companies in which a person can be appointed as a director are not exceeding ten companies (for reckoning the limit of public companies in which a person can be appointed as a director, directorship in private companies that are either holding or subsidiary company of a public company shall be included) as per the provision of Section 165(1) of the Companies Act, 2013. None of the Directors of your Company including Independent Directors hold position as director in more than seven listed companies, and further, none of the Independent Directors of your Company who is serving as whole-time director/ managing director in any listed company, serves as independent director in more than three listed companies as per the requirement of Regulation 17A(1) & (2) of Securities and Exchange Board of India (Listing Obligations and Disclosure

Requirements) Regulations, 2015. None of the Director of your Company is appointed or continued as alternate Director for any Independent Director of a listed entity with effect from 1<sup>st</sup> October, 2018 as per the requirement of Regulation 25(1) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the year, six Board Meetings were held, in accordance with the provisions of law on 5<sup>th</sup> May, 2022, 14<sup>th</sup> May, 2022, 1<sup>st</sup> August, 2022, 14<sup>th</sup> November, 2022, 8<sup>th</sup> February, 2023 and 29<sup>th</sup> March, 2023.

- B.** The Composition of the Board of Directors, their attendance at the Board Meeting during the year and at the last Annual General Meeting held through Video Conferencing (VC) / Other Audio Visual Means (OAVM) along with number of outside directorships, committee's chairmanship/ memberships are as follows:

Name of the Directors	Date of Appointment	Category of Directorship	No. of Board Meetings Attended	Attendance at last AGM through VC/ OAVM held on 29.08.2022	No. of outside Directorship in all Companies (*)	No. of outside Committee Membership/ Chairmanship in all Companies (+) (**)	
						Member	Chairman
Mr. Shrikant Zaveri (DIN: 00263725)	24.07.2007	CMD	6	Yes	1	NIL	NIL
Ms. Binaisha Zaveri (DIN: 00263657)	24.07.2007	WTD	6	Yes	1	NIL	NIL
Ms. Raashi Zaveri (DIN: 00713688)	01.07.2008	WTD	6	Yes	1	NIL	NIL
Mr. Kamlesh Vikamsey (DIN: 00059620)	26.08.2010 (#)	ID	6	Yes	4	1	3
Mr. Ajay Mehta (DIN: 00028405)	14.12.2010 (#)	ID	5	Yes	2	NIL	1
Mrs. Sudha Navandar (DIN: 02804964)	01.04.2021 (#)	ID	5	Yes	6	5	2
Mr. Sanjay Asher (DIN: 00008221) (resigned w.e.f. 27.10.2022) (@)	14.12.2010 (#)	ID	3	Yes	8	6	3

**Note:**

\* Directorship across all the companies excluding directorship in Tribhovandas Bhimji Zaveri Limited, in private limited companies which are not a subsidiary of public limited company, foreign companies, government companies and companies under Section 8 of the Companies Act, 2013.



+ Committee's Membership / Chairmanship across all the companies excluding that in Tribhovandas Bhimji Zaveri Limited, in private limited companies which are not a subsidiary of public limited company, foreign companies, government companies and companies under Section 8 of the Companies Act, 2013.

\*\* Chairmanship and Membership of Audit Committee and Stakeholders Relationship Committee only.

(#) Mr. Kamlesh Vikamsey, Mr. Ajay Mehta and Mr. Sanjay Asher are Independent Directors (Non-Executive Directors) were appointed for the consecutive (second) term of five years, i.e. from 1<sup>st</sup> April, 2019 to 31<sup>st</sup> March, 2024 in the Eleventh Annual General Meeting of your Company held on 31<sup>st</sup> July, 2018. Ms. Sudha Navandar, Independent Director (Non-Executive Director) was appointed for the consecutive (first) term of five years, i.e. from 1<sup>st</sup> April, 2021 to 31<sup>st</sup> March, 2026 in the Fourteenth Annual General Meeting of your Company held on 16<sup>th</sup> September, 2021. Mr. Sanjay Asher Independent Director of your Company Resigned w.e.f. close of business hours from 27<sup>th</sup> October, 2022.

(@) Mr. Sanjay Asher (DIN: 00008221), Independent Director of your Company Resigned w.e.f. close of business hours from 27<sup>th</sup> October, 2022. The details provided of Mr. Sanjay Asher was for the period from 1<sup>st</sup> April, 2022 till 27<sup>th</sup> October, 2022.

**CMD** – Chairman & Managing Director, **WTD** – Whole-time Director, **NED** - Non-Executive Director, **ID** – Independent Director.

Every Director currently on the Board of your Company has personally attended at least one Board/ Committee of the Directors' Meeting in the financial year 2022-23.

Independent Directors have been paid Sitting Fees for attending the meetings. Further, the Commission, if any, paid to them is within the limit of 1% of the net profits of your Company as per the applicable provisions of the Companies Act, 2013. Your Company has not had any pecuniary relationship or transaction with any of the Independent Directors during the year.

Leave of Absence was granted to the Directors who were absent for the meetings.

**As required under the Listing Regulations as amended w.e.f. 1<sup>st</sup> April, 2019, the names of the listed entities (including Tribhovandas Bhimji Zaveri Limited) where the Director of your Company is a director and the category of Directorship as on 31<sup>st</sup> March, 2023 is provided hereunder:**

Name of Director	Name of Listed Entity	Category of Directorship
Mr. Shrikant Zaveri DIN: 00263725	Tribhovandas Bhimji Zaveri Limited	Chairman & Managing Director
Ms. Binaisha Zaveri DIN: 00263657	Tribhovandas Bhimji Zaveri Limited	Whole-time Director
Ms. Raashi Zaveri DIN: 00713688	Tribhovandas Bhimji Zaveri Limited	Whole-time Director
Mr. Ajay Mehta DIN: 00028405	Tribhovandas Bhimji Zaveri Limited Deepak Nitrite Limited	Independent Director Non-Executive Director
Mr. Kamlesh Vikamsey DIN: 00059620	Tribhovandas Bhimji Zaveri Limited Navneet Education Limited Man Infraconstruction Limited Apcotex Industries Limited AU Small Finance Limited	Independent Director Non-Independent & Non-Executive Director & Chairperson (NI & NED) Independent Director Independent Director Independent Director
Mrs. Sudha Navandar DIN: 02804964	Tribhovandas Bhimji Zaveri Limited Route Mobile Limited Kolte-Patil Developers Limited Anand Rathi Wealth Limited Yasho Industries Limited	Independent Director Independent Director Independent Director Independent Director Independent Director

Name of Director	Name of Listed Entity	Category of Directorship
Mr. Sanjay Asher DIN: 00008221 (*)	Tribhovandas Bhimji Zaveri Limited	Independent Director
	Ashok Leyland Limited	Independent Director
	Sudarshan Chemical Industries Limited	Independent Director
	Deepak Nitrite Limited	Independent Director
	Sonata Software Limited	Independent Director
	Indusind Bank Limited	Independent Director
	Meghmani Finechem Limited	Independent Director

(\*) Mr. Sanjay Asher (DIN: 00008221), Independent Director of your Company Resigned w.e.f. close of business hours from 27<sup>th</sup> October, 2022. The details provided of Mr. Sanjay Asher as on 27<sup>th</sup> October, 2022.

### C. Directors' Profile:

The Board of Directors comprises highly renowned professionals drawn from diverse fields. They bring with them a wide range of skills and experience to the Board, which enhances the quality of the Board's decision-making process.

The brief profile of your Company's Board of Directors is as under:

#### Mr. Shrikant Zaveri (DIN: 00263725) (Chairman & Managing Director)

Mr. Shrikant Zaveri (DIN: 00263725) is a doyen of the Indian Gems and Jewellery Industry and is one of the most respected personalities of the Gems and Jewellery Industry in India. He has a rich experience of more than forty one years in the Gems and Jewellery industry. He has completed his education upto matriculation. He took over as the managing partner of the business in 2001. He continued his forefather's business with one flagship store at Zaveri Bazar, and given his immense efforts, your Company as on 31<sup>st</sup> March, 2023 has thirty two stores, out of which twenty nine are Company's own stores and three are franchisee stores, in twenty five cities and twelve states across India.

He is discharging the additional responsibility of Chief Executive Officer of your Company.

Mr. Zaveri was the founding member and chairman of the Gems and Jewellery Trade Federation. He has been awarded the Retail Jewellery Award for lifetime achievement in the year 2007. He also won the Retail Leadership Award from the Asia Retail Congress in the year 2013. In year 2023 he won the prestigious award "Retail Jeweller MD & CEO Awards 2023, Excellence in Leadership" in the category of "Special Contribution to the Indian Retail Jewellery Industry".

With his considerable wealth of experience, Mr. Shrikant Zaveri (DIN: 00263725) brings great value and insight to the Board of TBZ.

#### Ms. Binaisha Zaveri (DIN: 00263657) (Whole-time Director)

Ms. Binaisha Zaveri (DIN: 00263657) holds a bachelor's degree in marketing and finance from the Stern School of Business, New York. She joined the business in 2004 and has an experience of more than nineteen years. She is involved in all aspects of the business including human capital management, operations, finance and business development. She has been actively involved and has been a key player in the opening of new stores.

#### Ms. Raashi Zaveri (DIN: 00713688) (Whole-time Director)

Ms. Raashi Zaveri (DIN: 00713688) holds a bachelor's degree in finance and entrepreneurship from the Kelly School of Business, Indiana University and is a graduate gemologist from the Gemological Institute of America. She joined the business in 2008 and has an experience of more than fifteen years. She is involved in the management of your Company's marketing, enterprise resource planning systems and is actively engaged in accounting, designing, merchandising and general corporate management.

#### Mr. Kamlesh Vikamsey (DIN: 00059620) (Independent Director)

Mr. Kamlesh Vikamsey (DIN: 00059620) has a bachelor's degree in commerce from the University of Mumbai and is a qualified Chartered Accountant. He has more than forty years of experience in Accounting, Finance, Taxation, Corporate and Advisory services. He is Chairperson of the Audit Advisory Committee of United Nations Children's Fund (UNICEF) and the Independent Management Advisory Committee (IMAC) of International Telecommunication Union (ITU) and member of the Audit Committee of World Meteorological Organization (WMO).

He was Chairperson & Member of the External Audit Committee (EAC) of International Monetary Fund (IMF) from 2015 to 2018 and the Audit Advisory Committee of the United Nations Development Programme

(UNDP) from 2010 to 2015. He was the President of the Confederation of Asian and Pacific Accountants (CAPA) from 2007 to 2009. He was a Board Member of the International Federation of Accountants (IFAC) from 2005 to 2008. He was the President of the Institute of Chartered Accountants of India (ICAI) during 2005-06. He was Chairman of Centre of Excellence on Education, Training and CPD of South Asian Federation of Accountants (SAFA – An Apex Body of SAARC) from 2005 to 2007. He has served as a member of various advisory and expert committees at national and international levels, including as a member of the expert committee constituted by the Central Government for the promotion of the Gems and Jewellery industry in 2007 and was a member of the Accounting Standards Committee of SEBI during 2005-06.

Mr. Vikamsey joined the TBZ Board on 26<sup>th</sup> August, 2010 and has given valued contribution to the Board of Directors. As on 31<sup>st</sup> March, 2023 he was Chairman of the Audit Committee and member of the Nomination and Remuneration Committee. He has brought to bear upon these Committees, his vast and varied experience gained from his profession and as Director on the numerous companies on whose Board he serves.

**Mr. Ajay Mehta (DIN: 00028405) (Independent Director)**

Mr. Ajay Mehta (DIN: 00028405) has a bachelor's degree in science from University of Mumbai and a master's degree in chemical engineering from the University of Texas, USA. He has over thirty eight years of experience with chemical, petrochemical, fertiliser, manufacturing and investment companies. He is presently a non-Executive Director in Deepak Nitrite Limited and a Managing Director of Deepak Novochem Technologies Limited. He is a member of the executive Committee of Mahratta Chamber of Commerce, Industries and Agriculture and various other developmental institutions and social organisations.

Mr. Mehta joined the TBZ Board on 14<sup>th</sup> December, 2010 and has given valued contribution to the Board of Directors. He is the Chairman of the Nomination and Remuneration Committee and the Stakeholders Relationship Committee and a member of the Audit Committee, the Corporate Social Responsibility Committee (CSR Committee) and the Risk Management Committee. He has brought to these Committees, his vast and varied experience gained from his profession and as Director on the numerous companies on whose Board he serves.

**Mrs. Sudha Navandar (DIN: 02804964) (Independent Director)**

Mrs. Sudha Pravin Navandar (DIN: 02804964) is a qualified Chartered Accountant registered with the Institute of Chartered Accountants of India and has cleared her Certified Public Accountant, USA. She is an Insolvency Professional and has also done post qualification course on Information System Audit (DISA). She holds Certificates for BRSR and ADR practice too. She is currently a partner in M/s. Pravin R. Navandar & Co. Chartered Accountants, with main focus on corporate advisory services, income leakage and IBC matters. She is also an independent director on the board of various companies prominent amongst those are Route Mobile Limited, Anand Rathi Wealth Limited, Kolte-Patil Developers Limited and Yasho Industries Limited.

Mrs. Navandar joined the TBZ Board on 1<sup>st</sup> April, 2021 and has given valued contribution to the Board of Directors. She has been appointed by the Board at the meeting held on 5<sup>th</sup> May, 2022 as the member of the Audit Committee and the Nomination and Remuneration Committee. She has been designated as Chairman of the Audit Committee w.e.f. 24<sup>th</sup> May, 2023. She has brought to bear upon these Committees, her vast and varied experience gained from her profession and as Director on the numerous companies on whose Board she serves.

**Mr. Sanjay Asher (DIN: 00008221) (Independent Director)**

(Resigned w.e.f. 27<sup>th</sup> October, 2022)

Mr. Sanjay Asher (DIN: 00008221) has a bachelor's degree in commerce and a bachelor's degree in law from the University of Bombay. He has been a practising advocate since 1991 and was admitted as a solicitor in 1993. He is also a qualified Chartered Accountant. He has over thirty two years of experience in the field of law and corporate matters. He is presently a senior partner with M/s. Crawford Bayley and Co. He specialises in the fields of corporate law and commercial law, cross-border mergers and acquisitions, joint ventures, mergers and acquisitions and capitals markets.

Mr. Asher joined the TBZ Board on 14<sup>th</sup> December, 2010.

Mr. Sanjay Asher, Independent Director of your Company resigned w.e.f. close of business hours from 27<sup>th</sup> October, 2022. Mr. Asher ceases to be the member of the Nomination and Remuneration Committee w.e.f.

27<sup>th</sup> October, 2022. The profile is covered till the date of his resignation, i.e. till 27<sup>th</sup> October, 2022.

**D. The Board has identified following Skills / Expertise / Competencies fundamental for the effective functioning of your Company which are currently available with the Board:**

The Board has identified following skills / expertise / competencies fundamental for the effective functioning of your Company which are currently available with the Board Members:

**i) Leadership:**

Ability to envision the future and prescribe a strategic goal for your Company, help your Company to identify possible road maps, inspire and motivate the strategy, approach, processes and other such key deliverables and mentor the leadership team to channelize its energy/efforts in appropriate direction.

**ii) Industry knowledge and experience:**

Should possess domain knowledge of your Company's business (retail jewellery), policies and culture (including the mission, vision and values) major risks / threats and potential opportunities of your Company's business. Must have the ability to leverage the developments in the areas of retail jewellery business and other areas as appropriate for betterment of your Company's business.

**iii) Behavioural skills:**

Attributes and competencies to use their knowledge and skills to contribute effectively to the growth of your Company.

**iv) Strategy and planning:**

Business Strategy & Planning, Sales & Marketing, Corporate Governance, Forex Management, Administration, Decision Making.

**v) Expertise/ Experience in Finance & Accounts/ Audit/ Risk Management Areas:**

Ability to understand financial policies, accounting statements and disclosure practices and contribute to the financial/ risk management policies/ practices of your Company.

**vi) Governance:**

Experience in developing governance practices, serving the best interests of all stakeholders, maintaining board and management accountability, building long-term effective stakeholder engagements and driving corporate ethics and values.

The Board of Directors confirm that all the Directors of the Board met the above stated criteria. The Eligibility of a person to be appointed as a Director of your Company is dependent on whether the person possesses the required skill sets identified by the Board as above and whether the person is a proven leader in running a business that is relevant to your Company's business.

Given below is a list of core skills, expertise and competencies of the individual Directors:

Name of the Directors	Skills / Expertise / Competencies					
	Leadership	Industry Knowledge and experience	Behavioural skills	Strategy and planning	Expertise/ Experience in Finance & Accounts/ Audits/ Risk Management Areas	Governance
Mr. Shrikant Zaveri	✓	✓	✓	✓	✓	✓
Ms. Binaisha Zaveri	✓	✓	✓	✓	✓	✓
Ms. Raashi Zaveri	✓	✓	✓	✓	✓	✓
Mr. Kamlesh Vikamsey	✓	✓	✓	✓	✓	✓
Mr. Ajay Mehta	✓	✓	✓	✓	✓	✓
Mrs. Sudha Navandar	✓	✓	✓	✓	✓	✓
Mr. Sanjay Asher (*)	✓	✓	✓	✓	✓	✓

(\*) Mr. Sanjay Asher, Independent Director of your Company Resigned w.e.f. close of business hours from 27<sup>th</sup> October, 2022.

**E. Board's Functioning and Procedure:**

Your Company holds at least four Board Meetings in a year, one in each quarter to, inter-alia, review the financial results of your Company. The Board periodically reviews the items required to be placed before it and reviews and approves quarterly/ half yearly unaudited standalone financial statements and the audited standalone and consolidated annual financial statements, corporate strategies, business plans, annual budgets, projects and capital expenditure. It monitors overall operating performance, performance of various stores and reviews such other items which require the Board's attention. It directs and guides the activities of Management towards the set goals and seeks accountability. It also sets standards of corporate behaviour, ensures transparency in corporate dealings and compliance with laws and regulations. The agenda for the Board Meeting broadly covers the minimum information to be placed before the Board of Directors as specified in Part A of Schedule II of Regulation 17(7) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 to the extent these are relevant and applicable. The agenda is circulated well in advance to the Board members, along with comprehensive background information on the items in the agenda, which are supported by relevant information, documents and presentations to enable the Board to take informed decisions. The date of the Board Meetings is agreed upon well in advance of the meeting.

The gap between two Board Meetings does not exceed one hundred and twenty days. Apart from the four scheduled Board Meetings, additional Board Meetings are also convened to address the specific requirements of your Company. Urgent matters are also approved by the Board by passing resolutions through circulation, if required.

All the departments in your Company communicate to the Company Secretary well in advance, the matters requiring approval of the Board/ Committees of the Board to enable inclusion of the same in the agenda for the Board/ Committee Meetings. The Company Secretary attends all the meetings of the Board and its Committees and is, inter alia, responsible for recording the minutes of such meetings.

The information as required under Part A of Schedule II to the Listing Regulations is also made available to the Board, wherever applicable, for their consideration.

**F. Disclosure of relationship between Directors inter-se:**

In terms of Schedule V(C)(2)(e) and Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 none of the three Independent Directors (Non-Executive Directors) are related to each other nor related to any of the Executive Directors of your Company.

Mr. Shrikant Zaveri, Chairman & Managing Director of your Company and Ms. Binaisha Zaveri and Ms. Raashi Zaveri, Whole-time Directors of your Company, being father and daughters respectively, are related to each other.

Ms. Binaisha Zaveri and Ms. Raashi Zaveri, Whole-time Directors of your Company being sisters, are related to each other.

**G. Independent Directors:**

The Independent Directors of your Company have been appointed in terms of requirements of the Companies Act, 2013 and Listing Regulations. The selection of eminent people for appointment as Independent Directors on the Board is considered by the Nomination and Remuneration Committee. The Committee, inter alia, considered qualification, positive attributes, area of expertise and number of directorships and memberships held in various committees of other companies and membership held in various committees of other companies by such person and recommend the same to the Board. The Board considered the Committee's recommendation and takes appropriate decision. Formal letters of appointment have been issued to the Independent Directors and the terms and conditions of their appointment are disclosed on your Company's website at [www.tbztheoriginal.com](http://www.tbztheoriginal.com).

During the year under review, Mr. Sanjay Asher (DIN: 00008221) resigned as Independent Director of your Company w.e.f. close of business hours from 27<sup>th</sup> October, 2022, due to personal reasons.

As required under Rule 6(3) of the Companies (Appointment and Qualification of Directors) Rules, 2014, all the Independent Directors have registered themselves with the Independent Directors Databank maintained by the Indian Institute of Corporate Affairs.

**H. Declaration of Independence:**

Your Company has received declarations / certificates from the Independent Directors declaration on

criteria of independence / confirming their position as Independent Directors on the Board of your Company in accordance with Section 149 of the Companies Act, 2013 read with Regulation 16(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. As per Regulation 25(8) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Independent Directors have given declaration that they meet the criteria of Independence as provided in clause (b) of sub-regulation (1) of Regulation 16 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgement and without any external influence.

The Board of Directors of your Company have confirmed that in the opinion of the Board, the Independent Directors fulfills the conditions specified in Section 149 of the Act and Regulations 16(1)(b), 25(8) and all other applicable Regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and are independent of the management.

#### **I. Appointment of Directors retiring by rotation:**

Ms. Binaisha Zaveri (DIN: 00263657), Whole-time Director of your Company retiring by rotation is proposed to be re-appointed at the ensuing Annual General Meeting.

In accordance with the provisions of Section 152 and all other applicable provisions of the Companies Act, 2013, Independent Directors are not liable to retire by rotation and for the purpose of calculation of 'total number of Directors' who are liable to retire by rotation this shall not include Independent Directors. Mr. Shrikant Zaveri, Chairman & Managing Director of your Company, is the Director not liable to retire by rotation. Ms. Binaisha Zaveri and Ms. Raashi Zaveri, Whole-time Directors of your Company are the Directors who are liable to retire by rotation.

#### **J. Code of Conduct:**

The Board of Directors have adopted two Code of Conduct ("the Codes") for the Board of Directors as well as for Senior Management and Employees of your Company. The Codes cover amongst other things your Company's commitment to honest and ethical personal conduct, fair competition, corporate

social responsibility, sustainable environment, health and safety, transparency and compliance of laws and regulations etc. and the same are placed on the website of your Company at [www.tbztheoriginal.com](http://www.tbztheoriginal.com).

The Code of Conduct for the Board of Directors as well as for Senior Management Personnel, officer and employees of your Company is available on Company's website ([www.tbztheoriginal.com](http://www.tbztheoriginal.com)) at the below links:

<http://www.tbztheoriginal.com/storage/Investors/Code%20of%20Conduct/TBZ-Code%20of%20Conduct%20for%20Board%20of%20Directors.pdf>.

<https://www.tbztheoriginal.com/storage/Code%20of%20Conduct%20for%20KMP%20&%20Emp.pdf>.

In addition to the above, your Company has adopted a Code for Independent Directors as per the provisions of Section 149(8) read with Schedule IV of the Companies Act, 2013 which suitably incorporates the duties of Independent Directors.

The Codes lay down the standard of conduct which is expected to be followed by the Directors and the designated employees in their business dealings and in particular on matters relating to integrity at the workplace, in business practices and in dealing with stakeholders. The Codes give guidance through examples on the expected behaviour from an employee in a given situation and the reporting structure. There were no material financial and commercial transactions, in which Board Members or Senior Management Personnel had personal interest, which could lead to potential conflict of interest with your Company during the year.

All the Board members and Senior Management of your Company have affirmed compliance with their respective Code of Conduct for the financial year ended 31<sup>st</sup> March, 2023. A declaration to this effect duly signed by the Chairman & Managing Director of your Company (in the capacity of Chief Executive Officer) is annexed hereto.

#### **K. Remuneration Policy and details of Remuneration paid/ payable to the Managing Director and the Whole-time Directors for the year ended 31st March, 2023:**

The remuneration of your Company is directed towards rewarding performance, based on review of achievements on a periodic basis. The remuneration policy is in accordance with the existing industry practice. Your Company pays remuneration by way of salary (fixed component) and commission (variable

component) to the Chairman & Managing Director and to the Whole-time Directors. Salary is paid within the amount fixed by the shareholders, which is restricted to the maximum limits prescribed under Sections 196, 197 and 198 read with Schedule V and all other applicable provisions of the Companies Act, 2013. The Commission payable to the Chairman & Managing Director and Whole-time Directors is calculated with reference to the net profits of your Company in a particular financial year and is determined by the Board of Directors at the end of the financial year based on the recommendations of the Nomination and Remuneration Committee, subject to the overall ceilings stipulated in Section 197 read with Schedule V and all other applicable provisions of the Companies Act, 2013.

The Chairman & Managing Director and the Whole-time Directors are not paid any sitting fees for attending the meetings of the Board of Directors or Committee thereof.

The agreement with Chairman & Managing Director and the Whole-time Directors are for a period not exceeding five years at a time and salary fixed is for a period not exceeding three years at a time. Either party may terminate the agreement by giving the other party prior written notice of six months, provided that your Company may waive the notice by giving the remuneration on a pro rata basis in respect of the months for which the Chairman & Managing Director and Whole-time Director(s) would have received had he/she remained in office. There is no separate provision for payment of severance fees.

Details of remuneration paid and commission payable to Managing Director and Whole-time Directors of your Company for the financial year 2022-23 are as follows:

<b>Names of Managing Director / Whole-time Directors</b>	<b>Gross Salary (in ₹)</b>	<b>Commission (in ₹)</b>	<b>Perquisites (in ₹)</b>	<b>Retirement Benefits (in ₹)</b>	<b>Stock Option</b>	<b>Total (in ₹)</b>
Mr. Shrikant Zaveri	24,000,000	--	--	--	--	<b>24,000,000</b>
Ms. Binaisha Zaveri	24,000,000	--	--	--	--	<b>24,000,000</b>
Ms. Raashi Zaveri	24,000,000	--	--	--	--	<b>24,000,000</b>

**L. Remuneration Policy and details of Sitting Fees & Commission paid / payable to Independent Directors (Criteria for making payment to Independent Directors):**

The Independent Directors are paid remuneration by way of Commission not exceeding 1% of the net profit of your Company. The Independent Directors are also paid Sitting Fees for the meeting of the Board of Directors and various Committee Meetings attended

Your Company does not have a scheme for grant of stock options to any of the Chairman & Managing Director and the Whole-time Directors of your Company. Your Company do not have any severance fees for any of the directors and has kept a notice period of six months' notice in writing from either side.

The commission payable to the Chairman & Managing Director and the Whole-time Directors are based on the performance criteria laid down by the Board which broadly considers the profits earned by your Company for the financial year. The members of the Nomination and Remuneration Committee has approved and recommended to the Board the remuneration to be paid within the limits specified as per Sections 196 and 197 read with Schedule V and all other applicable provisions of the Companies Act, 2013. On basis of the recommendations of Nomination and Remuneration Committee, the Board has approved the remuneration to be paid to Mr. Shrikant Zaveri, Chairman & Managing Director; Ms. Binaisha Zaveri and Ms. Raashi Zaveri, Whole-time Directors of your Company.

The Nomination and Remuneration Committee has not recommended any commission to the Chairman & Managing Director and the Whole-time Directors of your Company for the financial year 2022-23, and on basis of the said recommendations, the Board of Directors has decided not to declare any commission for the financial year 2022-23 to any of the Chairman & Managing Director and Whole-time Directors of your Company.

by them. In terms of shareholders' approval obtained for the period of five years commencing from 1<sup>st</sup> April, 2018 till 31<sup>st</sup> March, 2023, by way of Special Resolution at the Eleventh Annual General Meeting of your Company held on 31<sup>st</sup> July, 2018, the total Commission payable to the Independent Directors has been approved at the rate not exceeding 1% per annum of the net profits of your Company (computed in accordance with Sections 197, 198 and all other applicable provisions

of the Companies Act, 2013). The proposal for distribution of Commission amongst the Independent Directors is placed before the Board. The Commission is distributed amongst Independent Directors in accordance with their individual contribution at the Board Meetings and certain Committee Meetings as well as time spent on operational matters other than at the meetings. The total amount of Commission, if paid, to the Independent Directors, under no circumstances exceed 1% of the net profits of your Company.

The Board of Directors of your Company has approved the payment of remuneration by way of total commission payable to the Independent Directors has been approved at the rate not exceeding 1% per annum of the net profits of your Company (computed in accordance with Sections 197, 198 and all other applicable provisions of the Companies Act, 2013) or in case of inadequacy of Profits and / or No Profits in any Financial Year, the remuneration by way of Commission shall be paid to each Non-Executive Directors / Independent Directors of the Company for that relevant Financial Year within the limits specified under Schedule V of Companies Act, 2013 and the rules made thereunder and as approved by the Board of Directors of your Company, whichever is higher, subject to the approval of the members by way of Special Resolution at the ensuing 16<sup>th</sup> Annual General Meeting of your Company, for the period of three financial years commencing from 1<sup>st</sup> April, 2023 till 31<sup>st</sup> March, 2026.

For the current financial year 2022-23, your Company has declared total Commission of ₹ 3,500,000/- (Rupees Thirty Five Lacs only) out of which the commission of ₹ 1,000,000/- (Rupees Ten Lacs only) each to three Independent Directors, viz. Mr. Kamlesh Vikamsey, Mr. Ajay Mehta and Mrs. Sudha Navandar for the financial year 2022-23 and the commission of ₹ 500,000/- (Rupees Five Lacs only) to Mr. Sanjay Asher, Independent Director of your Company for the part of his tenure (from 1<sup>st</sup> April, 2022 to 27<sup>th</sup> October, 2022) for the part of the financial year 2022-23. Your Company has paid sitting fees to Independent Directors based on number of Board and Committee Meetings attended by each Independent Director. The details of the commission payable and the sitting fees paid individually is available in the chart given below.

Your Company pays sitting fees of ₹ 20,000 per Board Meeting attended and ₹ 10,000 per meeting attended of the various Committees to the Independent Directors.

Details of sitting fees paid/ commission payable to Independent Directors of your Company as on 31<sup>st</sup> March, 2023 are as follows:

<b>Names of the Independent Directors</b>	<b>Sitting Fees (in ₹)</b>	<b>Commission (in ₹)</b>	<b>Total (in ₹)</b>
Mr. Kamlesh Vikamsey	200,000	1,000,000	<b>1,200,000</b>
Mr. Ajay Mehta	250,000	1,000,000	<b>1,250,000</b>
Mrs. Sudha Navandar	160,000	1,000,000	<b>1,160,000</b>
Mr. Sanjay Asher (*)	80,000	500,000	<b>580,000</b>

The above amounts are exclusive of Goods & Service Tax (GST).

(\*) Mr. Sanjay Asher (DIN: 00008221), Independent Director resigned w.e.f. close of business hours from 27<sup>th</sup> October, 2022. The Sitting Fees and Commission of Mr. Asher as provided above are as on the date of his resignation i.e. 27<sup>th</sup> October, 2022.

None of the Independent Directors of your Company has any pecuniary relationship or transaction with your Company.

All the Independent Directors have complied with the limits of directorships and maximum tenure as per Regulation 25 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as per the applicable provisions of the Companies Act, 2013. The appointment letter of the Independent Directors and their terms and conditions has been disclosed on your Company's website ([www.tbztheoriginal.com](http://www.tbztheoriginal.com)).

#### **M. Board Training and Induction:**

At the time of appointing a director, a formal letter of appointment is given to him/her, which inter-alia explains the role, function, duties and responsibilities expected of him/her as a Director of your Company. The Director is also explained in detail, the compliances required from him/her under the Companies Act, 2013, Regulation 25 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other relevant regulations and his/her affirmation is taken with respect to the same.

By way of an introduction to your Company, the Director is presented with documents on rules & byelaws, policies of your Company and the Standard Operating Processes (SOP) of your Company as a whole as well as for various departments are also shared with the incoming Director to acquaint him/her with the



functioning of your Company. Apart from this your Company shares relevant Annual Reports, brochures for various schemes and programmes, and reports on the Gems and Jewellery Industry published by various agencies/ authorities. The functioning of various departments of your Company, the market share and markets in which it operates, governance and internal control process and other relevant information pertaining to your Company's business are also shared with the Director. The Managing Director and Executive Directors also has a one-to-one discussion with the newly appointed Director. The above initiatives help the Director to understand your Company, its business and the regulatory framework in which your Company operates and equips him/her to effectively fulfil his/her role as a Director of your Company.

#### **N. Familiarization Programme for Independent Directors:**

As per the requirement of Regulation 25(7) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, your Company has a program to familiarize Independent Directors with regard to their roles, rights, responsibilities as Independent Directors in your Company, nature of the industry in which your Company operates, the business model of your Company, etc. The Independent Directors are also provided with an overview of terms of appointment, the code of conduct of Board of Directors and insider trading regulations, disclosures and business interests of your Company and other important regulatory aspect as relevant for Independent Directors.

The purpose of the Familiarization Programme for Independent Directors is to provide insights into your Company to enable the Independent Directors to understand its business in depth and contribute significantly to your Company. Your Company has already carried out the familiarization programme for Independent Directors. The details of Familiarization Programme Imparted to Independent Directors in terms of Regulation 25(7) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, is available on your Company's website ([www.tbztheoriginal.com](http://www.tbztheoriginal.com)) at the below link:

[https://www.tbztheoriginal.com/storage/TBZ-Famili-Prog-ID\(22-23\).pdf](https://www.tbztheoriginal.com/storage/TBZ-Famili-Prog-ID(22-23).pdf)

#### **O. Annual Evaluation of Performance / Board Evaluation Criteria:**

Your Company believes that systematic evaluation contributes significantly to improved performance at

the three levels; organizational, Board and Individual Board Member. It encourages the leadership, teamwork, accountability, decision making, communication and efficiency of the Board. Evaluation also ensures teamwork by creating better understanding of Board dynamics, management relations and thinking as a group within the Board. The process includes multi layered evaluation based on well-defined criteria consisting of relevant parameters.

During the year under review, the Board adopted a formal mechanism for evaluating its own performance, the Directors individually including the Chairman of the Board as well as the evaluation of the working of its committees. A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspect of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, experience and competencies, execution and performance of specific duties, obligations and governance.

As required under Section 134(3)(p) of the Companies Act, 2013 and Regulation 17(10) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors assessed the performance of Independent Directors as per the criteria laid down and have recommended their continuation on the Board of your Company.

A separate exercise was carried out to evaluate the performance of the Independent Directors and individual Directors including the Chairman of the Board, who were evaluated on the parameters such as relevant experience, expertise and skills; devotion of time and attention to your Company's long term strategic issues, addressing the most relevant issues for your Company, discussing and endorsing your Company's strategy, Professional conduct, ethics and integrity, ability and willingness to speak up, focus on shareholder value creation, high governance standards, knowledge of business, process and procedure followed, openness of discussion/ integrity, relationship with management, impact on key management decisions, level of attendance, engagement and contribution, independence of judgement, safeguarding the interest of your Company and its minority shareholder's interest etc. The performance evaluation of the Independent Directors was carried out by the entire Board, excluding the Independent Director being evaluated and the performance evaluation of the Chairman and Non-Independent Directors (Executive Directors) was carried out by the Independent Directors.

Having regard to the industry, size and nature of business your Company is engaged in, the Board expressed their satisfaction with the evaluation process which is sufficient, appropriate and found to be serving the purpose. Your Directors have expressed their satisfaction for the evaluation process, evaluation results, which reflected the overall engagement and the effectiveness of the Board and its Committees.

#### P. Details of shares held by Directors:

Following are the details of the shares held by the Directors of your Company as on 31<sup>st</sup> March, 2023:

Names of the Directors	Nature of Directorship	No. of Shares held
Mr. Shrikant Zaveri	Chairman & Managing Director	33,402,275
Ms. Binaisha Zaveri	Whole-time Director	5,285,000
Ms. Raashi Zaveri	Whole-time Director	4,572,500
Mr. Kamlesh Vikamsey	Independent Director	NIL
Mr. Ajay Mehta	Independent Director	NIL
Mrs. Sudha Navandar	Independent Director	5

#### Q. Separate Meeting of Independent Directors:

Schedule IV of the Act, Listing Regulations and Secretarial Standard - 1 on Meetings of the Board of Directors mandates that the Independent Directors of your Company hold at least one meeting in a year, without the attendance of Non-Independent Directors. During the year, a separate meeting of Independent Directors was held on 8<sup>th</sup> February, 2023 without the presence of other directors or management representatives, to review the performance of Non-Independent Directors, the Board and the Chairperson of your Company and to access the quality, quantity and timelines of flow of information between the management and the Board.

#### II. BOARD COMMITTEES:

With a view to have a more focused attention on business and for better governance and accountability, the Board has already constituted the following mandatory Committees viz. Audit Committee, Stakeholders Relationship Committee, Nomination and Remuneration Committee and Corporate Social Responsibility Committee. Your Company has also constituted a Risk Management Committee and a Special Committee of the Board of Directors. The terms of reference of these Committees are determined

by the Board and their relevance reviewed from time to time. Meetings of each of these Committees are convened by the respective Chairman of the Committee, who also informs the Board about the summary of discussions held in the Committee Meetings. The minutes of the Committee Meetings are sent to all Directors individually and tabled at the Board Meetings.

The Board has constituted six Committees and conducted separate meeting of the Independent Directors:

- 1) Audit Committee;
- 2) Nomination and Remuneration Committee;
- 3) Stakeholders Relationship Committee;
- 4) Special Committee of the Board of Directors;
- 5) Corporate Social Responsibility Committee (CSR Committee);
- 6) Risk Management Committee;
- 7) Separate Meeting of the Independent Directors.

#### 1) Audit Committee:

The primary objective of the Audit Committee is to monitor and provide effective supervision of the management's financial reporting process with a view to ensure accurate, timely and proper disclosures and transparency, integrity and quality of financial reporting.

The Committee oversees the work carried out by the Management, Statutory and Internal Auditors on the financial reporting process and the safeguards employed by them.

The Audit Committee was constituted under the Chairmanship of Mr. Kamlesh Vikamsey, who comes with finance and accounting background. All the members of the Audit Committee are financially literate and have relevant finance and audit exposure. The Committee's composition meets with requirements of Section 177 of the Companies Act, 2013 and Regulation 18 read with Part C of Schedule II of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Audit Committee consists of the following members as on 31<sup>st</sup> March, 2023:

<b>Name of the Members</b>	<b>Designation in the Committee</b>	<b>Nature of Directorship</b>
Mr. Kamlesh Vikamsey	Chairman	Independent Director
Mr. Ajay Mehta	Member	Independent Director
Mrs. Sudha Navandar	Member	Independent Director
Mr. Shrikant Zaveri	Member	Chairman & Managing Director

The Audit Committee enjoys the following powers:

1. To investigate any activity within its terms of reference;
2. To seek information from any employee;
3. To obtain outside legal or other professional advice; and
4. To secure attendance of outsiders with relevant expertise, if it considers necessary.

The role of the Audit Committee shall inter alia include the following:

1. Overseeing your Company's financial reporting process and disclosure of its financial information to ensure that the financial statement is correct, sufficient and creditable;
2. Recommending to the Board for the appointment, remuneration and terms of appointment of auditors of your Company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and Auditor's Report thereon before submission to the Board for approval, with particular reference to:
  - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of Clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013,
  - b. Changes, if any, in accounting policies and practices and reasons for the same,
  - c. Major accounting entries involving estimates based on the exercise of judgment by management,

- d. Significant adjustments made in the financial statements arising out of audit findings,
  - e. Compliance with listing and other legal requirements relating to financial statements,
  - f. Disclosure of any related party transactions, and
  - g. Modified opinion(s) in the draft audit report;
5. Reviewing, with the management, the quarterly, half-yearly and annual financial statements before submission to the Board for approval;
  6. Reviewing, with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document/ prospectus/ notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
  7. Reviewing, with the management, the performance of statutory and internal auditors, and adequacy of the internal control systems;
  8. Approval or any subsequent modification of transactions of the Company with related parties;
  9. Scrutiny of inter-corporate loans and investments;
  10. Valuation of undertakings of assets of the Company, wherever it is necessary;
  11. Evaluation of internal financial controls and risk management systems;
  12. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
  13. Discussion with internal auditors on any significant findings and follow up there on;
  14. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
  15. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

16. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
  17. To review the functioning of the Whistle Blower Mechanism;
  18. Approval of appointment of CFO (i.e. whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
  19. Review of management discussion and analysis of financial condition and results of operations, statements of significant related party transactions submitted by management, internal audit reports relating to internal control weaknesses, and the appointment, removal and terms of remuneration of the internal auditor;
  20. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
  21. Carrying out any other function as is mentioned in the terms of reference of the audit committee.
  22. Reviewing the utilization of loans and/or advances from/investment by the holding Company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on date of coming into force of this provision. (applicable w.e.f. 1<sup>st</sup> April, 2019)
  23. Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.
- The Audit Committee shall mandatorily review the following information:
1. Management discussion and analysis of financial condition and results of operations;
  2. Management letters / letters of internal control weaknesses issued by the statutory auditors;
  3. Internal audit reports relating to internal control weaknesses;
  4. The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee; and
5. Statement of deviations:
    - a) Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1);
    - b) Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

The recommendations of the Audit Committee on any matter relating to financial management, including the audit report, are binding on the Board. If the Board is not in agreement with the recommendations of the Committee, reasons for disagreement shall have to be recorded in the minutes in the Board Meeting and the same has to be communicated to the shareholders. The Chairman of the committee has to attend the Annual General Meetings of your Company to provide clarifications on the matters relating to the audit.

The Company Secretary is the Secretary to the Committee.

Mr. Kamlesh Vikamsey, Chairman of the Audit Committee, was present at the last Annual General Meeting of your Company held through Video Conferencing (VC) / Other Audio Visual Means (OAVM) on 29<sup>th</sup> August, 2022.

As at the year-end, the Audit Committee of the Board comprised of four members, three of them being Independent Directors. Mr. Kamlesh Vikamsey is a Chartered Accountant and is a financial expert.

During the year, five Audit Committee Meetings were held on 5<sup>th</sup> May, 2022, 14<sup>th</sup> May, 2022, 1<sup>st</sup> August, 2022, 14<sup>th</sup> November, 2022 and 8<sup>th</sup> February, 2023.

The attendance record of the members of the Audit Committee is given below:

Name of the Members	No. of Meetings	
	Held	Attended
Mr. Kamlesh Vikamsey	5	5
Mr. Ajay Mehta	5	4
Mrs. Sudha Navandar	5	4
Mr. Shrikant Zaveri	5	5

## 2) Nomination and Remuneration Committee:

The Nomination and Remuneration Committee's composition meets the requirements of Section 178 of the Companies Act, 2013 and Regulation 19 read with Part D of Schedule II of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. All the members of the Nomination and Remuneration Committee are Non-Executive and Independent Directors. Mr. Ajay Mehta, Independent Director, is the Chairman of the Committee.

The Nomination and Remuneration Committee consist of the following members as on 31<sup>st</sup> March, 2023:

Name of the Members	Designation in the Committee	Nature of Directorship
Mr. Ajay Mehta	Chairman	Independent Director
Mr. Kamlesh Vikamsey	Member	Independent Director
Mrs. Sudha Navandar	Member	Independent Director

Note: Mr. Sanjay Asher was member of the Nomination and Remuneration Committee from 1<sup>st</sup> April, 2022 till 27<sup>th</sup> October, 2022 (due to his resignation w.e.f. close of business hours from 27<sup>th</sup> October, 2022).

The Company Secretary is the Secretary to the Committee.

The terms of reference of the Nomination and Remuneration Committee shall inter alia includes identifying persons who are qualified to become directors and who may be appointed in Senior Management in accordance with the criteria laid down, recommending to the Board their appointment and removal and carrying out evaluation of every director's performance; laying down the evaluation criteria for performance evaluation of Independent Directors and the Board of Directors; formulating the criteria for determining qualifications, positive attributes and independence of a director and recommending to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees; for every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities

identified in such description. For the purpose of identifying suitable candidates, the Committee may: (a) use the services of an external agencies, if required; (b) consider candidates from a wide range of backgrounds, having due regard to diversity; and (c) consider the time commitments of the candidates; devising the policy on Board diversity; whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors. The members of the Nomination and Remuneration Committee need to recommend to the Board, all remuneration, in whatever form, payable to Senior Management. The Nomination and Remuneration Policy is available on your Company's website ([www.tbztheoriginal.com](http://www.tbztheoriginal.com)) at the below link:

<https://www.tbztheoriginal.com/storage/TBZ-Nom,Remu.&Eval.Policy.pdf>:

Mr. Ajay Mehta, Chairman of the Nomination and Remuneration Committee, was present at the last Annual General Meeting of your Company held through Video Conferencing (VC) / Other Audio Visual Means (OAVM) on 29<sup>th</sup> August, 2022.

During the year, two Nomination and Remuneration Committee Meeting was held on 5<sup>th</sup> May, 2022 and 14<sup>th</sup> May, 2022.

The attendance record of the members of the Nomination and Remuneration Committee is given below:

Name of the Members	No. of Meetings	
	Held	Attended
Mr. Ajay Mehta	2	2
Mr. Kamlesh Vikamsey	2	2
Mrs. Sudha Navandar	2	1
Mr. Sanjay Asher (#)	2	2

(#) Mr. Sanjay Asher was member of the Nomination and Remuneration Committee from 1<sup>st</sup> April, 2022 till 27<sup>th</sup> October, 2022 (due to his resignation w.e.f. close of business hours from 27<sup>th</sup> October, 2022).

## 3) Stakeholders Relationship Committee:

The Stakeholders Relationship Committee's composition meets the requirements of Section 178 of the Companies Act, 2013 and Regulation 20 read with Part D of Schedule II of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Stakeholders Relationship Committee consists of the following members as on 31<sup>st</sup> March, 2023:

Name of the Members	Designation in the Committee	Nature of Directorship
Mr. Ajay Mehta	Chairman	Independent Director
Mr. Shrikant Zaveri	Member	Chairman & Managing Director
Ms. Binaisha Zaveri	Member	Whole-time Director
Ms. Raashi Zaveri	Member	Whole-time Director

Mr. Niraj Oza, Head Legal & Company Secretary is designated as the Compliance officer of your Company.

The Company Secretary is the Secretary to the Committee.

The terms of reference of the Stakeholders Relationship Committee as per Section 178(6) and as specified in Part D of Schedule II of Regulation 20 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, shall inter alia include following role:

- Resolving the grievances of the security holders of your Company including complaints related to transfer/ transmission of shares, non-receipt of annual report and non-receipt of declared dividend, issue of new/ duplicate certificates, general meetings, etc.
- Review of measures taken for effective exercise of voting rights by shareholders.
- Review of adherence to the service standards adopted by the listed entity in respect of various

services being rendered by the Registrar and Share Transfer Agent.

- Review of various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/ annual reports/ statutory notices by the shareholders of the Company.

Mr. Ajay Mehta, Chairman of the Stakeholders Relationship Committee, was present at the last Annual General Meeting of your Company held through Video Conferencing (VC) / Other Audio Visual Means (OAVM) on 29<sup>th</sup> August, 2022.

During the year, four Stakeholders Relationship Committee Meetings were held on 5<sup>th</sup> May, 2022, 1<sup>st</sup> August, 2022, 14<sup>th</sup> November, 2022 and 8<sup>th</sup> February, 2023.

The attendance record of the members of the Stakeholders Relationship Committee is given below:

Name of the Members	No. of Meetings	
	Held	Attended
Mr. Ajay Mehta	4	3
Mr. Shrikant Zaveri	4	4
Ms. Binaisha Zaveri	4	4
Ms. Raashi Zaveri	4	4

#### Investors Grievances:

Continuous efforts are being made to ensure that Investor's grievances are expeditiously redressed to the satisfaction of the investors.

Your Company and KFin Technologies Limited (Registrar & Share Transfer Agent) attend and resolves all the grievances of the investors promptly on their receipt, whether received directly or through SEBI, Stock Exchanges, Ministry of Corporate Affairs etc.

**Details of number of requests/ complaints received and resolved during the year ended 31<sup>st</sup> March, 2023 are as under:**

Sr. No.	Nature of Complaints	Pending as on 1 <sup>st</sup> April, 2022	Received during the year	Disposed during the year	Pending as on 31 <sup>st</sup> March, 2023
1.	Non-Receipt of Annual Report	0	0	0	0
2.	Non-Receipt of Dividend Warrants	0	1	1	0
3.	BSE - Complaint by shareholders	0	0	0	0
4.	NSE - Complaint by shareholders	0	0	0	0
5.	SEBI - Complaint by shareholders	0	0	0	0
6.	ROC - Complaint by shareholders	0	0	0	0
<b>Total</b>		<b>0</b>	<b>1</b>	<b>1</b>	<b>0</b>

#### 4) Special Committee of the Board of Directors:

The Board of Directors has constituted Special Committee of the Board of Director and delegated some of the powers enjoyed by the Board of Directors to the Special Committee of the Board of Directors, which are not prohibited by Section 179 of the Companies Act, 2013.

The Special Committee of Board of Directors consist of following members as on 31<sup>st</sup> March, 2023:

Name of the Members	Designation in the Committee	Nature of Directorship
Mr. Shrikant Zaveri	Chairman	Chairman & Managing Director
Ms. Binaisha Zaveri	Member	Whole-time Director
Ms. Raashi Zaveri	Member	Whole-time Director

The Company Secretary is the Secretary to the Committee.

During the year, four Special Committee Meetings of Board of Directors was held on 27<sup>th</sup> April, 2022, 9<sup>th</sup> June, 2022, 15<sup>th</sup> September, 2022 and 11<sup>th</sup> January, 2023.

The attendance record of the members of the Special Committee of Board of Directors is given below:

Name of the Members	No. of Meetings	
	Held	Attended
Mr. Shrikant Zaveri	4	4
Ms. Binaisha Zaveri	4	4
Ms. Raashi Zaveri	4	4

#### 5) Corporate Social Responsibility Committee (CSR Committee):

The Corporate Social Responsibility Committee (CSR Committee) of the Board of Director was constituted as per the requirements of the Section 135 and all other applicable provision of the Companies Act, 2013. The Corporate Social Responsibility Committee (CSR Committee) of the Board of Director was constituted to carry out the functions and duties as mentioned in the Section 135 and activities as mentioned in Schedule VII of the Companies Act, 2013 and align to the CSR Policy of your Company.

The Corporate Social Responsibility Committee consist of the following members as on 31<sup>st</sup> March, 2023:

Name of the Members	Designation in the Committee	Nature of Directorship
Mr. Shrikant Zaveri	Chairman	Chairman & Managing Director
Mr. Ajay Mehta	Member	Independent Director
Ms. Binaisha Zaveri	Member	Whole-time Director
Ms. Raashi Zaveri	Member	Whole-time Director

The Company Secretary is the Secretary to the Committee.

The terms of reference of Corporate Social Responsibility Committee are as under:

- To formulate and recommend to the Board a Corporate Social Responsibility Policy ('CSR Policy'), indicating the activities to be undertaken by your Company for the areas mapped under Schedule VII of the Companies Act, 2013.
- Recommend the amount of expenditure to be incurred on the activities listed in CSR Policy.
- Monitor the CSR Policy of the Company from time to time.
- Such other roles and functions as may be prescribed in the Companies Act, 2013 and Rules made thereunder.

Report on CSR Activities: As required under the Companies Act, 2013 and Rules made thereunder, the information on CSR activities undertaken by the Company during the year ended 31<sup>st</sup> March, 2023 is annexed to the Directors' Report. The CSR Policy is available on your Company's website ([www.tbztheoriginal.com](http://www.tbztheoriginal.com)) at the below link:

[https://www.tbztheoriginal.com/storage/TBZ-CSR%20Policy\(03.05.21\)Rev-Ver-3.pdf](https://www.tbztheoriginal.com/storage/TBZ-CSR%20Policy(03.05.21)Rev-Ver-3.pdf)

As per the requirement under the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021, your Company have disclosed the

composition of the CSR Committee on the Company's website ([www.tbztheoriginal.com](http://www.tbztheoriginal.com)) at the below link:

<https://www.tbztheoriginal.com/storage/TBZ-Composition%20of%20CSR%20Committee.pdf>.

All the recommendations of the Corporate Social Responsibility Committee were accepted by the Board of Director of your Company.

During the year, four Corporate Social Responsibility Committee Meetings were held on 5<sup>th</sup> May, 2022, 1<sup>st</sup> August, 2022, 14<sup>th</sup> November, 2022 and 8<sup>th</sup> February, 2023.

The attendance record of the members of the Corporate Social Responsibility Committee is given below:

Name of the Members	No. of Meetings	
	Held	Attended
Mr. Shrikant Zaveri	4	4
Mr. Ajay Mehta	4	3
Ms. Binaisha Zaveri	4	4
Ms. Raashi Zaveri	4	4

## 6) Risk Management Committee:

As per the requirement of Regulation 21(5) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 the constitution of a Risk Management Committee shall be applicable to top 1000 listed companies (earlier top 500 listed companies), determined on the basis of market capitalization, as at the end of the immediate previous financial year as per SEBI (Listing Obligations & Disclosure Requirements) (Second Amendment) Regulations, 2021, vide Notification dated 5<sup>th</sup> May, 2021. Accordingly, constitution of Risk Management Committee has now become mandatory for your Company, but to follow Corporate Governance in the right spirit your Company has already voluntarily constituted the Risk Management Committee of the Board.

The Risk Management Committee of the Board of Directors was voluntarily constituted. Risk Management Committee provides assistance to the Board of Directors in fulfilling its objective of controlling/ monitoring various risks prevailing in the functioning of your Company in day to day life including the review and functioning of Gold Price Risk Management Policy of your Company as well as reviewing measures to be taken to mitigate the

risk on hedging in domestic as well as international market, to evaluate and identify the major strategic, operational, regulatory risks inherent in the business of your Company, to evaluate and identify various types of external and internal risks and to suggest various control measures to be adopted. The Risk Management Committee also needs to review Cyber Security of your Company.

The members of the Risk Management Committee in compliance with the SEBI's Notification dated 5<sup>th</sup> May, 2021, in requirement of compliance with Regulation 21 and other applicable Regulations of the amended Listing Regulations vide SEBI's Notification dated 5<sup>th</sup> May, 2021, based on the approval and recommendation of the Risk Management Committee, the Board of Directors of your Company has approved and adopted the Risk Management Policy of the Company and the same to be effective from the date of Notification issued by SEBI, i.e. 5<sup>th</sup> May, 2021

Based on the SEBI's Notification dated 5<sup>th</sup> May, 2021, based on the approval and recommendation of the Risk Management Committee, the Board of Directors of your Company has approved and adopted the revised Roles of Risk Management Committee are as stated as follows:

- (1) To formulate a detailed risk management policy which shall include:
  - a) A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.
  - b) Measures for risk mitigation including systems and processes for internal control of identified risks.
  - c) Business continuity plan.
- (2) To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
- (3) To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
- (4) To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;



- (5) To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;
- (6) The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee;
- (7) The Risk Management Committee shall coordinate its activities with other committees, in instances where there is any overlap with activities of such committees, as per the framework laid down by Board of Directors.
- (8) The Risk Management Committee shall have powers to seek information from any employee, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise, if it considers necessary.
- (9) Review the functioning of the Gold Price Risk Management Policy of the Company as well as reviewing the measures taken to mitigating the risk on hedging in domestic as well as international market; and to suggest and make necessary changes and amendment as and when required in Gold Price Risk Management Policy.

The Risk Management Committee consists of the following members as on 31<sup>st</sup> March, 2023:

Name of the Members	Designation in the Committee	Nature of Directorship
Mr. Shrikant Zaveri	Chairman	Chairman & Managing Director
Mr. Ajay Mehta	Member	Independent Director
Ms. Binaisha Zaveri	Member	Whole-time Director
Ms. Raashi Zaveri	Member	Whole-time Director

Note: Mr. Saurav Banerjee was member of the Risk Management Committee from 1<sup>st</sup> April, 2022 to 13<sup>th</sup> May, 2022 (due to his resignation as Chief Financial Officer of your Company w.e.f. 13<sup>th</sup> May, 2022).

The Company Secretary is the Secretary to the Committee.

During the year, two Risk Management Committee Meetings was held, in accordance with the provisions of law and physical meeting on 5<sup>th</sup> May, 2022 and 28<sup>th</sup> October, 2022.

The attendance record of the members of the Risk Management Committee is given below:

Name of the Members	No. of Meetings	
	Held	Attended
Mr. Shrikant Zaveri	2	2
Ms. Binaisha Zaveri	2	2
Ms. Raashi Zaveri	2	2
Mr. Ajay Mehta	2	2
Mr. Saurav Banerjee (*)	2	1

(\*) Note: Mr. Saurav Banerjee was member of the Risk Management Committee from 1<sup>st</sup> April, 2022 to 13<sup>th</sup> May, 2022 (due to his resignation as Chief Financial Officer of your Company w.e.f. 13<sup>th</sup> May, 2022).

#### 7) Separate Meeting of the Independent Directors (Separate Meeting):

As per the requirements of the Regulation 25(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Independent Directors of your Company have met on 8<sup>th</sup> February, 2023, inter-alia to:

1. Review and evaluate of the performance of non-independent directors and the Board as a whole;
2. Review and evaluate of the performance of the Chairperson of your Company, taking into account the views of Executive Directors and Non-Executive Directors (Independent Directors);
3. Access and evaluate the quality, quantity/content and timeliness of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

The separate meeting of the Independent Directors consists of the following members as on 31<sup>st</sup> March, 2023:

Name of the Members	Designation in the Committee	Nature of Directorship
Mr. Kamlesh Vikamsey	Chairman	Independent Director
Mr. Ajay Mehta	Member	Independent Director
Mrs. Sudha Navandar	Member	Independent Director

Note: Mr. Sanjay Asher was member of the Separate Meeting of Independent Directors from 1<sup>st</sup> April, 2022 till 27<sup>th</sup> October, 2022 (due to his resignation w.e.f. close of business hours from 27<sup>th</sup> October, 2022).

During the year, one Separate Meeting of Independent Directors meeting was held, in accordance with the provisions of law on 8<sup>th</sup> February, 2023.

All the Independent Directors were present at the meeting.

### III. GENERAL BODY MEETINGS:

#### A. Annual General Meeting (AGM):

Location, date and time of the Annual General Meetings held in the last three years are as under:

Year	Location of the Meeting	Date	Time
2019-20	The meeting was held through Video Conferencing (VC) / Other Audio Visual Means (OAVM) from Mumbai (as per the Circulars issued by MCA & SEBI).	30 <sup>th</sup> September, 2020	11.30 a.m.
2020-21	The meeting was held through Video Conferencing (VC) / Other Audio Visual Means (OAVM) from Mumbai (as per the Circulars issued by MCA & SEBI).	16 <sup>th</sup> September, 2021	11.30 a.m.
2021-22	The meeting was held through Video Conferencing (VC) / Other Audio Visual Means (OAVM) from Mumbai (as per the Circulars issued by MCA & SEBI).	29 <sup>th</sup> August, 2022	11.30 a.m.

Three Special Resolutions were passed in the AGM held on 30<sup>th</sup> September, 2020 through Video Conferencing (VC) / Other Audio Visual Means (OAVM) which are as follows:

- (i) To consider re-appointment of Mr. Shrikant Zaveri (DIN: 00263725) as Chairman & Managing Director of the Company and fixing terms of appointment and remuneration.
- (ii) To consider re-appointment of Ms. Binaisha Zaveri (DIN: 00263657) as Whole-time Director of the Company and fixing terms of appointment and remuneration.
- (iii) To consider re-appointment of Ms. Raashi Zaveri (DIN: 00713688) as Whole-time Director of the Company and fixing terms of appointment and remuneration.

No Special Resolutions were passed in the AGM held on 16<sup>th</sup> September, 2021 through Video Conferencing (VC) / Other Audio Visual Means (OAVM).

No Special Resolutions were passed in the AGM held on 29<sup>th</sup> August, 2022 through Video Conferencing (VC) / Other Audio Visual Means (OAVM).

No postal ballot activity was carried out during the previous financial year 2021-22 and current financial year 2022-23.

#### B. Extra Ordinary General Meeting (EGM):

During last three financial years, i.e. from year 2019-20 to 2021-22, your Company has not held any Extra

Ordinary General Meeting (EGM). During the current financial year 2022-23 your Company has not held any Extra Ordinary General Meeting (EGM).

#### C. Details of Special Resolution passed through Postal Ballot, the persons who conducted the Postal Ballot exercise and details of the voting pattern:

No special resolution was passed through postal ballot during the previous financial year 2021-22 and current financial year 2022-23. None of the businesses proposed to be transacted in the ensuing Annual General Meeting require passing a special resolution through postal ballot.

#### IV. SUBSIDIARY COMPANY/(IES):

For the year under review, i.e. as on 31<sup>st</sup> March, 2023, your Company has one wholly owned subsidiary company namely; Tribhovandas Bhimji Zaveri (Bombay) Limited as per Section 2(87) of the Companies Act, 2013.

Your Company does not have any material subsidiary as defined under Regulation 16(1)(c) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, viz. a subsidiary, whose income or net worth (i.e. paid-up capital and free reserves) exceeds 10% of the consolidated income or net worth respectively, of the listed holding company and its subsidiaries in the immediate preceding accounting year. It is, therefore, not required to have an Independent Director of your Company on the Board of such subsidiary.

Your Company's Audit Committee reviews the consolidated financial statements of your Company as well as the financial statements of the subsidiary. The minutes of the Board Meetings are periodically placed before the Board of Directors of your Company.

Your Company has framed and adopted a Policy for Determining Material Subsidiary, pursuant to the provisions of the Companies Act, 2013 and Rules made thereunder and the requirements of the Regulation 16(1)(c) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Policy can be downloaded from your Company's website ([www.tbztheoriginal.com](http://www.tbztheoriginal.com)), at the below link:

[https://www.tbztheoriginal.com/storage/TBZ-Material%20Subsidiary%20Policy\(1.4.19\).pdf](https://www.tbztheoriginal.com/storage/TBZ-Material%20Subsidiary%20Policy(1.4.19).pdf)

## **V. DISCLOSURES:**

### **A. Disclosure of materially significant Related Party Transactions:**

All related party transactions that have been entered were in the ordinary course of business and were placed periodically before the Audit Committee and the Board of Directors. All transactions with the related parties were at arm's length.

There were no materially significant related party transactions, pecuniary transactions or relationships between your Company and its Directors for the financial year ended 31<sup>st</sup> March, 2023 that may have a potential conflict with the interest of your Company at large.

All details relating to financial and commercial transactions where Directors may have a pecuniary interest are provided to the Board and the interested Directors neither participate in the discussion nor vote on such matters.

Transactions with related parties, as per the requirements of Indian Accounting Standards (Ind. AS) - 24, are disclosed in this Annual Report and they are not in conflict with the interest of your Company at large.

Your Company has adopted Policy on materiality of Related Party Transactions and manner of dealing with Related Party Transactions as per the requirements of the provisions of Regulation 23(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and all other applicable provisions of the Securities and Exchange Board of India (Listing Obligations

and Disclosure Requirements) Regulations, 2015 and also to comply with the provisions of Section 188 of the Companies Act, 2013 and the Rules framed thereunder as amended from time to time. The Policy can be downloaded from your Company's website ([www.tbztheoriginal.com](http://www.tbztheoriginal.com)) at the below link:

[https://www.tbztheoriginal.com/storage/TBZ-Policy-on-Materiality-and-Dealing-with-Policy\(2022\)Ver4.pdf](https://www.tbztheoriginal.com/storage/TBZ-Policy-on-Materiality-and-Dealing-with-Policy(2022)Ver4.pdf)

### **B. Disclosure of Accounting Treatment:**

Your Company has followed the Indian Accounting Standards (Ind AS) prescribed under Section 133 read with Section 469 of the Companies Act, 2013 ('Act') read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant rules of the Companies (Indian Accounting Standards) Rules, 2015, the provisions of the Act (to the extent notified) and other accounting principles generally accepted in India, to the extent applicable in the preparation of financial statements and has not adopted a treatment different from that prescribed in Indian Accounting Standards (Ind AS). The significant accounting policies which are consistently applied have been set out in the Notes to the Financial Statements.

### **C. Risk Management Framework:**

Your Company has in place a mechanism to inform the Board Members about the Risk Assessment and Minimization procedures and periodical reviews to ensure that risk is controlled by the Executive Management through the means of a properly defined framework. For more details on Business Risk Management refer to the Directors' Report.

### **D. Statutory Listing Compliances / (Strictures and Penalties):**

Your Company has complied with the requirements of the Stock Exchanges / Securities and Exchange Board of India (SEBI) and statutory authorities on all matters related to the capital markets from the date of listing. There were no instances of strictures or penalties imposed on your Company by the Stock Exchanges or Securities and Exchange Board of India (SEBI) or any statutory authorities on any matter related to the capital market since date of listing (i.e. 9<sup>th</sup> May, 2012).

### **E. Details of Utilisation of the funds out of the proceeds from the Public Issue:**

During the year under review, there were no IPO proceeds left from the Public Issue. Your Company has fully utilized the IPO proceeds from the Public Issue during the financial year 2012-13. IPO Proceeds were utilized for the purpose stated in the Prospectus and

there were no deviations in utilization of funds from those stated in the Prospectus.

#### F. Vigil Mechanism / Whistle Blower Policy

Your Company promotes ethical behaviour in all its business activities and has put in place a mechanism for reporting illegal or unethical behaviour.

The Board of Director of your Company has adopted and established a Vigil Mechanism as per the requirements of the Companies Act, 2013 and as per the Regulation 22 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. Your Company has established / adopted a Whistle Blower Policy (Vigil Mechanism) for directors and employees of your Company to report concerns about unethical behaviour, actual or suspected fraud or violation of your Company's Code of Conduct or ethics policy. The Whistle Blower Policy ensures that strict confidentiality is maintained whilst dealing with concerns and also that no discrimination will be meted out to any person for a genuinely raised concern. The policy provides adequate safeguard against victimization of director(s) / employee(s) who has availed the mechanism and also provide for direct access to the Chairman of the Audit Committee in exceptional cases. During the year under review, no employee or personnel has been denied access to the Audit Committee.

In this regard your Company has already created dedicated email id, viz. [wb.tbz@tbzoriginal.com](mailto:wb.tbz@tbzoriginal.com) which is monitored by Mr. Niraj Oza, Head Legal & Company Secretary and Compliance Officer of your Company, who is also the designated officer for the said purpose. The concern can also be raised in writing in the form of a letter signed by the concerned director(s) or employee(s) of your Company.

The policy document can be downloaded from your Company's website ([www.tbztheoriginal.com](http://www.tbztheoriginal.com)), at the below link:

[https://www.tbztheoriginal.com/storage/TBZ-Whistle%20Blower%20Policy\(01.04.19\).pdf](https://www.tbztheoriginal.com/storage/TBZ-Whistle%20Blower%20Policy(01.04.19).pdf)

#### G. Prevention of Insider Trading

In compliance with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, your Company has adopted the Code of Conduct for Regulating, Monitoring and Reporting of Trading by Insiders (earlier, Code of Conduct for Prevention of Insider Trading) for prevention of Insider Trading

with a view to regulate trading in securities by the directors and designated employees of your Company. The Code requires pre-clearance for dealing in your Company's shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to your Company and during the period when the Trading Window is closed. The Company Secretary & Compliance Officer is responsible for implementation of the Code.

All the Board Directors and the designated employees have confirmed compliance with the Code.

The Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information is available on your Company's website ([www.tbztheoriginal.com](http://www.tbztheoriginal.com)) at the below link:

[https://www.tbztheoriginal.com/storage/TBZ\\_Fair\\_Disc\\_UPSI.pdf](https://www.tbztheoriginal.com/storage/TBZ_Fair_Disc_UPSI.pdf)

#### H. Internal Controls

Your Company has a formal system of internal control testing which examines both the design effectiveness and operational effectiveness to ensure reliability of financial and operational information and all statutory / regulatory compliances. Your Company's business processes are on Oracle platforms / systems and have a strong monitoring and reporting process resulting in financial discipline and accountability.

#### I. Policy for Determining Material Subsidiary

Your Company is in compliance with the provisions in relation to material subsidiary wherever applicable. Your Company do not have any material subsidiary company. Policy for Determining Material Subsidiary is posted on your Company's website ([www.tbztheoriginal.com](http://www.tbztheoriginal.com)), at the below link:

[https://www.tbztheoriginal.com/storage/TBZ-Material%20Subsidiary%20Policy\(1.4.19\).pdf](https://www.tbztheoriginal.com/storage/TBZ-Material%20Subsidiary%20Policy(1.4.19).pdf)

#### J. Dividend Distribution Policy

Your Company has adopted a Dividend Distribution Policy, which aims to ensure fairness, sustainability and consistency in distributing profits to the Shareholders. The Dividend Distribution Policy is posted on your Company's website ([www.tbztheoriginal.com](http://www.tbztheoriginal.com)), at the below link:

<https://www.tbztheoriginal.com/storage/TBZ-Dividend%20Distribution%20Policy.pdf>

**K. Disclosure of commodity price risk and commodity hedging activities:**

This has been discussed under point no. VII (xxxiv) of this Corporate Governance Report.

**VI. MEANS OF COMMUNICATION:**

- i) The Quarterly/ Annual Financial Results of your Company are published in an English newspaper viz. 'The Free Press Journal', and in a vernacular newspaper (in Marathi) viz. 'Navshakti';
- ii) The following are also promptly displayed on your Company's website, [www.tbztheoriginal.com](http://www.tbztheoriginal.com) under the 'Investors' Section:
  - Quarterly Results, Financial Results, Shareholding Pattern, Annual Report;
  - Official Press release in the 'Media Room' and 'Investor Information' Sections;
  - The Presentations made to institutional investors or to the analysts;
  - Investor Complaints/ Grievances Report, Corporate Governance Report, Reconciliation of Share Capital Audit Report and various compliance reports.
  - All the reports, statements, documents, filings and any other information that are required to be submitted with the Stock Exchanges will be simultaneously filed with / uploaded on your Company's website ([www.tbztheoriginal.com](http://www.tbztheoriginal.com)).

Note: Annual Report, Notice of the Annual General Meetings and other communications to the Shareholder are sent through e-mails only, in view of the continuing outbreak of COVID-19 pandemic, social distancing norm to be followed and the continuing restriction on movement of persons at several places in the country and the difficulties involved in dispatching of physical

copies of Annual Report, the Ministry of Corporate Affairs in continuation of MCA's earlier General Circular No. 20/2020 dated 5<sup>th</sup> May, 2020, General Circulation no. 02/2021 dated 13<sup>th</sup> January, 2021; General Circular No. 3/2022 dated 5<sup>th</sup> May, 2022 and vide its new General Circular No. 10/2022 dated 28<sup>th</sup> December, 2022 and Securities and Exchange Board of India vide its earlier Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12<sup>th</sup> May, 2020, Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated 15<sup>th</sup> January, 2021; Circular No. SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated 13<sup>th</sup> May, 2022 and vide its new Circular No. SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated 5<sup>th</sup> January, 2023 relaxation / permission are extended to the AGM of the Companies due in year 2023, till 30<sup>th</sup> September, 2023:

- a) the Companies to send the Annual Report only by e-mail who have registered their email ID with the Company/Depositories;
  - b) and conduct of 16<sup>th</sup> Annual General Meeting through video conferencing (VC) or other audio-visual means (OAVM) facility. Thereafter, the Annual Report for FY 2022-23 and Notice of 16<sup>th</sup> AGM of the Company is being sent to the Members at their registered e-mail addresses in accordance with MCA and SEBI Circulars.
- iii) **Filings with Stock Exchanges:**

All the reports, statements, documents, filings and any other information that are required to be submitted with the recognised stock exchanges as per the Listing Regulations, are disseminated / uploaded on website <https://listing.bseindia.com> / under "BSE Listing Centre" and on <https://neaps.nseindia.com/NEWLISTINGCORP/> / under "NSE Electronics Application Processing System (NEAPS)."

**VII. GENERAL SHAREHOLDERS INFORMATION:**

i)	<b>Annual General Meeting</b> Day, Date and Time Deemed Venue of the meeting	<b>Wednesday, 13<sup>th</sup> September, 2023 at 11.30 a.m.</b> by way of Video Conferencing (VC) / Other Audio-Visual Means (OAVM) <b>Registered Office:</b> 241/ 43, Zaveri Bazar, Mumbai – 400 002.
ii)	Financial Calendar – 2023-24 (Tentative) Results	Meeting to be held on or before following dates:
	Unaudited Results for the quarter ending 30 <sup>th</sup> June, 2023	On or before 14 <sup>th</sup> August, 2023
	Unaudited Results for the quarter ending 30 <sup>th</sup> September, 2023	On or before 14 <sup>th</sup> November, 2023
	Unaudited Results for the quarter ending 31 <sup>st</sup> December, 2023	On or before 14 <sup>th</sup> February, 2024
	Audited Results for the year ending 31 <sup>st</sup> March, 2024	On or before 30 <sup>th</sup> May, 2024
	AGM for the approval of the Audited accounts for the year ended 31 <sup>st</sup> March, 2024	On or before 30 <sup>th</sup> September, 2024
	Financial Year	1 <sup>st</sup> April to 31 <sup>st</sup> March
iii)	Book Closure Date	Thursday, 7 <sup>th</sup> September, 2023 to Wednesday, 13 <sup>th</sup> September, 2023 (both days inclusive)
iv)	Dividend payment date and dividend per Equity Share	Dividend shall be paid to all the eligible shareholders on or after 18 <sup>th</sup> September, 2023. The Board of Directors having recommended a Dividend of ₹ 1.75 (One Rupee Seventy Five Paise only) per equity share of face value of ₹ 10 each, i.e. 17.5% for the financial year ended 31 <sup>st</sup> March, 2023. The payment is subject to the approval of the shareholders at the ensuing Annual General Meeting of your Company.
v)	Listing on Stock Exchanges	The equity shares of your Company got listed on 9 <sup>th</sup> May, 2012 on:  <b>BSE Limited (BSE)</b> Corporate Service Department, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001  <b>National Stock Exchange of India Limited (NSE)</b> Exchange Plaza, Plot No. C/1 G Block, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051
vi)	Payment of Listing Fees	Your Company has paid applicable Listing Fees to the BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) for the financial years 2022-23 and 2023-24.
vii)	Payment of Custodial Fees	Your Company (as on date of signing of this report) has already paid annual custodial fees to Central Depository Services (India) Limited (CDSL) as well as National Securities Depository Limited (NSDL) for the financial year 2023-24.
viii)	Stock Code/ Symbol: Bombay Stock Exchange code: National Stock Exchange Symbol:	534369 TBZ
ix)	Dematerialization ISIN Number for NSDL & CDSL	INE760L01018
x)	Corporate Identification Number (CIN No.)	L27205MH2007PLC172598
xi)	Outstanding GDR/ ADR/ Warrants or any convertible instruments, conversion date and impact on equity.	Your Company has not issued any GDRs/ ADRs/ Warrants or any other convertible instrument.

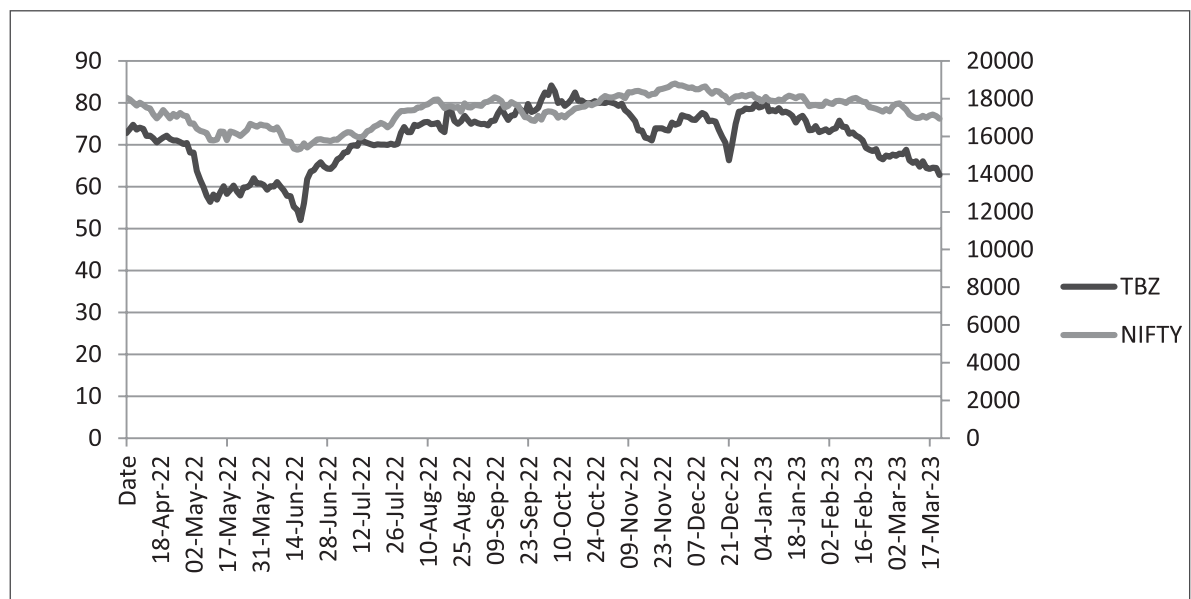
As required under regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 and Secretarial Standard - 2 (SS-2), particulars of Directors seeking appointment / appointment of Director retiring by rotation at ensuing 16<sup>th</sup> AGM are given in the Annexure to the Notice of ensuing 16<sup>th</sup> AGM.

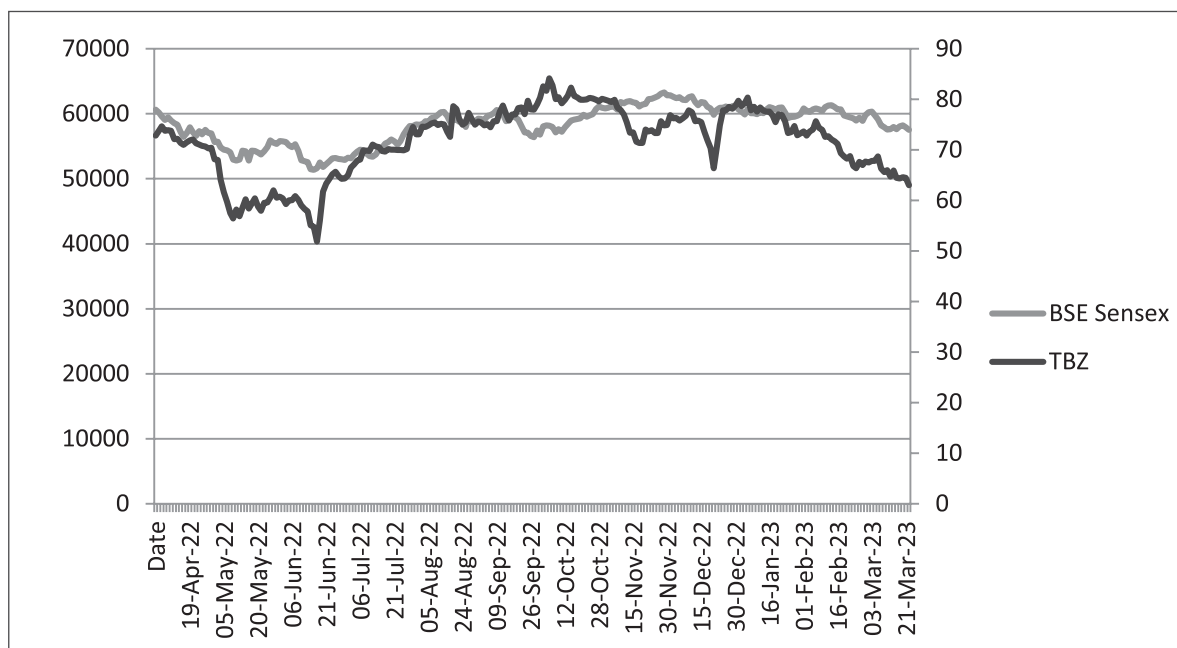
**xii) Stock Performance:**

Market Price Data (High / Low) during each month of the financial year 2022-23 at NSE & BSE: High, Low prices (based on closing prices) and number of shares traded during each month in the financial year 2022-23 on National Stock Exchange of India Limited (NSE) and BSE Limited (BSE):

Month	National Stock Exchange of India Limited (NSE)			Bombay Stock Exchange Limited (BSE)		
	High (₹)	Low (₹)	Total Number of Shares Traded	High (₹)	Low (₹)	Total Number of Shares Traded
April 2022	76.90	68.35	3,043,304	76.65	67.00	296,790
May 2022	73.25	54.00	2,582,734	73.10	55.10	254,184
June 2022	66.15	50.85	1,765,917	66.00	51.00	183,471
July 2022	75.70	61.65	3,816,680	75.50	61.80	240,467
August 2022	81.00	70.25	6,623,114	80.90	70.70	455,693
September 2022	82.40	74.00	5,201,125	82.20	73.55	434,102
October 2022	85.50	77.75	5,853,074	85.50	77.40	549,315
November 2022	81.75	70.25	1,890,948	82.50	70.50	199,226
December 2022	80.70	64.80	2,980,679	80.60	65.00	262,759
January 2023	81.90	72.20	1,474,352	82.00	72.50	194,352
February 2023	76.80	65.30	1,001,263	78.00	65.55	99,012
March 2023	69.25	58.15	823,163	69.80	58.50	88,089

**Performance of TBZ share price in comparison with NSE Nifty:**



**Performance of TBZ share price in comparison with BSE Sensex:****xiii) List of Top 10 Shareholders as on 31<sup>st</sup> March, 2023:**

Sr. No.	Name	Holding	% of Shareholding
1	Shrikant Gopaldas Zaveri	33,402,275	50.06%
2	Binaisha Shrikant Zaveri	5,285,000	7.92%
3	Raashi Zaveri	4,572,500	6.85%
4	Bindu Shrikant Zaveri	3,500,000	5.24%
5	Malabar Gold	3,178,939	4.76%
6	Tribhovandas Bhimji Zaveri (TBZ) Private Limited	1,350,000	2.03%
7	Tribhovandas Bhimji Zaveri Jewellers (Mumbai) Private Limited	1,350,000	2.02%
8	Vijaykumar Patel	688,901	1.03%
9	Sonal D. Shah	500,000	0.75%
10	Urmila D. Shah	500,000	0.75%
<b>Total</b>		<b>54,327,615</b>	<b>81.41%</b>

**xiv) Distribution of Shareholding as on 31<sup>st</sup> March, 2023:**

Holding	No. of Shareholders		No. of Shares & Amount		
	No. of Holders	% to Total Holders	Total Shares	Amount (in ₹)	% to Capital
1-5,000	26,578	88.19%	2,869,289	28,692,890	4.30%
5,001-10,000	1,898	6.30%	1,544,753	15,447,530	2.31%
10,001-20,000	876	2.91%	1,307,749	13,077,490	1.96%
20,001-30,000	299	1.00%	760,799	7,607,990	1.14%
30,001-40,000	129	0.43%	464,617	4,646,170	0.70%
40,001-50,000	113	0.37%	532,910	5,329,100	0.80%
50,001-100,000	128	0.42%	915,922	9,159,220	1.37%
100,001 and above	115	0.38%	58,334,581	583,345,810	87.42%
<b>Total</b>	<b>30,136</b>	<b>100%</b>	<b>66,730,620</b>	<b>667,306,200</b>	<b>100%</b>



**xv) Shareholding Pattern by ownership as on 31<sup>st</sup> March, 2023 as compared with that of 31<sup>st</sup> March, 2022:**

Particulars	As on 31 <sup>st</sup> March, 2023				As on 31 <sup>st</sup> March, 2022			
	No. of share holders	% of share holder	No. of shares held	% of shareholding	No. of shares holder	% of share holders	No. of shares held	% of shareholding
Promoter Director (Group)	4	0.02%	46,759,775	70.07%	4	0.02%	46,759,775	70.07%
Foreign Institutional Investors	0	0.00%	0	0.00%	0	0.00%	0	0.00%
Resident Individuals	29,191	96.86%	11,637,860	17.44%	33,760	96.79%	13,360,514	20.02%
Bodies Corporates	95	0.32%	3,493,063	5.23%	125	0.36%	977,645	1.47%
Promoter Companies	2	0.01%	2,700,000	4.05%	2	0.01%	2,700,000	4.05%
Non-Resident Indians	299	0.99%	1,214,576	1.83%	329	0.94%	1,301,805	1.95%
Foreign Portfolio Investors	2	0.01%	403,081	0.60%	4	0.01%	877,288	1.31%
HUF	520	1.73%	366,896	0.55%	587	1.68%	465,122	0.70%
Clearing Members	20	0.06%	66,865	0.10%	66	0.19%	163,133	0.24%
Indian Financial Institutions	0	0.00%	0	0.00%	0	0.00%	0	0.00%
Banks	0	0.00%	0	0.00%	0	0.00%	0	0.00%
Trusts	0	0.00%	0	0.00%	0	0.00%	0	0.00%
Mutual Funds	0	0.00%	0	0.00%	0	0.00%	0	0.00%
NBFC	1	0.00%	250	0.00%	1	0.00%	250	0.00%
Alternative Investment Fund	1	0.00%	86,946	0.13%	1	0.00%	124,208	0.19%
Unclaimed Suspense Account	0	0.00%	0	0.00%	0	0.00%	0	0.00%
IEPF	1	0.00%	1,308	0.00%	1	0.00%	880	0.00%
<b>Total</b>	<b>30,136</b>	<b>100%</b>	<b>66,730,620</b>	<b>100%</b>	<b>34,880</b>	<b>100%</b>	<b>66,730,620</b>	<b>100%</b>

**xvi) Dematerialisation of Shares:**

Your Company's Shares are compulsorily traded in dematerialized form and are available for trading through both the Depositories in India, viz. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). As on 31<sup>st</sup> March, 2023, 100% of the total paid up capital, representing 6,67,30,575 Equity Shares were held in dematerialized form and the balance Nil% representing 45 Equity Shares were held in physical form. During the financial year under review, two (02) shareholders holding 90 shares each dematerialized their shares. The statement of Equity Shares lying in dematerialised form with NSDL & CDSL and the Equity Shares lying in physical form as on 31<sup>st</sup> March, 2023 are under:

Particulars of Shares	Shares of ₹ 10 each		Total Shares	
	No. of Shareholders	% of Total	No. of Shares	% of Total
<b>Dematerialised Form</b>				
NSDL	12,287	40.77%	58,181,684	87.19%
CDSL	17,848	59.23%	8,548,891	12.81%
<b>Sub-total</b>	<b>30,135</b>	<b>100%</b>	<b>66,730,575</b>	<b>100%</b>
Physical Form	1	0.00%	45	0.00%
<b>Total</b>	<b>30,136</b>	<b>100%</b>	<b>66,730,620</b>	<b>100%</b>

**xvii) Share Transfer System:**

The share transfers/ transmissions are approved by the Stakeholders Relationship Committee. The Committee meets as and when required to consider other transfer proposals and attend to Shareholders' grievances. There are no share transfer requests pending as on 31<sup>st</sup> March, 2023.

Pursuant to Regulation 40(9) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, certificates on annual basis have been issued by a Company Secretary in Practice for due compliance of share transfer formalities by your Company. Pursuant to Regulation 76 of SEBI (Depositories and Participants) Regulation, 2018, certificates have been received from Company Secretary in Practice for timely dematerialisation of shares and for reconciliation of the share capital of the Company on a quarterly basis.

In terms of amended Regulation 40 of Listing Regulations w.e.f. 1<sup>st</sup> April, 2019, transfer of securities in physical form shall not be processed unless the securities are held in the demat mode with a Depository Participant. Further, with effect from 24<sup>th</sup> January, 2022, SEBI has made it mandatory for listed companies to issue securities in demat mode only while processing any investor service requests viz. issue of duplicate share certificates, exchange/ sub-division/ splitting/consolidation of securities, transmission/transposition of securities. Vide its Circular dated 25<sup>th</sup> January, 2022, SEBI has clarified that listed entities/ RTAs shall now issue a Letter of Confirmation in lieu of the share certificate while processing any of the aforesaid investor service request.

**xviii) Secretarial Audit:**

- Pursuant to Regulation 40(9) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, certificates have been issued on an annual basis, by a Company Secretary in practice, certifying due compliance of share transfer formalities by your Company.
- A Company Secretary in practice carries out a quarterly Reconciliation of Share Capital Audit, to reconcile the total admitted capital with NSDL and CDSL and the total issued and listed capital. The audit confirms that the total issued/ paid-up capital is in agreement with the aggregate of the total number of shares in physical form and the total number of shares in dematerialized form (held with NSDL and CDSL).

**xix) Consolidation of Folios and avoidance of multiple mailing:**

In order to enable your Company to reduce the duplicity of efforts for providing services to investors, members who have more than one folio in the same order of names are requested to consolidate their holdings under one folio. Members may write to the Registrar indicating the folio numbers to be consolidated along with the original shares certificates to be consolidated.

**xx) Unclaimed / Unpaid IPO Refund Amount and Dividend as well as transfer of shares to IEPF Authority:****a) Unclaimed/ Outstanding Refundable portion of IPO Application Amount:**

To facilitate investors who have not claimed the Refundable portion of IPO Application amount (share application money) at the time of Initial Public Offer (IPO) of your Company, details of the unclaimed IPO application amount (share application money) are being displayed on your Company's website [www.tbztheoriginal.com](http://www.tbztheoriginal.com). Investors were requested to browse the said site to find out the outstanding amount, if any, and claim the same from the appropriate authority (Investor Education & Protection Fund) since the amount has already been transferred to IEPF Account as on date of signing of this Report. Your Company has send repeated reminders for claiming their unclaimed / outstanding Refundable portion of IPO Application Amount.

**b) Unclaimed/ Unpaid Dividend:**

As per requirement of Section 124 of the Companies Act, 2013 read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules") amended from time to time, your Company has transferred unclaimed dividends amount of ₹ 14,080/- (Rupees Fourteen Thousand Eighty only) remaining unclaimed / unpaid for a continuous period of seven years from the due date to the Investor Education and Protection Fund (IEPF) set up by the Central Government during the current financial year 2022-23. In addition to that, there are no matured deposits and interest accrued thereon remaining unclaimed and unpaid for a period of seven years from the due date to be transferred to the Investor Education and Protection Fund (IEPF) set up by the Central Government.

Given below are the tentative dates for transfer of unclaimed and unpaid dividend to the Investor Education and Protection Fund (IEPF) by your Company:

Financial Year	Dividend Payment Date	Proposed date for transfer to IEPF (*)
2015-2016	N.A. (**)	N.A. (**)
2016-2017	N.A. (**)	N.A. (**)
2017-2018	6 <sup>th</sup> August, 2018	6 <sup>th</sup> August, 2025
2018-19	3 <sup>rd</sup> October, 2019	3 <sup>rd</sup> October, 2026
2019-20 (Interim Dividend)	26 <sup>th</sup> March, 2020	26 <sup>th</sup> March, 2027
2020-21	21 <sup>st</sup> September, 2021	21 <sup>st</sup> September, 2028
2021-22	2 <sup>nd</sup> September, 2022	2 <sup>nd</sup> September, 2029

(\*) Indicative date actual date may vary.

(\*\*) There was no dividend declared during these financial years.

The Shareholders are requested to claim their unencashed Dividends, if any at the earlier.

**c) Transfer of Shares to IEPF:**

As per requirement of Section 124(6) of the Companies Act, 2013 read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules") amended from time to time, your Company has transferred total 428 equity shares during the Financial Year 2022-23, in respect of which dividend has not been claimed by the members for seven consecutive years or more, were transferred by the Company to the demat account of the Investor Education and Protection Fund Authority (IEPF) during the financial year 2022-23. As on 31<sup>st</sup> March, 2023 total 1,308 equity shares were lying in the IEPF Account of the Authority.

The details of shares transferred are available on your Company website ([www.tbztheoriginal.com](http://www.tbztheoriginal.com)) at the below link:

[https://www.tbztheoriginal.com/storage/TBZ-IEPF-4-Shares\(2022\)\(14-15\).pdf](https://www.tbztheoriginal.com/storage/TBZ-IEPF-4-Shares(2022)(14-15).pdf)

Members may note that shares as well as unclaimed dividends transferred to IEPF Authority can be claimed back from IEPF Authority by submitting an online application in the prescribed Form No. IEPF-5 available on the website [www.iepf.gov.in](http://www.iepf.gov.in) and sending a physical copy of the same duly signed to the Company along with requisite documents enumerated in the Form No. IEPF-5. No claims shall lie against your Company in respect of the dividend/ shares so transferred. The Members/Claimants can file only one consolidated claim in a financial year as per the IEPF Rules.

The voting rights on the shares transferred to IEPF Authority shall remain frozen till the rightful owner claims the shares.

**d) Appointment of Nodal Officer(s):**

In terms of Rule 7(2A) of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the Company which is required to credit amounts or shares to the fund or has deposited the amount or transferred the shares to the Fund shall nominate a Nodal Officer, who shall either be a Director or Chief Financial Officer or Company Secretary of the Company, for the purposes of verification of claims and coordination with IEPF Authority.

In accordance with IEPF Rules, the Board of Directors has appointed Mr. Niraj Oza, Head - Legal & Company Secretary as the Nodal Officer of the Company.

**xxi) Unclaimed Shares:**

As per the provisions of Schedule VI pursuant to Regulation 39(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the unclaimed shares lying in the escrow account shall be transferred to demat suspense account if there is no response even after sending three reminder notices to the persons concerned. For the Financial Year 2022-23 there were no unclaimed equity shares were lying in the escrow account. {Total 135 equity shares were transferred to the Investor Education and Protection Fund (IEPF) Demat Account of the Authority during the Financial Year 2019-20}.

**xxii) Green Initiative in Corporate Governance:**

Pursuant to Section 101 of the Companies Act, 2013 read with Rule 18 of the Companies (Management

and Administration) Rules, 2014, the Annual Report for the financial year 2022-23 is being sent through electronic mode to all the Members whose E-mail IDs are registered with your Company / Depository Participants for communication purposes, unless any member has requested for physical copy of the same. For Members who have not registered their E-mail IDs with your Company/ Depository Participants are requested to register their email ids with their respective Depository participants to get Annual Report by email. Please note that as a Member you will be entitled to receive physical copies of all notices and documents free of cost, upon specific request to your Company. However, as mentioned in Section VI(ii) of Means of Communication and as exempt by MCA and SEBI the Annual Report for the financial year 2022-23 will be circulated to all the members in soft copy form, as per SEBI Circular vide Circular No. SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated 5<sup>th</sup> January, 2023, the hard copy of full annual reports will be sent to those shareholders who request for the same. . Members holding shares in physical mode are requested to register their email id with our Registrar and Share Transfer Agents viz., KFin Technologies Limited, Selenium, Tower B, Plot 31-32, Financial District, Gachibowli, Nanakramguda, Serilingampally, Hyderabad – 500 032 or your Company by sending email at [investors@tbzoriginal.com](mailto:investors@tbzoriginal.com).

To support the 'Green Initiative' Members who have not registered their e-mail addresses are requested to register the same with their respective Depository Participants.

#### xxiii) Mandatory requirement of PAN:

SEBI vide its circular dated 7<sup>th</sup> January, 2010 has made it mandatory to furnish copy of Income Tax PAN Card in the following cases:

- (i) Deletion of name of deceased shareholder(s), where the shares are held in the name of two or more shareholders.
- (ii) Transmission of shares to the legal heir(s), where deceased shareholder was the sole holder.
- (iii) Transposition of shares – in case of change in the order of names in which physical shares are held jointly in the name of two or more shareholders.

#### xxiv) Address for correspondence:

Shareholders correspondence like, share transfer/dematerialisation of shares, payment of dividend and other query related to shares may be directed to your Company's Registrar and Share Transfer Agent, whose address is given below:

#### a) For Share Transfer / Dematerialisation of shares, payment of Dividend and any other query relating to shares:

KFin Technologies Limited  
(Previously known as KFin Technologies Private Limited)  
Unit: Tribhovandas Bhimji Zaveri Limited  
Selenium Tower B, Plot 31-32,  
Financial District, Gachibowli,  
Nanakramguda, Serilingampally, Hyderabad –  
500 032.  
Tel No: +91 (040) 6716 1500  
Fax No: +91 (040) 2300 1153  
Toll Free No.: 1800 309 4001  
E-Mail: [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com)  
Website Add.: [www.kfintech.com](http://www.kfintech.com) / <https://ris.kfintech.com>  
<https://kprism.kfintech.com>  
Play Store: (Android mobile application)  
<https://play.google.com/store/apps/details?id=com.karvy.kprismv3>  
Contact Person: Mr. V. Raghunath  
SEBI Registration No: INR000000221

#### b) For Investors assistance:

Corporate Office Address:  
Mr. Niraj Oza  
Head - Legal & Company Secretary  
Tribhovandas Bhimji Zaveri Limited  
1106 to 1121, 11<sup>th</sup> Floor, West Wing,  
Tulsiani Chambers, 212,  
Backbay Reclamation, Free Press Journal Road,  
Nariman Point, Mumbai – 400 021.  
Tel. No.: +91 (022) 4925 5000 / 3073 5000  
Email Add.: [investors@tbzoriginal.com](mailto:investors@tbzoriginal.com)  
Website Add.: [www.tbztheoriginal.com](http://www.tbztheoriginal.com)

For any Investor assistance, the contact person is Mr. Niraj Oza, Head Legal & Company Secretary who is also the Compliance Officer of your Company and address of Correspondence is Corporate Office Address.

Your Company has an exclusive e-mail id viz. [investors@tbzoriginal.com](mailto:investors@tbzoriginal.com) to enable investors to register their complaints, if any.

#### c) Registered Office Address:

Tribhovandas Bhimji Zaveri Limited  
241/ 43, Zaveri Bazar,  
Mumbai - 400 002.  
CIN No.: L27205MH2007PLC172598  
Tel. No.: +91 22 4046 5000 / 01/ 6130 0505  
Email Add.: [investors@tbzoriginal.com](mailto:investors@tbzoriginal.com)  
Website Add.: [www.tbztheoriginal.com](http://www.tbztheoriginal.com)

**xxv) Compliance Officer:**

Mr. Niraj Oza, Head Legal & Company Secretary is the Compliance Officer of your Company. The Company Secretary is primarily responsible to ensure Compliance with applicable statutory requirements and is the interface between the management and the regulatory authorities for governance matters.

**xxvi) Chief Financial Officer (CFO):**

Mr. Saurav Banerjee, Chief Financial Officer (CFO) of the Company resigned from the position of the Chief Financial Officer (CFO) and Key Managerial Personnel (KMP) of your Company w.e.f. end of day of 13<sup>th</sup> May, 2022. The Board based on the approval and recommendations of the Nomination and Remuneration Committee has appointed Mr. Mukesh Sharma as Chief Financial Officer (CFO) and the Key Managerial Personnel (KMP) of the Company w.e.f. 16<sup>th</sup> May, 2022.

Brief profile of Mr. Mukesh Sharma, Chief Financial Officer (CFO) and Key Managerial Personnel (KMP):

Mr. Mukesh Sharma is a Chartered Accountant and a company secretary. Mr. Mukesh brings with him over 2 decades of experience in Food Retailing, Fashion, Commercial Real Estate, constructions, manufacturing and retailing among others. His Experience spans across Business Finance, Budgetary Control, financial controlling, Risk Management & Governance, Financial Reporting to Board, System & Process Development, M&A, Fund raising, Taxation management and creating value for various stake holders. Prior to joining us, Mr. Mukesh worked with Future Group in various roles. His immediate past assignment was with Virtuous Retail group as Financial Controller handling various SPVs.

**xxvii) Store addresses:**

Your Company has total Thirty two (32) stores out of which Twenty nine (29) are own stores and three (3) franchisee stores operating as on 31<sup>st</sup> March, 2023 in twenty five cities and twelve states across India.

The addresses of the stores and franchisee stores forms part of Annexure to this report.

**xxviii) Credit Rating:**

During the year under review, your Company has carried out one Credit Ratings through CRISIL Limited on 24<sup>th</sup> May, 2023.

CRISIL has reviewed the Credit Rating on the bank facilities of your Company for the amount of ₹ 625 Crores and given ratings of 'CRISIL BBB+/Stable'

(Reaffirmed), vide CRISIL Rating Rationale Letter Ref. No. RL/TBZPL/317287/BLR/0523/61047 dated 24<sup>th</sup> May, 2023 which is stated as follows:

Total Bank Loan Facilities Rated	₹ 625 Crores
Long-Term Rating	CRISIL BBB+ / Stable (Reaffirmed)

The details of the Credit Rating are available on your Company's website ([www.tbztheoriginal.com](http://www.tbztheoriginal.com)) at below link:

[https://www.tbztheoriginal.com/storage/TBZ\\_Credit\\_Ratings\\_CRISIL\\_250523.pdf](https://www.tbztheoriginal.com/storage/TBZ_Credit_Ratings_CRISIL_250523.pdf)

**xxix) Prevention of Sexual Harassment at workplace {Disclosure as required under Section 22 of Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013}:**

Your Company has always believed in providing a safe and harassment free workplace for every individual working in its premises through various policies and practices. Your Company always endeavors to create and provide an environment that is free from discrimination and harassment including sexual harassment. Your Company has adopted a policy on Prevention of Sexual Harassment at Workplace which is in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The policy aims at prevention of harassment of employees and lays down the guidelines for identification, reporting and prevention of undesired behavior. An Internal Complaints Committee ("ICC") has been set up from the senior management (with women employees constituting the majority) which is responsible for redressal of complaints related to sexual harassment and follows the guidelines provided in the Policy. All employees (permanent, contractual, temporary, trainees) are covered under the policy.

Your Directors further state that during the year under review, there were no complaint /cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. {There was no complaint received from any employee during the financial year 2021-22 and hence no complaint is outstanding as on 31<sup>st</sup> March, 2023 for redressal}.

The status of cases/ complaint filed, disposed of and pending in respect of Sexual Harassment of Women at Workplace for the financial year ended as on 31<sup>st</sup> March, 2023 (i.e. from 1<sup>st</sup> April, 2022 to 31<sup>st</sup> March, 2023) as given below:

Opening Cases/ complaint as on 1 <sup>st</sup> April, 2022	Cases/ complaint filed during the year ended 31 <sup>st</sup> March, 2023	Cases/ complaint disposed of during the year ended 31 <sup>st</sup> March, 2023	Cases/ complaint pending as on 31 <sup>st</sup> March, 2023
NIL	NIL	NIL	NIL

**xxx) Details of utilisation of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32(7A):**

Your Company did not raise any funds through preferential allotment or qualified institutions placement till the date of signing of this Report. Hence, the requirement of providing utilisation of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32(7A) is not applicable to your Company.

**xxxi) Certificate from Practicing Company Secretary (for Non-Disqualification of Directors):**

Your Company has received a certificate from M/s. A. U. Thakurdesai & CO. (PCS Registration No. 5083), Practicing Company Secretaries confirming that none of the Directors on the Board of your Company have been debarred or disqualified from being appointed or continuing as directors of companies by Securities and Exchange Board of India, Ministry of Corporate Affairs or any such statutory authority.

**xxxii) Fees paid to Statutory Auditors:**

Total fees for all services paid by your Company and its subsidiaries, on a consolidated basis to Chaturvedi & Shah LLP, Chartered Accountants (ICAI Firm Registration No. 101720W/W100355), Statutory Auditors for the financial year 2022-23, as included in the consolidated financial statement of your Company for the year ended 31<sup>st</sup> March, 2023:

(₹ in Lacs)

Payment to Statutory Auditors	FY 2022-23
Statutory Audit Fees (including Corporate Governance Certificate)	39.95
Quarterly Limited Review	15.00
<b>Total</b>	<b>54.95</b>

(Note: Above amounts are exclusive of applicable taxes)

**xxxiii) Recommendations of various Committees:**

All the recommendations of the various committees made were accepted by the Board.

**xxxiv) CEO / CFO Certification:**

The Chairman & Managing Director {in the capacity of Chief Executive Officer (CEO)} and the Chief Financial Officer (CFO) of your Company, have certified to the Board in accordance with Part B of Schedule II pursuant to Regulation 17(8) of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 pertaining to CEO/ CFO certification for the financial year ended 31<sup>st</sup> March, 2023 certifying that the financial statements do not contain any untrue statement and these statements represent a true and fair view of your Company's affairs. The said certificate is annexed and forms part of the Annual Report.

**xxxv) Commodity Price Risk or Foreign Exchange Risk and Hedging Activities:**

Your Company has a price review mechanism to protect against material movements in prices of Gold.

Gold price is directly driven by various international factors and stringent domestic government policies. Your Company monitors the Gold price on a regular basis using pricing trends and forecasts from internationally reputed news agencies and international factors. To mitigate the risk of gold price fluctuation, your Company's endeavour is to maximize the procurement of gold under gold loan scheme from various banks which will help to reduce the risk due to gold price fluctuation by way of 'natural hedging'. In addition to procuring gold on loan, your Company also does hedging in domestic markets on the MCX Exchange as per business requirement, to protect your Company from gold price fluctuation.

Your Company procures gold from various banks and other domestic sources available and does not directly import Gold from the international market, in that connection, your Company is not directly exposed to Foreign Exchange Risk. As foreign exchange fluctuation has an impact on gold price, your Company is updated with the currency forecast received from various banks and keeps a close eye on important data announcements such as unemployment data of US, G 7 meetings, non-farm payroll of US, RBI announcements etc.

**xxxvi) Adoption / compliance with Mandatory Requirements and status on Non-Mandatory (Discretionary) Requirements:**

All the mandatory requirements have been complied with as stated in this report on Corporate Governance. There is no non-compliance with any requirement of corporate governance report of sub-paras (2) to (10) of the Corporate Governance Report as given in Schedule V(C) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The disclosures of the compliance with Corporate Governance requirements specified in Regulations 17 to 27 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Regulations) have been made in this Corporate Governance Report. Details required under clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the said Regulations are displayed on the website of your Company at [www.tbztheoriginal.com](http://www.tbztheoriginal.com).

The status on non-mandatory / discretionary requirements of Part E of Schedule II of Regulation 27(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 are as follows:

1. Your Company has an Executive Chairman on its Board. (Hence, the question of maintaining Non-Executive Chairperson's office at your Company's expenses and reimbursement of expenses incurred in performance of duties does not arise).
2. The quarterly / half yearly un-audited results of your Company after being subject to a Limited Review by the Statutory Auditors are published in newspapers viz. Free Press Journal

(English newspaper) and Navshakti (Marathi newspaper) and on your Company's website [www.tbztheoriginal.com](http://www.tbztheoriginal.com). These results are not sent to shareholders individually.

3. There are no qualifications in the Audit Report (unmodified audit opinion) for the financial year 2022-23.
4. Till 10<sup>th</sup> September, 2015, i.e. the date of retirement of the Chief Executive Officer of your Company, there were separate persons for the post of Chairman & Managing Director and Chief Executive Officer (CEO). W.e.f. 10<sup>th</sup> September, 2015, onwards your Company do not have separate person to these posts.
5. Your Company has appointed M/s. Deloitte Touche Tohmatsu India LLP (Firm Registration No. AAE-8458), Chartered Accountants, Mumbai as Internal Auditors to perform the internal audit of your Company for the financial year 2022-23 and they report directly to the Audit Committee on a quarterly basis on their findings and corrective actions taken.

For and on behalf of the Board of Directors of  
**Tribhovandas Bhimji Zaveri Limited**

**Shrikant Zaveri**  
Chairman & Managing Director  
(DIN: 00263725)

**Raashi Zaveri**  
Whole-time Director  
(DIN: 00713688)

Date: 1<sup>st</sup> August, 2023  
Place: Mumbai

## Annexure to Report on Corporate Governance

### Store Addresses:

<b>Stores of your Company in operation as on 31<sup>st</sup> March, 2023:</b>	
<b>Maharashtra</b>	
1	241/43, Zaveri Bazar, Mumbai - 400 002.
2	Upper Basement, Ground Floor, First Floor and Second Floor at G/1, Hirji Heritage, Gulmohar Road, Off. L.T. Road, Near Vrundas Hotel, Borivali (West), Mumbai – 400 092.
3	002 & 102, Prime Plaza, S.V. Road, Santacruz (West), Mumbai - 400 054.
4	Shop No. G2 & G3, Manaratna Business Park, Junction of Tilak Road and Derasar Lane, Ghatkopar (East), Mumbai - 400 077.
5	Gautam Tower, off Gokhale Road, Thane (West) - 400 601.
6	Seth House, 21/4B, Opposite Le-Royce Hotel, Bund Garden Road, Pune - 411 001.
7	Premise No. 5 (Unit No. 3), Ground Floor, Sunder Mahal, 141, Marine Drive, Mumbai – 400 020.
8	Shop No. 1 ,2 & 3, Near St. Augustine High School, Tiberias Building, Stella, Village Barampur, District Thane, Vasai (West) - 401 202.
9	Shop No. 26, 27 and 28, Nirman Vyapar Kendra, Nirman Co-operative Society Limited, Plot No. 10, Sector- 17, Vashi, Navi Mumbai- 400703.
10	Shop No. 4 & 5, Ground Floor, Vaishnavi Chambers, Lal Chowki, Kalyan (West) – 421 301
<b>Gujarat</b>	
11	Iscon Center, Shivranjani Cross Road, Satellite, Ahmedabad-380 015.
12	Lal Bungalow, SNS House, Athwa Lines, Surat - 395 007.
13	Janakpuri Complex, Dr. Yagnik Road, Opp. Hotel Imperial Palace, Rajkot - 360 001.
14	Ground Floor, First Floor, Showroom Plot No. 09, Sudha Nagar Co-op. Housing Society, Opp. Narayan Jewellers, Jetalpur Main Road, Vadodara – 390020
15	7-11, Ground Floor, Fortune Square- II, Near Primary School, Next to Royal Dream Society, Vapi Daman Road, Vapi - 396 191.
16	Shop No. G1, Krishna Complex, Waga Wadi Road, Next to 'Ghar Shala', Bhavnagar - 364 001.
17	Shop 4, 5 & 6, Ground Floor, Sunshine Arcade, Plot No. 59, Sector 8, Tagore Road, Near Lord's Hotel, Gandhidham, Kutch, Gujarat - 370201.
<b>Telangana (Hyderabad)</b>	
18	70 Greensland Road, Punjagutta, Hyderabad - 500 082.
19	Shop no I, Mogul's Court, Basheerbagh, Hyderabad - 500 001.
<b>Andhra Pradesh (Vijaywada)</b>	
20	Opp Gateway Hotel, M.G. Road, Labbipet, Vijayawada - 520 010.
<b>Kerala (Kochi)</b>	
21	Jos Annexe Building, Jos Junction, Ernakullam, Kochi - 682 016.
<b>Madhya Pradesh (Indore)</b>	
22	576 Laxmi Tower, M.G. Road, opp Treasure Island, Indore - 452 001.
<b>West Bengal (Kolkata)</b>	
23	Saraswati Niketan, 5 Camac Street, Kolkata - 700 016.
24	CIT Road, Scheme, VIM, Kankurgachi, Kolkata - 700 054.
<b>Chhattisgarh (Raipur)</b>	
25 (*)	Shop No. 1, Ground Floor, Prem Store Premises, Malviya Road, Next to G.P.O., Raipur, Chhattisgarh - 492 001.



**Stores of your Company in operation as on 31<sup>st</sup> March, 2023:**

**Rajasthan (Udaipur)**

26 (#) Plot No. 58, Ground Floor and First Floor, Near Royal Motors, Panchwati, Udaipur - 313 001.

**Jharkhand (Jamshedpur)**

27 Ground Floor, Narbheram Building, Main Road, Bistupur, Jamshedpur – 831 001.

**Uttar Pradesh (Noida & Lucknow)**

28 G-31 & G-32, 'G' Block, Next to HDFC Bank, Gautam Budha Nagar, Sector 18, Noida – 201 301.

29 Mezzanine Floor and Ground Floor, 11, Mahatma Gandhi Marg (M.G. Marg), Lucknow, Uttar Pradesh - 226 001.

(#) Udaipur showroom relocated to following new location w.e.f. 4<sup>th</sup> April, 2023:

Plot No. 48, Ground Floor and First Floor, Ashok Nagar, Main Road, Udaipur Shastri Circle, Udaipur, Rajasthan – 313 001.

(\*) Raipur showroom relocated to following new location w.e.f. 20<sup>th</sup> June, 2023:

Ground Floor & 1<sup>st</sup> Floor, Plot No. -10/3, 10/5, 10/6, 10/7, Pandritarai, Ravishankar Shukla Ward No-24, Tehsil & District- Raipur, Chattisgarh (492001).

**Franchisee Store Addresses:**

**Jharkhand (Dhanbad)**

30 Shop No. 1, Ground Floor, Centre Point Mall, Bank More, Dhanbad – 826 001, Jharkhand.

31 A/2, 3AC Market Church Complex, Main Road, Ranchi, District – Ranchi – 834 001, Jharkhand.

**Bihar (Patna)**

32 Ground Floor & Mezanine Floor, C.S. Plot No. 166, Khata No. 170, under Thana No. 7, situated at Survey Mauza Dhakan-pura, Darbari Govinda Complex (D.G. Complex), Near Pant Bhavan, Boring Canal Road, P.S. S.K. Puri, Patna – 800 001, Bihar.

For and on behalf of the Board of Directors of  
**Tribhovandas Bhimji Zaveri Limited**

**Shrikant Zaveri**  
Chairman & Managing Director  
(DIN: 00263725)

**Raashi Zaveri**  
Whole-time Director  
(DIN: 00713688)

Date: 1<sup>st</sup> August, 2023

Place: Mumbai

**Chief Executive Officer (CEO) and Chief Financial Officer (CFO) Certification**

To  
The Board of Directors  
Tribhovandas Bhimji Zaveri Limited  
Mumbai.  
Dear Sir/ Madam,

**Sub: CEO/CFO Certificate****(Issued in accordance with provisions of Part B of Schedule II pursuant to Regulation 17(8) of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015)**

We, Shrikant Zaveri, Chairman & Managing Director (in capacity of Chief Executive Officer) and Chief Financial Officer of Tribhovandas Bhimji Zaveri Limited, to the best of our knowledge and belief, certify that:

- (A) We have reviewed the Balance Sheet and Profit & Loss Account (standalone and consolidated) for the financial year ended 31<sup>st</sup> March, 2023 and all schedules and notes on accounts, as well as Cash Flow statements, and the Directors' Report and based on our knowledge and information, we state that:
- i) these statements do not contain any materially untrue statement or omit any material fact or contain any statements that might be misleading;
  - ii) these statements together present a true and fair view of your Company's affairs and are in compliance with existing Indian Accounting Standards (Ind AS), applicable laws and regulations.
- (B) We further state that to the best of our knowledge and belief, there are no transactions entered into by your Company during the year, which are fraudulent, illegal or in violation of your Company's Code of Conduct.
- (C) We along with Company's other certifying officers, accept responsibility for establishing and maintaining internal controls for financial reporting and that we have:
- i) evaluated the effectiveness of internal control system of your Company pertaining to financial reporting; and
  - ii) disclosed to the Auditors and the Audit Committee, deficiencies, in the design or operation of internal controls, if any, of which we are aware and steps we taken or proposed to take to rectify these deficiencies.
- (D) We have indicated, based on our most recent evaluation, wherever applicable, to the Auditors and Audit Committee:
- i) Significant changes, if any, in the internal control over financial reporting during the year;
  - ii) Significant changes, if any, in the accounting policies made during the year and that the same has been disclosed in the notes to the financial statements; and
  - iii) Instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in your Company's internal control system over financial reporting.

Yours sincerely,  
**Tribhovandas Bhimji Zaveri Limited**

**Shrikant Zaveri**  
Chairman & Managing Director  
(in the capacity of CEO)  
(DIN: 00263725)

**Mukesh Sharma**  
Chief Financial Officer

Date: 1<sup>st</sup> August, 2023  
Place: Mumbai

**Declaration by the CEO under Part D of Schedule V pursuant to Regulation 34(3) and Regulation 17(5) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 regarding adherence to the Code of Conduct**

In ACCORDANCE WITH Part D of Schedule V pursuant to Regulation 34(3) and Regulation 17(5) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby confirm that, all the Directors and the Senior Management personnel of the Company have affirmed compliance to their respective Codes of Conduct, applicable to them for the financial year ended 31<sup>st</sup> March, 2023.

For **Tribhovandas Bhimji Zaveri Limited**

**Shrikant Zaveri**

Chairman & Managing Director  
(in the capacity of CEO)  
(DIN: 00263725)

Date: 1<sup>st</sup> August, 2023

Place: Mumbai

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

To,  
The Members of  
TRIBHOVANDAS BHIMJI ZAVERI LIMITED,  
241/43, ZAVERI BAZAR,  
MUMBAI - 400 002

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of TRIBHOVANDAS BHIMJI ZAVERI LIMITED having CIN L27205MH2007PLC172598 and having registered office at 241/43, ZAVERI BAZAR, MUMBAI 400 002 (hereinafter referred to as 'the Company'), produced before us 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 our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 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:

Sr. No.	Name of Director	DIN	Date of appointment in Company
1	SHRIKANT GOPALDAS ZAVERI	00263725	24/07/2007
2	BINAISHA SHRIKANT ZAVERI	00263657	24/07/2007
3	RAASHI SHRIKANT ZAVERI	00713688	01/07/2008
4	KAMLESH SHIVJI VIKAMSEY	00059620	26/08/2010
5	AJAY CHIMANLAL MEHTA	00028405	14/12/2010
6	SUDHA PRAVIN NAVANDAR	02804964	01/04/2021

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

For **A. U. Thakurdesai & Co.,**  
Company Secretaries

Sd/-  
**A. U. Thakurdesai**  
Membership No.: FCS 4117  
CP No.: 5083  
UDIN : F004117E000288676

Place: Mumbai  
Date : May 11, 2023

**INDEPENDENT AUDITOR'S CERTIFICATE ON COMPLIANCE WITH CONDITIONS OF CORPORATE GOVERNANCE AS PER PROVISIONS OF CHAPTER IV OF SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 (AS AMENDED)**

To the Members of

**Tribhovandas Bhimji Zaveri Limited**

1. The Corporate Governance Report prepared by Tribhovandas Bhimji Zaveri Limited ("the Company"), contains details as stipulated in Regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C, D and E of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations") ("applicable criteria") with respect to Corporate Governance for the year ended 31<sup>st</sup> March, 2023. This certificate is required by the Company for annual submission to the Stock exchange and to be sent to the shareholders of the Company.

**MANAGEMENT'S RESPONSIBILITY**

2. The preparation of the Corporate Governance Report is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents. This responsibility also includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Corporate Governance Report.
3. The management along with the Board of Directors are also responsible for ensuring that the Company complies with the conditions of Corporate Governance as stipulated in the Listing Regulations, issued by the Securities and Exchange Board of India.

**AUDITOR'S RESPONSIBILITY**

4. Our responsibility is to provide a reasonable assurance in the form of an opinion whether the Company has complied with the conditions of Corporate Governance, as stipulated in the Listing Regulations.
5. We conducted our examination of the Corporate Governance Report in accordance with the Guidance Note on Reports or Certificates for Special Purposes and the Guidance Note on Certification of Corporate Governance, both issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note on Reports or Certificates for Special Purposes requires that we comply with the ethical requirements of the Code of Ethics issued by ICAI.
6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.
7. The procedures selected depend on the auditors' judgement, including the assessment of the risks associated in compliance of the Corporate Governance Report with the applicable criteria. The procedure includes, but not limited to, verification of secretarial records and financial information of the Company and obtained necessary representations and declarations from directors including independent directors of the Company.
8. The procedures also include examining evidence supporting the particulars in the Corporate Governance Report on a test basis. Further, our scope of work under this report did not involve us performing audit tests for the purposes of expressing an opinion on the fairness or accuracy of any of the financial information or the financial statements of the Company taken as a whole.

**OPINION**

9. Based on the procedures performed by us as referred in paragraph 7 and 8 above and according to the information and explanations given to us, we are of the opinion that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations, as applicable for the year ended 31<sup>st</sup> March, 2023, referred to in paragraph 1 above.

**OTHER MATTERS AND RESTRICTION ON USE**

10. This Certificate is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.
11. This Certificate is addressed to and provided to the members of the Company solely for the purpose of enabling it to comply with its obligations under the Listing Regulations and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this Certificate for events and circumstances occurring after the date of this Certificate.

**For Chaturvedi & Shah LLP**Chartered Accountants  
(Registration No. 101720W/W100355)**Vijay Napawaliya**

Partner

Membership No. 109859

UDIN: 23109859BGXRVV1128

Place: Mumbai

Dated: 1<sup>st</sup> August, 2023

# Independent Auditor's Report

To the Members of **Tribhovandas Bhimji Zaveri Limited**

## Report on the Audit of the Standalone Financial Statements

### OPINION

We have audited the accompanying standalone financial statements of Tribhovandas Bhimji Zaveri Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information. (Hereinafter referred to as "standalone financial statements")

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013, ("the Act") in the 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, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

### BASIS FOR OPINION

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the 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 thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

### KEY AUDIT MATTER

Key audit matter is this matter that, in our professional judgment, were of most significance in our audit of the standalone financial statements for the financial year ended March 31, 2023. This matter was addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on this matter. We have determined the matter described below to be the key audit matter to be communicated in our report.

Key audit matter	How our audit addressed the key audit matter
<p><b>Existence and valuation of Inventories</b></p> <p>The carrying values of Inventories of the Company are ₹ 122300.83 lakh as at March 31, 2023 (Refer no. 12 of standalone financial statements) which constitutes 82.51% of the Company's total assets. The Company's inventories mainly comprised of gold, diamond, silver and platinum in the distribution centers and retail outlets. Valuation of inventories is at lower of cost and net realizable value. Significant portion of inventories costs includes gold diamond, platinum and silver which are subject to risk of changes in the market value. The assessment of net realizable value of inventories is based on estimates and judgments by the management in respect of, among others, the economic condition, sales forecast, marketability of products and the quality of gold and diamond used to make jewellery products. Furthermore, there is higher inherent risk of theft and pilferage given the high intrinsic value and portable nature of individual inventory items.</p> <p>Considering the above, we concluded that existence and valuation of inventories as a key audit matter for our audit.</p>	<p>Our audit procedures over existence and valuation of inventories included the following:</p> <ul style="list-style-type: none"> <li>We evaluated the design, implementation and tested the operating effectiveness of key controls that the Company has in relation to safeguarding and physical verification of inventories including the appropriateness of the Company's standard operating procedures for conducting, recording and reconciling physical verification of inventories and tested the implementation thereof.</li> <li>Participated and observed the physical verification of inventory conducted by the management at retail outlet on sample basis as at March 31, 2023.</li> <li>We compared the net realizable values on sample basis of gold, silver and platinum inventories calculated based on the current market price with their carrying value of inventories.</li> <li>We compared the results of independent gemological appraisal report of selected samples to the weight and purity of diamond jewellery with records in the inventories system.</li> <li>We evaluated the independence and objectivity of the gemologist appointed by management.</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 Annual report but does not include the standalone financial statements and our auditor's report thereon. The Annual report is expected to be made available to us after the date of this auditor's report.

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 such 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.

When we read the other information identified above, if we conclude that there is a material misstatement therein we are required to communicate the matter to those charged with governance.

## 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 accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud 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 RESPONSIBILITIES FOR THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal 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 with reference to standalone financial statements 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 management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report



to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements for the financial year ended March 31, 2023 and are therefore the key audit matter. We describe this matter in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. Further to our comment in the Annexure A, as required by section 143 (3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- (c) The Balance Sheet, Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
- (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act;
- (e) 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;
- (f) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B" to this report;
- (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 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 and as represented by the managements:
  - i) The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 39.3 to the standalone financial statements;
  - ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses

- iii) There has been no delay in transferring amounts, required to be transferred, to the Investors Education and Protection Fund by of the Company
- iv) (a) Management has represented to us that, to the best of it's knowledge and belief, as disclosed in the notes to standalone financial statements, 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 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, whether, 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) Management has represented to us that, to the best of it's knowledge and belief, as disclosed in the notes to standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, 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 our audit procedure performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our attention that cause us to believe that the representation given by the management under paragraph (2) (h) (iv) (a) & (b) contain any material misstatement.
- v) The final dividend paid by the Company during the year which was declared for the previous year is in accordance with section 123 of the Companies Act 2013 to the extent it applies to payment of dividend.
- As stated in note no 39.8 to the standalone financial statements, the Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.
- 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 to the Company with effect from 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.

For **Chaturvedi & Shah LLP**

Chartered Accountants

Registration Number: 101720W/W100355

**Vijay Napawaliya**

Partner

Place: Mumbai

Date: May 24, 2023

Membership Number: 109859

UDIN: 23109859BGXRTT2673

# “Annexure A” to The Independent Auditor’s Report

**(Referred to in paragraph 1 under the heading “Report on Other Legal and Regulatory Requirements” of our report of even date to the members of the Tribhovandas Bhimji Zaveri Limited on the standalone financial statements for the year ended March 31, 2023)**

1. (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment on the basis of available information.
  - (B) The Company has maintained proper records showing full particulars of intangible assets on the basis of available information.
- (b) The Company has a regular programme of physical verification of its property, plant and equipment by which all property, plant and equipment are verified in a phased manner over a period of two years. In accordance with this programme, a portion of the property, plant and equipment has been physically verified by the management during the year and no material discrepancies have been noticed on such verification.
- (c) According to the information and explanations given to us and the records examined by us title deeds in respect of immovable properties disclosed as Property, Plant & Equipment (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) in the financial statements are in the name of the Company.
- (d) According to information and explanations given to us and books of accounts and records examined by us, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.
- (e) According to information & explanations and representation given to us by the management, no proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions

(Prohibition) Act, 1988 and rules made thereunder.

2. (a) As explained to us and on the basis of the records examined by us, in our opinion, physical verification of the inventories, except stocks lying with third parties, have been conducted at reasonable intervals by the management and having regard to the size and nature of business of the Company and nature of its inventory, the coverage and procedures of such verification by the management is appropriate. In respect of inventory lying with third parties, these have been substantially confirmed by them. As explained to us and on the basis of the records examined by us, the value of the discrepancies noticed on physical verification by management did not exceed 10% or more in aggregate of each class of inventory.
  - (b) As per the information and explanations given to us and examination of books of accounts and other records produced before us, in our opinion quarterly returns or statements including revised filed by the Company with banks pursuant to terms of sanction letters for working capital limits secured by current assets are in agreement with the books of account of the Company.
3. During the year, the Company has made investments in companies and granted loan to employees. However, the Company has not granted any loans or advances in the nature of loans or provided any guarantee or security to companies, firms, Limited Liability Partnerships during the year:
  - a) The Company has provided loan to employees during the year and details of which are given below:-
 

Particulars	Loans (₹ in Lakh)
A. Aggregate amount granted during the year	13.67
- Loan to Employees	
A. Balance outstanding as at balance sheet date in respect of above cases	20.55
- Loan to Employees	
  - b) The investments made and the terms and conditions of the grant of above- mentioned loan to employees during the year are, in our opinion, prima facie, not prejudicial to the Company's interest.

- c) In respect of loans granted by the Company, the schedule of repayment of principal and interest has been stipulated and the repayments of principal and interest amounts are regular as per stipulation.
- d) According to information and explanations given to us and based on the audit procedures performed, in respect of loan to employees granted by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.
- e) No loan to employees granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.
- f) According to information and explanations given to us and based on the audit procedures performed, the Company has not granted any loan to employees either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause 3(iii)(f) of the Order is not applicable.
4. In our opinion and according to the information and explanations provided to us, the Company has not granted any loans or provided any guarantees or security to the parties covered under Section 185 of the Act. The Company has complied with the provisions of Section 186 of the Act, as applicable, in respect of investments made.
5. According to the information and explanations given to us, the Company has not accepted any deposits or amounts which are deemed to be deposits within the meaning of provisions of sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under. Therefore, the clause (v) of paragraph 3 of the Order is not applicable to the Company.
6. To the best of our knowledge and as explained, the Central Government has not specified the maintenance of cost records under Section 148(1) of the Companies Act, 2013, for the products of the Company. Accordingly, paragraph 3 (vi) of the order is not applicable.
7. (a) According to the records of the Company examined by us, undisputed statutory dues including Goods and Service tax, provident fund, employees' state insurance, income tax, duty of customs, cess and any other material statutory dues have been generally regularly deposited with appropriate authorities. According to the information and explanations given to us, there were no undisputed amounts payable in respect of the aforesaid dues, which were outstanding as March 31, 2023 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there are no statutory dues referred to in sub-clause (a) which have not been deposited with the appropriate authority except as mentioned below:-

Name of the Statute	Nature of Dues	Unpaid amount involved (₹ in lakhs)	Period to which the amount relates	Forum where dispute is pending
Customs Act, 1962	Customs Duty	25.00	FY 2012-13	Commissioner of Customs (Appeals)
Maharashtra Value Added Tax Act, 2002	Value added tax	287.00	FY 2011-12	Joint Commissioner of Sales Tax (Appeals)
	Central Sales tax	4.47	FY 2013-14	Dy. Commissioner of Sales Tax (Appeals)
Local Body Tax Act	Local body tax	31.53	FY 2012-13	Commissioner
Goods and Service tax, 2016	Goods and Service tax	69.38	FY 2017-18	Dy. commissioner of central GST
Jharkhand commercial tax department	Value added tax	0.56	FY 2016-17	Dy. Commissioner of commercial tax
	Central Sales tax	41.13		
Jharkhand commercial tax department	Central Sales tax	0.05	FY 2017-18	Dy. Commissioner of commercial tax

8. According to the information and explanations given to us and representation given to us by the management, the Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessment under the Income Tax Act, 1961 as income during the year. Accordingly, the provision of clause 3(viii) of the Order is not applicable to the Company.
9. (a) In our opinion and according to the information and explanations given and books of accounts and records examined by us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- (b) In our opinion, and according to the information and explanations given to us, the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) In our opinion, and according to the information and explanations given and records examined by us, the Company has utilised the money obtained by the way of term loan (i.e vehicle loan) during the year for the purposes for which they were obtained.
- (d) According to the information and explanations given to us and the procedures performed by us, and on an overall examination of the financial statements of the Company, we report that, prima facie, no funds raised on short-term basis have been used during the year for long-term purposes by the Company.
- (e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report, prima facie, that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiary. The Company does not have associates or joint ventures.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiary. The Company does not have joint ventures or associate companies.
10. (a) The Company has not raised money by way of initial public offer or further public offer (including debt instruments) and hence clause (x) (a) of paragraph 3 of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us and on the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year hence clause 3(x)(b) of the Order is not applicable to the Company.
11. (a) Based on the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the year.
- (b) According to the information and explanations given to us, no report under sub-section 12 of section 143 of the Act has been filed by auditors 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 are no whistle blower complaints received by the Company during the year.
12. In our opinion, Company is not a Nidhi company. Therefore, the provisions of clause (xii) of paragraph 3 of the Order are not applicable to the Company.
13. In our opinion and according to the information and explanations given to us, all transactions with related parties are in compliance with sections 177 and 188 of the Act and their details have been disclosed in the financial statements, as required by the applicable accounting standards.
14. (a) In our opinion, and according to the information and explanations given to us, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports of the Company issued till date, for the period under audit.
15. According to the information and explanations provided by the management, the Company has not entered into any non-cash transaction with directors or persons connected with him as referred to in Section 192 of the Act.

16. (a) To the best of our knowledge and as explained, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.
- (b) In our opinion, and according to the information and explanations provided to us and on the basis of our audit procedures, the Company has not conducted any Non-Banking Financial or Housing Finance activities during the year as per the Reserve bank of India Act 1934.
- (c) In our opinion, and according to the information and explanations provided to us, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.
- (d) In our opinion, and according to the information and explanations provided to us, the Group do not have any Core Investment Company (CIC).
17. In our opinion, and according to the information and explanations provided to us, Company has not incurred any cash losses in the financial year and in the immediately preceding financial year.
18. There has been no resignation of the statutory auditors during the year. Therefore, provisions of clause (xviii) of Paragraph 3 of the Order are not applicable to the Company.
19. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, 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 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.
20. With respect to CSR contribution under section 135 of the Act:
- a) According to the information and explanations given to us and on the basis of our audit procedures, in respect of other than ongoing projects, there were no unspent amount that were required to be transferred to a Fund specified in Schedule VII in compliance with second proviso to sub-section 5 of section 135 of the Act.
- b) According to the information and explanations given to us and on the basis of our audit procedures, there were no ongoing projects related to Corporate Social Responsibilities. Therefore, provisions of clause (xx) (b) of Paragraph 3 of the Order are not applicable to the Company.

For **Chaturvedi & Shah LLP**

Chartered Accountants

Registration Number: 101720W/W100355

**Vijay Napawaliya**

Partner

Place: Mumbai

Date: May 24, 2023

Membership Number: 109859

UDIN: 23109859BGXRTT2673

# “Annexure B” to The Independent Auditor’s Report

**Referred to in paragraph 2(f) under the heading “Report on Other Legal and Regulatory Requirements” of our report of even date to the members of the Tribhovandas Bhimji Zaveri Limited on the standalone financial statements for the year ended March 31, 2023.**

## **REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 (“THE ACT”)**

We have audited the internal financial controls with reference to standalone financial statements of Tribhovandas Bhimji Zaveri 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 with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

### **AUDITOR’S RESPONSIBILITY**

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting with reference to standalone financial statements 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

(“ ICAI”) and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone financial statements 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 with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements 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 with reference to standalone financial statements.

### **MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS**

A company’s internal financial control with reference to financial statements 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 with reference to financial statements 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 WITH REFERENCE TO FINANCIAL STATEMENTS**

Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements 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 with reference to standalone financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2023, based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

For **Chaturvedi & Shah LLP**

Chartered Accountants

Registration Number: 101720W/W100355

**Vijay Napawaliya**

Partner

Place: Mumbai

Date: May 24, 2023

Membership Number: 109859

UDIN: 23109859BGXRTT2673



# Standalone Balance Sheet

as at 31 March 2023

	Notes	As at 31 March 2023	As at 31 March 2022
₹ in Lacs			
<b>A. ASSETS</b>			
<b>1 Non-current assets</b>			
(a) Property, plant and equipment	3	6,117.34	6,160.51
(b) Capital work-in-progress	3(a)	66.34	-
(c) Right-to-use assets	4	7,682.45	6,848.11
(d) Investment property	5	1,774.40	1,792.64
(e) Other Intangible assets	6	30.53	96.21
(f) Financial assets			
(i) Investments	7	1,196.29	1,196.29
(ii) Other financial asset	8	494.29	461.01
(g) Deferred tax assets (net)	9	486.55	367.72
(h) Non current tax assets	10	361.98	885.68
(i) Other non current assets	11	122.35	57.83
<b>Total Non-current assets</b>		<b>18,332.52</b>	<b>17,866.00</b>
<b>2 Current assets</b>			
(a) Inventories	12	1,22,300.83	1,20,581.30
(b) Financial assets			
(i) Trade receivables	13	160.05	161.29
(ii) Cash and cash equivalents	14	789.15	812.34
(iii) Bank balance other than (ii) above	15	3,757.62	3,719.54
(iv) Others financial assets	16	246.51	332.42
(c) Other current assets	17	2,647.23	3,091.50
<b>Total Current assets</b>		<b>1,29,901.39</b>	<b>1,28,698.39</b>
<b>Total Assets</b>		<b>1,48,233.91</b>	<b>1,46,564.39</b>
<b>B. EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity share capital	18	6,673.06	6,673.06
(b) Other equity	19	50,054.11	46,823.76
<b>Total Equity</b>		<b>56,727.17</b>	<b>53,496.82</b>
<b>Liabilities</b>			
<b>1 Non current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	20	57.41	9.30
(ii) Lease liability	21	6,762.59	6,070.39
(b) Provisions	22	757.23	675.88
<b>Total Non Current Liabilities</b>		<b>7,577.23</b>	<b>6,755.57</b>
<b>2 Current liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	23	48,607.98	50,891.87
(ii) Lease liability	24	2,115.42	1,817.56
(iii) Trade payables	25		
a) Total outstanding dues of micro enterprises and small enterprises		1,144.32	4,083.58
b) Total outstanding dues of creditors other than micro enterprises and small enterprises		19,679.26	16,130.92
(iv) Other financial liabilities	26	886.15	787.40
(b) Provisions	27	489.72	399.04
(c) Other current liabilities	28	11,006.66	12,201.63
<b>Total Current liabilities</b>		<b>83,929.51</b>	<b>86,312.00</b>
<b>Total Equity and Liabilities</b>		<b>1,48,233.91</b>	<b>1,46,564.39</b>
Significant accounting policies	2		
Notes to the Standalone Financial statements	1 to 39		

As per our report of even date  
For **Chaturvedi & Shah LLP**  
Chartered Accountants  
Firm Registration No: 101720W/W100355

For and on behalf of the Board of Directors of  
**Tribhovandas Bhimji Zaveri Limited**

**Vijay Napawaliya**  
Partner  
Membership No: 109859

**Shrikant Zaveri**  
Chairman and Managing Director  
DIN:00263725

**Raashi Zaveri**  
Whole Time Director  
DIN:00713688

**Mukesh Sharma**  
Chief Financial Officer

**Niraj Oza**  
Head-Legal & Company Secretary  
Membership No.:A20646

Place: Mumbai  
Date: 24<sup>th</sup> May 2023

# Standalone Statement of Profit and Loss

for the year ended 31 March 2023

₹ in Lacs

	Notes	Year ended 31 March 2023	Year ended 31 Mar 2022
<b>1. Revenue from Operations</b>			
(a) Revenue from operations	29.1	2,39,343.25	1,84,367.96
(b) Other operating revenue	29.2	19.34	15.99
<b>(c) Total revenue from operations (a+b)</b>		<b>2,39,362.59</b>	<b>1,84,383.95</b>
(d) Other income	30	555.86	837.62
<b>2. Total Income (c+d)</b>		<b>2,39,918.45</b>	<b>1,85,221.57</b>
<b>3. Expenses</b>			
(a) Cost of material consumed	31	1,36,741.56	1,28,776.31
(b) Purchase of stock-in-trade	32	72,430.67	52,151.34
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	33	(1,254.75)	(21,550.94)
(d) Labour Charges		4,792.82	5,279.74
(e) Employee benefits expense	34	7,060.65	6,350.20
(f) Finance costs	35	4,478.25	3,559.90
(g) Depreciation and amortisation expense	36	2,421.69	2,225.50
(h) Other expenses	37	8,094.98	6,141.94
<b>4. Total expenses</b>		<b>2,34,765.87</b>	<b>1,82,933.99</b>
<b>5. Profit before tax (2-4)</b>		<b>5,152.58</b>	<b>2,287.58</b>
(a) Current tax	38	1,304.00	517.00
(b) Deferred tax		(118.83)	59.46
<b>6. Total tax expenses</b>		<b>1,185.17</b>	<b>576.46</b>
<b>7. Profit after tax (5-6)</b>		<b>3,967.41</b>	<b>1,711.12</b>
<b>8. Other Comprehensive Income</b>			
A) Items that will not be reclassified subsequently to profit or loss			
i) Re-measurement of defined benefit obligation		(93.21)	114.44
ii) Income tax relating to above		23.46	(28.80)
<b>9. Other Comprehensive Income</b>		<b>(69.75)</b>	<b>85.64</b>
<b>10. Total Comprehensive Income for the year (7+9)</b>		<b>3,897.66</b>	<b>1,796.76</b>
Earnings per equity share			
Basic & Diluted (₹)	39.1	5.95	2.56
Significant accounting policies	2		
Notes to the Standalone Financial statements	1 to 39		

As per our report of even date  
For **Chaturvedi & Shah LLP**  
Chartered Accountants  
Firm Registration No: 101720W/W100355

**Vijay Napawaliya**  
Partner  
Membership No: 109859

**Shrikant Zaveri**  
Chairman and Managing Director  
DIN:00263725

**Mukesh Sharma**  
Chief Financial Officer

For and on behalf of the Board of Directors of  
**Tribhovandas Bhimji Zaveri Limited**

**Raashi Zaveri**  
Whole Time Director  
DIN:00713688

**Niraj Oza**  
Head-Legal & Company Secretary  
Membership No.:A20646

Place: Mumbai  
Date: 24<sup>th</sup> May 2023

# Standalone Statement of Cash flow

for the year ended 31 March 2023

₹ in Lacs

	Year ended 31 March 2023	Year ended 31 Mar 2022
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net profit before tax	5,152.58	2,287.58
Adjustments to:		
Depreciation and amortisation expenses	2,421.69	2,225.50
Finance cost	4,478.25	3,559.90
Interest income	(134.20)	(131.89)
Profit on sales of property, plant and equipment	1.65	8.67
Rental income	(69.87)	(68.07)
Liabilities / Provision no longer require written back (net)	(71.14)	(19.62)
Assets written off	86.48	2.97
Other Income – Rent waiver / Lease liability cancellation	(179.47)	(524.85)
<b>Operating cash flow before working capital changes</b>	<b>11,685.97</b>	<b>7,340.19</b>
<b>Changes in working capital</b>		
Adjustments for (increase)/ decrease in operating assets:		
Trade receivables	1.24	179.89
Inventories	(1,719.52)	(21,006.13)
Other Receivables	606.29	(399.30)
Adjustments for increase / (decrease) in operating liabilities:		
Trade payables	608.84	6,202.65
Other Payables	(1,258.73)	2,846.22
Provisions	90.69	17.79
<b>Cash generated from / (used in) operating activities</b>	<b>10,014.78</b>	<b>(4,818.69)</b>
Direct taxes paid (net of refund)	(780.30)	(869.44)
<b>Net cash flow from / (used in) operating activities (A)</b>	<b>9,234.48</b>	<b>(5,688.13)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Capital Expenditure on property, plant and equipment and intangible assets	(757.96)	(105.83)
Proceeds from sale of property, plant and equipment	10.99	4.00
Bank deposits	(39.45)	(238.97)
Rental income	69.87	68.07
Interest received	132.83	133.13
Investment in subsidiaries	-	(993.96)
<b>Net cash flow generated from / (used in) investing activities (B)</b>	<b>(583.72)</b>	<b>(1,133.56)</b>

# Standalone Statement of Cash flow

for the year ended 31 March 2023

₹ in Lacs

	Year ended 31 March 2023	Year ended 31 Mar 2022
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from non current borrowings	76.89	-
Repayment of non current borrowings	(227.14)	(2,342.59)
Proceeds from / (repayment of) current borrowings (net)	(2,085.56)	15,694.04
Dividend paid	(667.31)	(1,668.27)
lease liability payment	(2,157.99)	(1,774.57)
Finance cost paid	(3,612.84)	(2,832.08)
<b>Net cash flow generated from / (used in) financing activities (C)</b>	<b>(8,673.95)</b>	<b>7,076.53</b>
<b>Net increase / (decrease) in cash and cash equivalents (A+B+C)</b>	<b>(23.19)</b>	<b>254.84</b>
<b>Cash and cash equivalent at the beginning of the year</b>	<b>812.34</b>	<b>557.50</b>
<b>Cash and cash equivalent at the end of the year</b>	<b>789.15</b>	<b>812.34</b>
<b>Notes to Standalone Statement of Cash flows</b>		
<b>A. Components of cash and cash equivalents:</b>		
Cash on hand	119.69	258.47
Balances with banks		
- on current accounts	669.46	553.87
	<b>789.15</b>	<b>812.34</b>

## B. Changes in Liabilities arising from Financing Activities

₹ in Lacs

Particulars	As at 1 <sup>st</sup> April 2022	Cash Flows	Non-cash	As at 31 <sup>st</sup> March 2023
Borrowings - Non-Current (Refer Note 20)	232.80	(150.25)	-	82.55
Borrowings - Current (Refer Note 23)	50,668.37	(2,085.56)	-	48,582.84

₹ in Lacs

Particulars	As at 1 <sup>st</sup> April 2021	Cash Flows	Non-cash	As at 31 <sup>st</sup> March 2022
Borrowings - Non-Current (Refer Note 20)	2,575.39	2,342.59	-	232.80
Borrowings - Current (Refer Note 23)	34,974.34	15,694.03	-	50,668.37

Notes to the Standalone Financial statements

1 to 39

As per our report of even date  
For **Chaturvedi & Shah LLP**  
Chartered Accountants  
Firm Registration No: 101720W/W100355

For and on behalf of the Board of Directors of  
**Tribhovandas Bhimji Zaveri Limited**

**Vijay Napawaliya**  
Partner  
Membership No: 109859

**Shrikant Zaveri**  
Chairman and Managing Director  
DIN:00263725

**Raashi Zaveri**  
Whole Time Director  
DIN:00713688

**Mukesh Sharma**  
Chief Financial Officer

**Niraj Oza**  
Head-Legal & Company Secretary  
Membership No.:A20646

Place: Mumbai  
Date: 24<sup>th</sup> May 2023

# Standalone Statement of Changes in Equity

for the year ended 31 March 2023

## A. Equity Share Capital

Particulars	As at 31 March 2023		As at 31 March 2022	
	No. of shares	₹ in Lacs	No. of shares	₹ in Lacs
Equity shares of ₹ 10 each issued, subscribed and fully paid				
<b>As at 1 April 2022</b>	<b>6,67,30,620</b>	<b>6,673.06</b>	<b>6,67,30,620</b>	<b>6,673.06</b>
Issue of share capital	-	-	-	-
<b>As at 31 March 2023</b>	<b>6,67,30,620</b>	<b>6,673.06</b>	<b>6,67,30,620</b>	<b>6,673.06</b>

## B. Other Equity

Particulars	Reserves and Surplus			Total Other equity
	Securities premium (refer note 19)	General reserve (refer note 19)	Retained earnings (refer note 19)	
<b>Balance as at 1 April 2021</b>	<b>16,791.35</b>	<b>1,401.47</b>	<b>28,502.45</b>	<b>46,695.28</b>
Profit for the year	-	-	1,711.12	<b>1,711.12</b>
Dividend	-	-	(1,668.27)	<b>(1,668.27)</b>
Re-measurement of defined benefit obligation for the year	-	-	85.64	<b>85.64</b>
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>128.49</b>	<b>128.49</b>
<b>Balance as at 31 March 2022</b>	<b>16,791.35</b>	<b>1,401.47</b>	<b>28,630.94</b>	<b>46,823.76</b>
<b>Balance as at 1 April 2022</b>	<b>16,791.35</b>	<b>1,401.47</b>	<b>28,630.94</b>	<b>46,823.76</b>
Profit for the year	-	-	3,967.41	<b>3,967.41</b>
Dividend	-	-	(667.31)	<b>(667.31)</b>
Re-measurement of defined benefit obligation for the year	-	-	(69.75)	<b>(69.75)</b>
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>3,230.35</b>	<b>3,230.35</b>
<b>Balance as at 31 March 2023</b>	<b>16,791.35</b>	<b>1,401.47</b>	<b>31,861.29</b>	<b>50,054.11</b>

Note: Re-measurement of defined benefit plans is recognised as part of Retained earnings. Previous year figures are considered as part of Retained earnings.

As per our report of even date  
 For **Chaturvedi & Shah LLP**  
 Chartered Accountants  
 Firm Registration No: 101720W/W100355

For and on behalf of the Board of Directors of  
**Tribhovandas Bhimji Zaveri Limited**

**Vijay Napawaliya**  
 Partner  
 Membership No: 109859

**Shrikant Zaveri**  
 Chairman and Managing Director  
 DIN:00263725

**Raashi Zaveri**  
 Whole Time Director  
 DIN:00713688

**Mukesh Sharma**  
 Chief Financial Officer

**Niraj Oza**  
 Head-Legal & Company Secretary  
 Membership No.:A20646

Place: Mumbai  
 Date: 24<sup>th</sup> May 2023

# Notes to the Standalone Financial Statements

for the year ended 31 March 2023

## 1 Corporate information

Tribhovandas Bhimji Zaveri Limited ('TBZ or the "the Company') known under the brand 'TBZ- the Original' was incorporated on 24 July 2007 by conversion of a partnership firm Tribhovandas Bhimji Zaveri under Part IX of the Companies Act, 1956 whereby the partners of the partnership firm became shareholders with the shareholdings as agreed amongst the partners. The Company has been converted to a public limited company w.e.f. 3 December 2010. The Company is in the business of retail sales of ornaments made of gold, diamond, silver, platinum and precious stones through its 29 showrooms and 3 franchisee outlets located across in India.

## 2 Basis of Preparation of financial statements and significant accounting policies

### 2.1 Basis of Preparation of financial statements

#### a. Statement of compliance

The standalone financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS), notified under the Companies (Indian Accounting Standards) Rules, 2015, and other relevant provisions of the Companies Act, 2013 ("the Act") as amended.

#### b. Functional and presentation currency

The standalone financial statements are presented in Indian Rupees (INR), and all the values are rounded to the nearest Lakhs with two decimals, except when otherwise indicated.

#### c. Basis of measurement

The standalone financial statements have been prepared on accrual basis under the historical cost convention, except for the following assets and liabilities which have been measured at fair value as required by relevant Ind AS:

- derivative financial instruments,
- certain financial assets and liabilities (refer accounting policy regarding financial instruments), and
- defined employee benefit liability.

#### d. Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly

transaction between market participants at the measurement date, (regardless of whether that price is directly observable or estimated using another valuation technique). In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability, if market participants would take those characteristics into account when pricing the asset or liability, at the measurement date.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of Ind AS 102, leasing transactions that are within the scope of Ind AS 116, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

#### e. Significant accounting judgements, estimates and assumptions

The preparation of the Company's standalone financial statements requires the management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets, liabilities, the accompanying disclosures and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that

# Notes to the Standalone Financial Statements

for the year ended 31 March 2023

require a material adjustment to the carrying amount of assets or liabilities affected in future periods. Estimates and assumptions are reviewed on periodic basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

The key assumptions concerning the future and other key sources of estimation, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities, within the next financial year, are described below. The Company has based its assumptions and estimates on parameters available when the standalone financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Information about critical judgments in applying accounting policies, as well as estimates and assumptions that have the most significant effect to the carrying amounts of assets and liabilities within the next financial year, are included in the following notes:

**(a) Measurement of defined benefit obligations**

The cost of the defined benefit gratuity plan and other post-employment retirement benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the

appropriate discount rate for plans, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation. The mortality rate is based on publicly available mortality tables for India. Those mortality tables tend to change only at intervals in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

Further details about gratuity obligations are given in Note – 39.5.

For the purpose of assessing the leave availment rate, the Company considered the past leave availment history of the employees.

**(b) Measurement and likelihood of occurrence of provisions and contingencies**

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.

A disclosure for contingent liabilities is made where there is a possible obligation or a present obligation that may probably not require an outflow of resources. When there is a possible or a present obligation where the likelihood of outflow of resources is remote, no provision or disclosure is made in the standalone financial statements.

**(c) Recognition of taxes**

Deferred tax assets are recognised for unused tax losses to the extent that it is

# Notes to the Standalone Financial Statements

for the year ended 31 March 2023

probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

**(d) Provision for sales return**

The Company developed a statistical model for forecasting sales returns. The model used the historical return data of each franchise to come up with expected return percentages. These percentages are applied to determine the expected value of the variable consideration. Any significant changes in experience as compared to historical return pattern will impact the expected return percentages estimated by the Company.

**(e) Provision for inventory**

The Company provides provision based on policy, past experience, current trend and future expectations of the inventory held by them.

**(f) Useful life of property, plant and Equipments and intangible assets**

The Company reviews the estimated useful lives of property, plant and equipment and intangible assets at the end of each reporting period. During financial years ended 31 March 2023, there were no changes in useful lives of property plant and equipment and intangible assets other than those resulting from store closures / shifting of premises.

The Company at the end of each reporting period, based on external and internal sources of information, assesses indicators and mitigating factors of whether a store (cash generating unit) may have suffered an impairment loss. If it is determined that an impairment loss has been suffered, it is recognised in Statement of profit & loss.

**(g) Embedded derivative**

The Company enters into purchase gold contract, in which the amount payable is not fixed based on gold price on the date of purchase, but instead is affected by changes in gold prices in future. Such transactions are entered into to protect against the risk of gold price movement in the purchased gold. Accordingly, such unfixed payables (gold loan) are considered to have an embedded derivative. The Company designates the gold price risk in such instruments as hedging instruments, with gold inventory considered to be the hedged item. The hedged risk is gold prices movement.

**(h) Going concern**

During the current year ended March 31, 2023, management has performed an assessment of the entity's ability to continue as a going concern. Based on the assessment, management believe that there is no material uncertainty with respect to any events or conditions that may cast a significant doubt on the entity to continue as a going concern, hence the standalone financial statements have been prepared on going concern basis.

**(i) Impairment of equity investment in a subsidiary company.**

As at 31<sup>st</sup> March, 2023 there are accumulated losses in a subsidiary company viz. Tribhovandas Bhimji Zaveri (Bombay) Limited. Tribhovandas Bhimji Zaveri (Bombay) Limited is taking ongoing steps to revamp its business operations.

Based on its future business plans and strategic growth projections, the Company has determined that no impairment is required at this stage.

**(j) Classification of Leases**

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgement.



# Notes to the Standalone Financial Statements

for the year ended 31 March 2023

The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate. The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an options to extend the lease if the Company is reasonably certain to exercise that options; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that options. In assessing whether the company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease. The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

## f. Current -non-current classification

All assets and liabilities are classified into current and non-current.

### Assets

An asset is classified as current when it satisfies any of the following criteria :

- a. it is expected to be realised in, or is intended for sale or consumption in, the Company's normal operating cycle;
- b. it is held primarily for the purpose of being traded;
- c. it is expected to be realised within 12 months after reporting date; or
- d. it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of non-current financial assets.

All other assets are classified as non-current.

### Liabilities

A liability is classified as current when it satisfies any of the following criteria:

- a. it is expected to be settled in the Company's normal operating cycle;
- b. it is held primarily for the purpose of being traded;
- c. it is due to be settled within 12 months after the reporting date; or
- d. the Company does not have as unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instrument do not affect its classification.

Current liabilities include current portion of non-current financial liabilities.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

### Operating Cycle :

Based on the nature of services and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current – non-current classification of assets and liabilities.

### Recent Accounting pronouncements

On March 31, 2023, the Ministry of Corporate Affairs (MCA) has notified Companies (Indian Accounting Standards) Amendment Rules, 2023. This notification has resulted into amendments in the following existing accounting standards which are applicable to company from April 1, 2023

### Amendment to Existing issued Ind AS

- i. Ind AS 101- First time adoption of Indian Accounting Standards
- ii. Ind AS 102 – Share-based Payment
- iii. Ind AS 103 – Business Combinations

# Notes to the Standalone Financial Statements

for the year ended 31 March 2023

- iv. Ind AS 107 – Financial Instruments Disclosures
- v. Ind AS 109 - Financial Instruments
- vi. Ind AS 115 – Revenue from Contracts with Customers
- vii. Ind AS 1 – Presentation of Financial Statements
- viii. Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors
- ix. Ind AS 12 – Income Taxes
- x. Ind AS 34 - Interim Financial Reporting

Application of above standards are not expected to have any significant impact on the Company's financial statements.

## 2.2 Significant accounting policies

### a) Property, plant and Equipment

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 tax authorities), any directly attributable expenditure on making the asset ready for its intended use. Subsequent expenditure on property, plant and equipment after its purchase/completion is capitalized only if it is probable that future economic benefit associated with the expenditure will flow to the company.

Property, plant and equipment not ready for the intended use on the date of balance sheet are disclosed as "Capital work-in-progress". Capital work in progress is stated at cost, net of accumulated impairment loss, if any.

If significant parts of an item of property, plant and equipment have different lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Gains or losses arising from disposal or retirement of property, plant and equipment are recognised in the Statement of Profit and Loss.

Depreciation on PPE has been provided on the basis using straight line method over the useful life of the assets, as prescribed in schedule II to the Company act 2013. Freehold land is not depreciated. Leasehold Improvement are amortised over primary period of lease.

Property, plant and equipment	Management estimate of useful life	Useful life as per Schedule II
Plant and machinery	3 to 15 years	15 years
Furniture and fittings	5 to 10 years	10 years

Depreciation method, useful lives and residual values are reviewed at each financial year end and adjusted, if appropriate.

Depreciation for the year is recognised in the Statement of Profit and Loss.

### b) Intangible assets

Intangible assets are recognised only when it is probable that the future economic benefits that are attributable to the assets will flow to the Company and the cost of such assets can be measured reliably. Intangible assets are stated at cost less accumulated amortisation and impairment loss, if any. All costs relating to the acquisition are capitalised.

Intangible assets are amortised in the Statement of Profit and Loss over their estimated useful lives, from the date that they are available for use based on the expected pattern of consumption of economic benefits of the asset.

The Company's intangible assets comprise of Computer software which are being amortised on a straight line basis over their estimated useful life of five years. Amortisation method and useful lives are reviewed at each reporting date. If the useful life of an asset is estimated to be significantly different from previous estimates, the amortisation period is changed accordingly. If there has been a significant change in the expected pattern of economic benefits from the asset, the amortisation method is changed to reflect the changed pattern.

# Notes to the Standalone Financial Statements

for the year ended 31 March 2023

## c) Impairment of non financial assets

Assessment for impairment is done at each balance sheet date as to whether there is any indication that a non-financial asset may be impaired. For the purpose of assessing impairment, the smallest identifiable Company of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or Company's of assets is considered as a cash generating unit.

If any indication of impairment exists, an estimate of the recoverable amount of the individual asset/cash generating unit is made. Asset/cash generating unit whose carrying value exceeds their recoverable amount are written down to the recoverable amount by recognising the impairment loss as an expense in the Statement of profit and loss. Recoverable amount is higher of an asset's or cash generating unit's fair value less cost of disposal and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset or cash generating unit and from its disposal at the end of its useful life.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit and loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

## d) Investments Property

Investment property is property held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course

of business, use in the production or supply of goods or services or for administrative purposes. Upon initial recognition, an investment property is measured at cost. Subsequent to initial recognition, investment property is measured at cost less accumulated depreciation and accumulated impairment losses, if any.

The Company depreciates investment properties over a period of 30 years on a straight-line basis over its estimated useful life.

Any gain or loss on disposal of an investment property is recognised in statement of profit and loss.

The fair values of investment property is disclosed in the notes. Fair values is determined by an independent valuer who holds a recognised and relevant professional qualification and has recent experience in the location and category of the investment property being valued.

## e) Inventories

Inventories which comprise raw materials, finished goods, stock-in-trade and packing materials are carried at the lower of cost or net realizable value. Cost is determined on weighted average basis.

Cost of inventories comprises all costs of purchase and, other duties and taxes (other than those subsequently recoverable from tax authorities), costs of conversion and all other costs incurred in bringing the inventory to their present location and condition. In respect of purchase of goods at prices that are yet to be fixed at the year end, adjustments to the provisional amounts are recognised based on the year end closing gold rate.

Diamond finished jewellery is valued at specific cost.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale. Raw materials and other supplies held for use in the production of finished products are not written down below

# Notes to the Standalone Financial Statements

for the year ended 31 March 2023

cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realisable value.

## f) Borrowing Costs

Borrowing costs consist of interest and other costs (including exchange differences to the extent regarded as an adjustment to the interest costs) incurred in connection with the borrowing of funds.

Borrowing costs directly attributable to the acquisition or construction of an asset, as defined in Ind AS 23, that necessarily takes a substantial period of time to get ready for its intended use are capitalized as a part of the cost of such assets. All other borrowing costs are recognized as an expense in the period in which they are incurred.

## g) Revenue from contract with customer

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods or services before transferring them to the customer and sales under sale or return basis arrangements.

Revenue towards satisfaction of performance obligation is measured at the amount of transaction price (net variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the Company as a part of contract.

## i) Sale of goods

Revenue from sale of goods is recognised at the point in time when control of the goods is transferred to the customer, generally on delivery of the goods. In determining the transaction price for the sale of product, the Company considers the effects of variable consideration.

## (a) Variable consideration

Revenue is measured at fair value of consideration received or receivable net of returns, trade and scheme discounts, volume rebate excluding taxes or duties collected on behalf of the government.

If the consideration in a contract includes a variable amount, the Company estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved. Some contracts for the sale of product provide customers with a right of return. The rights of return give rise to variable consideration.

## (b) Rights of return

Certain contracts provide a customer with a right to return the goods within a specified period. The Company uses the expected value method to estimate the goods that will not be returned because this method best predicts the amount of variable consideration to which the Company will be entitled. The requirements in Ind AS 115 on constraining estimates of variable consideration are also applied in order to determine the amount of variable consideration that can be included in the transaction price. For goods that are expected to be returned, instead of revenue, the Company recognises a refund liability. A right of return asset and corresponding adjustment to change in inventory is also recognised for the right to recover products from a customer.

# Notes to the Standalone Financial Statements

for the year ended 31 March 2023

**(c) Assets and liabilities arising from rights of return**

**Right of return assets:**

Right of return asset represents the Company's right to recover the goods expected to be returned by customers. The asset is measured at the former carrying amount of the inventory, less any expected costs to recover the goods, including any potential decreases in the value of the returned goods. The Company updates the measurement of the asset recorded for any revisions to its expected level of returns, as well as any additional decreases in the value of the returned products.

**Refund liabilities:**

A refund liability is the obligation to refund some or all of the consideration received (or receivable) from the customer and is measured at the amount the Company ultimately expects it will have to return to the customer. The Company updates its estimates of refund liabilities (and the corresponding change in the transaction price) at the end of each reporting period. Refer to above accounting policy on variable consideration.

- ii) **Service Income** : Service income is recognized on rendering of services at a point in time.
- iii) **Gift Card** : Sales are recognized when the vouchers are redeemed and goods are sold to the customers.
- iv) **Interest Income** : Interest income is recorded using the Effective Interest Rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial assets or to the

amortised cost of a financial liability. When calculating the EIR, the Company estimates the expected cash flows by considering all the contractual terms of the financial instruments (for example : prepayment and extension), but does not consider the expected credit losses. Interest income is included in other income in the Statement of Profit and Loss.

**h) Foreign currency transactions**

Foreign currency transactions are recorded at the exchange rates prevailing on the dates of the transactions. Exchange differences arising on foreign currency transactions settled during the period are recognized in the Statement of profit and loss.

Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated into functional currency at the exchange rates at the reporting date. The resultant exchange differences are recognized in the Statement of profit and loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

**i) Employee benefits**

**Short-term employee benefits**

Employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits. These benefits include salaries and wages, bonus and ex-gratia. The undiscounted amount of short-term employee benefits to be paid in exchange for employee services is recognised as an expense as the related service is rendered by employees.

# Notes to the Standalone Financial Statements

for the year ended 31 March 2023

## Post-employment benefits

### Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which the Company pays specified contribution to a Government administered scheme and has no obligation to pay any further amounts. The Company makes specified monthly contributions towards provident fund and employee state insurance, which are defined contribution plans, at the prescribed rates. The Company's contribution is recognised as an expense in the Statement of profit and loss during the period in which the employee renders the related service.

### Defined benefit plans

#### Gratuity

The Company operates a defined benefit gratuity plan in India. The Company contributes to a gratuity trust maintained by an independent insurance company. The Company's liabilities under the Payment of Gratuity Act are determined on the basis of actuarial valuation made at the end of each financial year using the projected unit credit method. Obligation is measured at the present value of estimated future cash flows using a discounted rate that is determined by reference to market yields at the Balance Sheet date on Government bonds, where the terms of the Government bonds are consistent with the estimated terms of the defined benefit obligation. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and fair value of plan assets. This cost is included in 'Employee benefits expense' in the Statement of Profit and Loss. Re-measurement gains or losses and return on plan assets (excluding amounts included in net interest on the net defined benefit liability) arising from changes in actuarial assumptions are recognised in the period in which they occur, directly in OCI. They are included in retained earnings in the Statement of changes in equity and in the Balance Sheet. Re-measurements are not reclassified to the Statement of Profit and Loss in subsequent periods.

## Other long-term employee benefits

### Compensated absences

The Company provides for encashment of leave or leave with pay subject to certain rules. The employees are entitled to accumulate leave subject to certain limits for future encashment / availment. The Company makes provision for compensated absences based on an independent actuarial valuation carried out at the end of the year using the projected unit credit method. Actuarial gains and losses are recognised in the Statement of profit and loss.

### j) Leases

As per Ind AS 116- Lease, the determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

#### Where the Company is the lessee

Finance leases are capitalised at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the statement of profit and loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the company's general policy on the borrowing costs. Contingent rentals are recognised as expenses in the periods in which they are incurred.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

# Notes to the Standalone Financial Statements

for the year ended 31 March 2023

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to the Statement of Profit and Loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

## Where the Company is the lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

## k) Income taxes

Income tax expense comprises current tax and deferred tax. It is recognised in the Statement of profit and loss except to the extent that it relates to an item recognized directly in equity or in other comprehensive income.

### Current tax

The Income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate

adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date in India.

Current income tax relating to items recognised outside the Statement of Profit and Loss is recognised outside the Statement of Profit and Loss (either in OCI or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. The management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions, where appropriate, on the basis of amounts expected to be paid to the tax authorities.

### Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised, except when the deferred tax asset

# Notes to the Standalone Financial Statements

for the year ended 31 March 2023

relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date, and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Current tax and deferred tax relating to items recognised outside the Statement of Profit and Loss is recognised outside the Statement of Profit and Loss (either in OCI or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

## I) Earnings per share (EPS)

Basic earnings per share is calculated by dividing the net profit for the year attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares, that have changed the number of equity shares outstanding, without

a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit for the period attributable to equity shareholders and the weighted average number of shares outstanding during the year is adjusted for the effects of all dilutive potential equity shares.

## m) Provision, contingent liabilities and contingent assets

The Company creates a provision when there is a present obligation (legal or constructive) as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the balance sheet date and are discounted to its present value if the effect of time value of money is considered to be material. These are reviewed at each year end date and adjusted to reflect the best current estimate. The unwinding of the discount is recognized as finance cost. Expected future operating losses are not provided for.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may or may not require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Contingent assets are neither recognised nor disclosed in The standalone financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the period in which the change occurs.

## n) Investment in Subsidiaries

The Company has elected to account for its equity investments in subsidiaries under Ind AS 27 on separate financial statements, at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed.



# Notes to the Standalone Financial Statements

for the year ended 31 March 2023

On disposal of investments in subsidiaries, the difference between net disposal proceeds and the carrying amounts are recognized in the Statement of profit and loss.

## **o) Cash and cash equivalents**

Cash and Cash Equivalents in the balance sheet and for the purpose of cash flow statement comprise cash in hand and cash at bank including fixed deposit with original maturity period of three months and short-term highly liquid investments with an original maturity of three months or less net of outstanding bank over drafts as they are considered an integral part of the Company's cash management.

## **p) Financial instruments**

A Financial instruments is any contract that gives rise to a financial assets of one entity and a financial liability or equity instrument of another entity.

### **Financial Assets**

#### **Initial recognition and measurement:**

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient, the Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient are measured at the transaction price determined under Ind AS 115.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)'

on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

### **Financial asset :**

#### **Subsequent measurement**

For purposes of subsequent measurement, financial assets are classified in four categories:

- a) Debt instruments at amortised cost
- b) Debt instruments at fair value through other comprehensive income (FVTOCI)
- c) Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- d) Equity instruments measured at fair value through other comprehensive income (FVTOCI)

#### **Debt instruments at amortised cost**

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at

# Notes to the Standalone Financial Statements

for the year ended 31 March 2023

amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

## Debt instrument at FVTOCI

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

- a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the P&L. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to P&L. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

## Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency. The Company has not designated any debt instrument as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

## Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity. Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

## De-recognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e. removed from the Company's consolidated balance sheet) when:

- a) The rights to receive cash flows from the asset have expired, or
- b) The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

# Notes to the Standalone Financial Statements

for the year ended 31 March 2023

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

## Impairment of financial assets

In accordance with Ind-AS 109, the Company applies Expected Credit Loss ("ECL") model for measurement and recognition of impairment loss on the financial assets measured at amortized cost and financial assets measured at FVOCI. For financial assets other than trade receivables, as per Ind AS 109, the Company recognises 12 month expected credit losses for all originated or acquired financial assets if at the reporting date the credit risk of the financial asset has not increased significantly since its initial recognition. The expected credit losses are measured as lifetime expected credit losses if the credit risk on financial asset increases significantly since its initial recognition. The Company's trade receivables do not contain significant financing component and loss allowance on trade receivables is measured at an amount equal to life time expected losses i.e. expected cash shortfall.

The impairment losses and reversals are recognised in Statement of Profit and Loss.

## Financial liabilities :

### Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

The measurement of financial liabilities depends on their classification, as described below:

### Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit and loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit and loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the profit and loss.

Financial liabilities designated upon initial recognition at fair value through profit and loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These

# Notes to the Standalone Financial Statements

for the year ended 31 March 2023

gains/ loss are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The Company has not designated any financial liability as at fair value through profit and loss.

## Loans and borrowings

This is the category most relevant to the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

## Financial guarantee contracts

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

## De-recognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification

is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

## Offsetting

Financial assets and financial liabilities are offset and the net amount is presented in the Balance Sheet, if the Company currently has a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

## q) Derivative financial instruments and hedge accounting

### Initial recognition, subsequent measurement and fair value hedge

In order to hedge its exposure to commodity price risks, the Company also enters into forward contracts. The Company does not hold derivative financial instruments for speculative purposes. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to statement of profit and loss. Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recognised in statement of profit and loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

### Embedded derivative

An embedded derivative is a component of a hybrid (combined) instrument that also includes a non-derivative host contract – with the effect that some of the cash flows of the combined instrument vary in a way similar to a standalone derivative. An embedded derivative causes some

# Notes to the Standalone Financial Statements

for the year ended 31 March 2023

or all of the cash flows that otherwise would be required by the contract to be modified according to a specified variable.

Derivative are initially measured at fair value. Subsequent to initial recognition, derivative are measured at fair value, and changes there in are generally recognised in profit and loss.

At the inception of a hedge relationship, the Company formally designates and documents the hedge relationship to which the Company wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation

includes the Company's risk management objective and strategy for undertaking hedge, the hedging/ economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the entity will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

# Notes to the Standalone Financial Statements

for the year ended 31 March 2023

## 3 Property, plant and equipment

Particulars	₹ in Lacs						
	Leasehold improvements	Building	Plant and machinery*	Furniture and fittings	Computers	Vehicles	Total
<b>Cost</b>							
<b>As at 1 April 2021</b>	<b>1,910.60</b>	<b>4,090.21</b>	<b>2,222.59</b>	<b>1,653.46</b>	<b>551.95</b>	<b>171.84</b>	<b>10,600.65</b>
Additions	-	-	28.06	47.41	18.70	-	94.17
Deductions / adjustment during the year	8.17	-	12.40	42.96	10.89	-	74.43
<b>As at 31 March 2022</b>	<b>1,902.43</b>	<b>4,090.21</b>	<b>2,238.25</b>	<b>1,657.91</b>	<b>559.75</b>	<b>171.84</b>	<b>10,620.39</b>
<b>As at 1 April 2022</b>	<b>1,902.43</b>	<b>4,090.21</b>	<b>2,238.25</b>	<b>1,657.91</b>	<b>559.75</b>	<b>171.84</b>	<b>10,620.39</b>
Additions	163.27	-	33.03	379.09	51.98	96.88	724.26
Deductions / adjustment during the year	209.26	3.33	19.54	145.48	0.87	24.37	402.85
<b>As at 31 March 2023</b>	<b>1,856.44</b>	<b>4,086.88</b>	<b>2,251.74</b>	<b>1,891.52</b>	<b>610.87</b>	<b>244.35</b>	<b>10,941.80</b>
<b>Depreciation</b>							
<b>As at 1 April 2021</b>	<b>1,226.61</b>	<b>364.04</b>	<b>699.83</b>	<b>1,037.52</b>	<b>488.92</b>	<b>39.27</b>	<b>3,856.19</b>
Depreciation for year	222.39	69.60	137.99	204.10	9.40	19.72	663.20
Deductions / adjustment during the year	5.20	-	10.43	34.51	9.38	-	59.52
<b>As at 31 March 2022</b>	<b>1,443.80</b>	<b>433.64</b>	<b>827.39</b>	<b>1,207.11</b>	<b>488.94</b>	<b>58.99</b>	<b>4,459.87</b>
<b>As at 1 April 2022</b>	<b>1,443.80</b>	<b>433.64</b>	<b>827.39</b>	<b>1,207.11</b>	<b>488.94</b>	<b>58.99</b>	<b>4,459.87</b>
Depreciation for year	189.61	69.61	136.77	228.60	14.92	27.88	667.38
Deductions / adjustment during the year	163.97	0.74	11.09	111.87	0.77	14.37	302.80
<b>As at 31 March 2023</b>	<b>1,469.44</b>	<b>502.51</b>	<b>953.07</b>	<b>1,323.84</b>	<b>503.09</b>	<b>72.50</b>	<b>4,824.45</b>
<b>Net carrying value as at</b>							
<b>31 March 2022</b>	<b>458.63</b>	<b>3,656.56</b>	<b>1,410.86</b>	<b>450.80</b>	<b>70.81</b>	<b>112.85</b>	<b>6,160.51</b>
<b>31 March 2023</b>	<b>387.01</b>	<b>3,584.37</b>	<b>1,298.66</b>	<b>567.69</b>	<b>107.77</b>	<b>171.85</b>	<b>6,117.34</b>

### Notes:

- Property plant and equipment are pledged as security for term loan and working capital loans and vehicles against vehicle loans (refer note 20 and 23).
- Plant and Machinery includes net block amounting to ₹ 256.06 lacs (31 March 2022: ₹ 293.84 lacs) being the carrying value of plant and machinery situated at Kandivali (West), Mumbai given on operating lease rental.(\*)
- As at 31 March 2023, Buildings with carrying amount of ₹ 3,584.37 lacs (31 March 2022 ₹ 3,656.57 lacs) are subject to first pari passu charge to secured borrowings (refer note 23)

### 3(a) Capital Work in Progress

Particulars	₹ in Lacs	
	As at 31 March 2023	As at 31 March 2022
Capital Work in Progress (Refer Note below)	66.34	-
<b>TOTAL</b>	<b>66.34</b>	<b>-</b>

# Notes to the Standalone Financial Statements

for the year ended 31 March 2023

## Notes:

(i) Capital Work in progress ageing:

Particulars	₹ in Lacs	
	As at 31 March 2023	As at 31 March 2022
Less than 1 year	66.34	-
1 to 2 years	-	-
2 to 3 years	-	-
More than 3 years	-	-
<b>TOTAL</b>	<b>66.34</b>	<b>-</b>

(ii) Capital expenditure for showroom during the year is ₹ 66.34 (March 31, 2022: ₹ NIL)

## 4 Right to Use Assets and Lease Liability

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the year:

Particulars	₹ in Lacs
	Building
<b>Cost</b>	
<b>As at 1 April 2021</b>	<b>8,491.61</b>
Additions	3,630.57
Deductions / adjustment during the year	2,531.64
<b>As at 31 March 2022</b>	<b>9,590.54</b>
<b>As at 1 April 2022</b>	<b>9,590.54</b>
Additions	3,594.34
Deductions / adjustment during the year	1,094.77
<b>As at 31 March 2023</b>	<b>12,090.11</b>
<b>Depreciation</b>	
<b>As at 1 April 2021</b>	<b>3,488.80</b>
Depreciation for the year	1,470.87
Deductions / adjustment during the year	2,217.24
<b>As at 31 March 2022</b>	<b>2,742.43</b>
<b>As at 1 April 2022</b>	<b>2,742.43</b>
Depreciation for the year	1,665.23
Deductions / adjustment during the year	-
<b>As at 31 March 2023</b>	<b>4,407.66</b>
<b>Net carrying value as at:-</b>	
<b>31 March 2022</b>	<b>6,848.11</b>
<b>31 March 2023</b>	<b>7,682.45</b>

# Notes to the Standalone Financial Statements

for the year ended 31 March 2023

Set out below are the carrying amounts of lease liabilities and the movements during the year:

Particulars	₹ in Lacs	
	As at 31 March 2023	As at 31 March 2022
As at 31 March 2023	7,887.95	
(As at 31 March 2022)		6,217.05
Additions	3,191.73	3,493.63
Accretion of interest	958.79	727.76
Less: Lease payment	(2,157.99)	(1,774.57)
Less: Lease liability adjusted during the year	(1,002.47)	(775.93)
<b>Net carrying value as at:-</b>	<b>8,878.01</b>	<b>7,887.95</b>
Non Current	6,762.59	6,070.39
Current	2,115.42	1,817.56

The maturity analysis of lease liabilities are disclosed in Note no 39.13.2.B

The following are the amounts recognised in profit or loss:

Particulars	₹ in Lacs	
	As at 31 March 2023	As at 31 March 2022
Depreciation expense of right-of-use assets	1,665.23	1,470.87
Interest expense on lease liabilities	958.79	727.76
Expense relating to short-term leases (included in other expenses)	498.42	285.94
<b>Total amount recognised in profit or loss</b>	<b>3,122.44</b>	<b>2,484.57</b>

The Company had total cash outflows for leases of ₹ 2,157.99 lacs in March 31, 2023 (₹ 1,774.54 lacs in March 31, 2022). The Company also had non-cash additions to right-of-use asset of ₹ 3,594.34 lacs & lease liabilities of ₹ 3,191.73 lacs in March 31, 2023 (₹ 3,630.57 lacs & ₹ 3,493.63 lacs in 31 March 2022 respectively).

## 5 Investment property

Particulars	₹ in Lacs		
	Freehold Land	Building	Total
<b>Cost</b>			
<b>As at 1 April 2021</b>	<b>1,419.34</b>	<b>484.57</b>	<b>1,903.91</b>
Additions	-	-	-
Deductions / adjustment during the year	-	-	-
<b>As at 31 March 2022</b>	<b>1,419.34</b>	<b>484.57</b>	<b>1,903.91</b>
<b>As at 1 April 2022</b>	<b>1,419.34</b>	<b>484.57</b>	<b>1,903.91</b>
Additions	-	-	-
Deductions / adjustment during the year	-	-	-
<b>As at 31 March 2023</b>	<b>1,419.34</b>	<b>484.57</b>	<b>1,903.91</b>



# Notes to the Standalone Financial Statements

for the year ended 31 March 2023

₹ in Lacs			
Particulars	Freehold Land	Building	Total
<b>Depreciation</b>			
<b>As at 1 April 2021</b>	-	<b>93.01</b>	<b>93.01</b>
Depreciation for the year	-	18.26	18.26
Deductions / adjustment during the year	-	-	-
<b>As at 31 March 2022</b>	-	<b>111.27</b>	<b>111.27</b>
<b>As at 1 April 2022</b>	-	<b>111.27</b>	<b>111.27</b>
Depreciation for the year	-	18.25	18.25
Deductions / adjustment during the year	-	-	-
<b>As at 31 March 2023</b>	-	<b>129.52</b>	<b>129.51</b>
<b>Net book value as at:-</b>			
<b>31 March 2022</b>	<b>1,419.34</b>	<b>373.30</b>	<b>1,792.64</b>
<b>31 March 2023</b>	<b>1,419.34</b>	<b>355.05</b>	<b>1,774.40</b>

## Notes:

- a) As at 31 March 2023, Free Hold Land and Buildings with carrying amount of ₹ 1,774.40 lacs (31 March 2022 ₹ 1,792.64 lacs) are subject to first pari passu charge to secured borrowings (refer note 23)

## Information regarding income and expenditure of Investment property

₹ in Lacs		
Particulars	31 March 2023	31 March 2022
Rental income derived from investment properties	67.77	66.00
Direct operating expenses (including repairs and maintenance) generating rental income	-	0.32
<b>Profit arising from investment properties before depreciation and indirect expenses</b>	<b>67.77</b>	<b>65.68</b>
Less – Depreciation	(18.25)	(18.26)
<b>Profit arising from investment properties before indirect expenses</b>	<b>49.52</b>	<b>47.42</b>

The Company's investment properties consist of one commercial property in India. The management has determined that the investment property consist of one class of assets factory based on the nature, characteristics and risks of property.

As at 31 March 2023, the fair values of the building is ₹ 2,938.81 lacs (31 March 2022 ₹ 2,861.57 lacs) . These valuations are based on valuations performed by registered valuer.

The Company has no restrictions on the realisability of its investment property and no contractual obligations to purchase, construct or develop investment property or for repairs, maintenance and enhancements.

Fair value hierarchy disclosures for investment property have been provided in Note 39.13.1

# Notes to the Standalone Financial Statements

for the year ended 31 March 2023

## 6 Other Intangible asset

₹ in Lacs	
Particulars	Computer software
<b>Cost</b>	
<b>As at 1 April 2021</b>	<b>356.83</b>
Additions	10.84
Deductions / adjustment during the year	-
<b>As at 31 March 2022</b>	<b>367.67</b>
<b>As at 1 April 2022</b>	<b>367.67</b>
Additions	5.14
Deductions / adjustment during the year	-
<b>As at 31 March 2023</b>	<b>372.82</b>
<b>Amortisation</b>	
<b>As at 1 April 2021</b>	<b>198.29</b>
Amortisation for the year	73.17
Deductions / adjustment during the year	-
<b>As at 31 March 2022</b>	<b>271.46</b>
<b>As at 1 April 2022</b>	<b>271.46</b>
Amortisation for the year	70.83
Deductions / adjustment during the year	-
<b>As at 31 March 2023</b>	<b>342.29</b>
<b>Net carrying value as at:-</b>	
<b>31 March 2022</b>	<b>96.21</b>
<b>31 March 2023</b>	<b>30.53</b>

## 7 Investments (Unquoted at cost unless otherwise stated)

₹ in Lacs		
Particulars	As at 31 March 2023	As at 31 March 2022
- Investments in equity instruments (refer note 39.7)		
5,020 (31 March 2022: 5,020) equity shares of ₹ 100 each, fully paid up in Tribhovandas Bhimji Zaveri (Bombay) Limited a wholly owned subsidiary	202.33	202.33
Share application money of Non-cumulative optionally convertible preference share in Tribhovandas Bhimji Zaveri (Bombay) Limited a wholly owned subsidiary	-	993.96
993,960 Non-cumulative optionally convertible preference shares of ₹ 100 each, fully paid up in Tribhovandas Bhimji Zaveri (Bombay) Limited a wholly owned subsidiary	993.96	-
	<b>1,196.29</b>	<b>1,196.29</b>

# Notes to the Standalone Financial Statements

for the year ended 31 March 2023

## 8 Other financial asset (Unsecured, considered good)

₹ in Lacs

Particulars	As at	
	31 March 2023	31 March 2022
<b>To parties other than related parties</b>		
Security deposits	494.29	461.01
	<b>494.29</b>	<b>461.01</b>

## 9 Deferred tax assets (net)

₹ in Lacs

Particulars	As at	
	31 March 2023	31 March 2022
<b>a. The major components of income tax (income) / expense are:</b>		
Deferred tax assets	723.23	640.46
Deferred tax Liability	(236.68)	(272.74)
	<b>486.55</b>	<b>367.72</b>

Particulars	Balance sheet		Statement of Profit and Loss	
	31 March 2023	31 March 2022	31 March 2023	31 March 2022
<b>b. Deferred tax relates to following</b>				
Property, plant and equipment	(236.68)	(272.74)	(36.06)	(10.89)
Employee benefits	365.16	313.66	(51.50)	(13.08)
Commission to directors	6.29	7.55	1.26	35.86
Provision for doubtful debts	14.14	25.41	11.27	0.58
Leases	300.90	261.63	(39.27)	43.97
Provision for sales return	36.74	32.21	(4.53)	0.63
MTM Option Derivative	-	-	-	2.39
<b>Deferred tax expense / (income)</b>	<b>-</b>	<b>-</b>	<b>(118.83)</b>	<b>59.46</b>
<b>Net deferred tax assets/ (Liabilities)</b>	<b>486.55</b>	<b>367.72</b>		

## 10 Non-current tax assets

₹ in Lacs

Particulars	As at	
	31 March 2023	31 March 2022
Advance tax (net of provision for Tax ₹ 5,980.03 Lacs 31st March 2022, ₹ 4,490.35 Lacs)	361.98	885.68
	<b>361.98</b>	<b>885.68</b>

# Notes to the Standalone Financial Statements

for the year ended 31 March 2023

## 11 Other non current assets

Particulars	₹ in Lacs	
	As at 31 March 2023	As at 31 March 2022
Capital Advances	122.24	23.40
Prepayments	0.11	34.43
	<b>122.35</b>	<b>57.83</b>

## 12 Inventories\*

Particulars	₹ in Lacs	
	As at 31 March 2023	As at 31 March 2022
Raw material	17,579.52	17,146.24
Finished goods**	51,127.46	60,822.28
Stock-in-trade**	53,532.36	42,582.78
Packing material	61.49	30.00
	<b>1,22,300.83</b>	<b>1,20,581.30</b>

\*Working Capital Borrowing are secured by hypothecation of inventories of the Company (refer note 23).

\*\* Cost of precious stones forming part of the jewellery is determined by management based on technical estimate of the purity and clarity of diamonds used, on which the auditors have placed reliance, as this being a technical matter.

## 13 Trade receivables\*

Particulars	₹ in Lacs	
	As at 31 March 2023	As at 31 March 2022
Unsecured, considered good**	160.05	161.29
Credit impaired	-	26.45
	160.05	187.74
Less: Provision for expected credit loss	-	(26.45)
<b>Total</b>	<b>160.05</b>	<b>161.29</b>

\*Working capital borrowing are secured by hypothecation of trade receivables of the Company (refer note 23).

\*\* Includes receivable from credit card and unified payment interface (UPI) companies amounting to ₹ 158.58 lac (31 March 2022: ₹ 128.50 lac)

Trade receivables are generally not interest-bearing.

### The movement in allowance for doubtful receivables is as follows:

Balance as at beginning of the year	26.45	27.77
Provision created/(reversed) during the year	(26.45)	(1.32)
Balance as at the end of the year	-	<b>26.45</b>

# Notes to the Standalone Financial Statements

for the year ended 31 March 2023

Trade receivable ageing schedule are as below:

As at 31 March 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	
(i) Undisputed Trade receivables – considered good	160.05	-	-	-	-	160.05
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
<b>Sub Total</b>	<b>160.05</b>	-	-	-	-	<b>160.05</b>
Less: Allowance for credit impaired/Expected credit loss	-	-	-	-	-	-
<b>Total</b>	<b>160.05</b>	-	-	-	-	<b>160.05</b>

As at 31 March 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	
(i) Undisputed Trade receivables – considered good	160.86	0.43	-	-	-	161.29
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	26.45	26.45
<b>Sub Total</b>	<b>160.86</b>	<b>0.43</b>	-	-	<b>26.45</b>	<b>187.74</b>
Less: Allowance for credit impaired/Expected credit loss	-	-	-	-	(26.45)	(26.45)
<b>Total</b>	<b>160.86</b>	<b>0.43</b>	-	-	-	<b>161.29</b>

## 14 Cash and cash equivalents

₹ in Lacs

Particulars	As at 31 March 2023	As at 31 March 2022
Balances with banks		
- on current accounts	669.46	553.87
Cash on hand	119.69	258.47
	<b>789.15</b>	<b>812.34</b>

# Notes to the Standalone Financial Statements

for the year ended 31 March 2023

## 15 Bank balances other than cash and cash equivalents

Particulars	₹ in Lacs	
	As at 31 March 2023	As at 31 March 2022
Bank deposits (with original maturity for more than 3 months but less than 12 months)*	3,749.03	3,710.75
Earmarked balance with banks		
- Unclaimed dividend#	8.59	8.79
	<b>3,757.62</b>	<b>3,719.54</b>

# Includes restricted amount towards unclaimed Dividend of ₹ 8.59 Lacs (31 March 2022 ₹ 8.79 Lacs)

\*Deposit with carrying value of ₹ 3,705.55 Lacs (31 March 2022 ₹ 2,778.11 Lacs) are under lien to secure working capital facilities availed from banks.

## 16 Other financial assets (Unsecured, considered good)

Particulars	₹ in Lacs	
	As at 31 March 2023	As at 31 March 2022
<b>To related parties</b>		
Security deposits (refer note 39.7)	139.49	128.36
<b>To parties other than related parties</b>		
Security deposits	123.73	222.14
Less: Impairment allowance	(29.75)	(29.75)
	93.98	192.39
	<b>233.47</b>	<b>320.75</b>
<b>To parties other than related parties</b>		
Interest accrued on fixed deposits	13.04	11.67
	<b>13.04</b>	<b>11.67</b>
	<b>246.51</b>	<b>332.42</b>

## 17 Other current assets

Particulars	₹ in Lacs	
	As at 31 March 2023	As at 31 March 2022
Advance to suppliers	221.93	455.80
Advances to employees and others	19.28	34.66
Prepaid expenses	133.44	184.35
Balance with government authorities	844.70	1,122.76
Refund Assets	1,427.88	1,293.93
	<b>2,647.23</b>	<b>3,091.50</b>

# Notes to the Standalone Financial Statements

for the year ended 31 March 2023

## 18 Equity share capital

### Authorised share capital

Particulars	As at 31 March 2023		As at 31 March 2022	
	No. of shares	₹ in Lacs	No. of shares	₹ in Lacs
As at the beginning of the year	7,50,00,000	7,500.00	7,50,00,000	7,500.00
Increase during the year	-	-	-	-
As at the end of the year	7,50,00,000	7,500.00	7,50,00,000	7,500.00

### Issued equity share capital

Particulars	As at 31 March 2023		As at 31 March 2022	
	No. of shares	₹ in Lacs	No. of shares	₹ in Lacs
At the beginning and at the year end	6,67,30,620	6,673.06	6,67,30,620	6,673.06
Increase during the year	-	-	-	-
At the end of the year	6,67,30,620	6,673.06	6,67,30,620	6,673.06

#### a. Terms / rights attached to equity shares

The company has only one class of equity shares having par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. The voting rights of an equity shareholder on a poll (not on show of hands) are in proportion to his share of 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.

#### b. Details of shareholders holding more than 5% shares in the Company

Particulars	As at 31 March 2023		As at 31 March 2022	
	No. of Shares	% holding in the class	No. of Shares	% holding in the class
Equity shares of ₹ 10 each fully paid up held by:				
Shrikant Zaveri	3,34,02,275	50.06%	3,34,02,275	50.06%
Binaisha Zaveri	52,85,000	7.92%	52,85,000	7.92%
Raashi Zaveri	45,72,500	6.85%	45,72,500	6.85%
Bindu Zaveri	35,00,000	5.24%	35,00,000	5.24%

# Notes to the Standalone Financial Statements

for the year ended 31 March 2023

## c. Details of shares held by promoters in the Company\*

Particulars	As at 31 March 2023		As at 31 March 2022	
	No. of Shares	% holding in the class	No. of Shares	% holding in the class
Shrikant Zaveri	3,34,02,275	50.06%	3,34,02,275	50.06%
Binaisha Zaveri	52,85,000	7.92%	52,85,000	7.92%
Raashi Zaveri	45,72,500	6.85%	45,72,500	6.85%
Bindu Zaveri	35,00,000	5.24%	35,00,000	5.24%

\* There is no change in promoters share holding during the year ended March 31, 2023 & March 31, 2022.

## 19 Other equity

Particulars	₹ in Lacs	
	As at 31 March 2023	As at 31 March 2022
<b>Securities premium</b>		
<b>As at the beginning of the year</b>	<b>16,791.35</b>	<b>16,791.35</b>
Add: Securities premium collected during the year	-	-
<b>As at the end of the year</b>	<b>16,791.35</b>	<b>16,791.35</b>
<b>General reserves</b>		
<b>As at the beginning of the year</b>	1,401.47	1,401.47
Add: Transfer during the year	-	-
<b>As at the end of the year</b>	<b>1,401.47</b>	<b>1,401.47</b>

Particulars	₹ in Lacs	
	As at 31 March 2023	As at 31 March 2022
<b>Surplus in profit and loss</b>		
<b>As at the beginning of the year</b>	28,630.94	28,502.45
Add / (Less): Profit for the year	3,967.41	1,711.12
Other comprehensive income arising from remeasurement of defined benefit	(69.75)	85.64
Add/Less: Equity dividend	(667.31)	(1,668.27)
<b>As at the end of the year</b>	<b>31,861.29</b>	<b>28,630.94</b>
	<b>50,054.11</b>	<b>46,823.76</b>

### Securities premium reserve

Securities premium reserve is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with provisions of the Companies Act 2013.

### General reserves

The general reserve is mainly created / built by the Company from time to time by transferring the profits from the retained earnings. The reserve may be utilised mainly to declare dividend as permitted under Companies Act 2013.

### Surplus in profit and loss

Retained earnings comprise of the Company's undistributed profits after taxes and includes re-measurement of defined benefit plan.



# Notes to the Standalone Financial Statements

for the year ended 31 March 2023

## 20 Non current borrowings

₹ in Lacs

Particulars	Effective interest rate %	Maturity	As at	As at
			31 March 2023	31 March 2022
Secured				
Term loans				
- Vehicle Loan	8.75%	Various dates	57.41	9.30
			<b>57.41</b>	<b>9.30</b>

The vehicle loans from banks are secured by hypothecation of vehicle purchased. The vehicle loans shall be repayable on monthly Installments of ₹ 1.73 lacs (7 monthly installments), ₹ 0.59 (49 monthly installments) and ₹ 0.98 lacs (58 monthly installments) till November 2023, April 2027 and January 2028 respectively.

The Company has not defaulted for any loans payable, and there has been no breach of any loan covenants.

## 21 Lease liability

₹ in Lacs

Particulars	As at	As at
	31 March 2023	31 March 2022
Lease liability (refer note 4)	6,762.59	6,070.39
	<b>6,762.59</b>	<b>6,070.39</b>

## 22 Non-current provisions

₹ in Lacs

Particulars	As at	As at
	31 March 2023	31 March 2022
<b>Provision for employee benefits</b>		
Provision for gratuity (refer note 39.5 (b))	669.92	588.96
Provision for compensated absences	87.31	86.92
	<b>757.23</b>	<b>675.88</b>

## 23 Current borrowings

₹ in Lacs

Particulars	Effective interest rate %	Maturity	As at	As at
			31 March 2023	31 March 2022
<b>Secured</b>				
<b>Loans repayable on demand from Banks</b>				
Working capital demand loan	7.60% to 10.35%	Various dates	14,468.60	16,433.70
Gold Loan	2.35% to 4.51%	Various dates	21,953.04	25,092.90
Cash credit	8.95% to 10.80%	On demand	12,161.20	8,791.87
<b>Unsecured</b>				
Bill Discounting	10.30%	Various dates	-	349.90
			<b>48,582.84</b>	<b>50,668.37</b>

# Notes to the Standalone Financial Statements

for the year ended 31 March 2023

Working capital demand loan and the Cash credit facilities are part of a consortium arrangement with banks. The above facilities are secured by primary security by way of hypothecation charge on the entire current assets of the Company, present and future, on first pari passu basis among the members of the consortium.

Further, the facility is secured by collateral security on first pari passu charge basis among the members of the consortium

- By way of mortgage over premises at Zaveri Bazar, Mumbai, premises at Surat, premises at Kandivali Industrial Estate, Mumbai, premises at Nariman Point, Mumbai, premises at Punjagutta, Hyderabad.
- By way of hypothecation charge over Property, Plant and Equipment installed/erected at Surat, at Kandivali Industrial Estate, Mumbai, at Pune, and all movable and immovable assets present in all the Company's showrooms.

The facility is also secured by way of extension of mortgage charge on Second pari passu basis over commercial premises at Santacruz, Mumbai belonging to Shri Shrikant Zaveri (Chairman and Managing Director) and the personal guarantee of Shri Shrikant Zaveri the Chairman and Managing Director, Raashi Zaveri Executive Director and Binaisha Zaveri, Executive Director of the Company.

Deposit with carrying value of ₹ 3,705.55 Lacs (31 March 2022 ₹ 2,778.11 Lacs) are under lien to secure working capital facilities availed from banks. The facilities are also secured by Bank Guarantee of ₹ 7,306.44 lacs (31 March 2022: ₹ 9,255.00 lacs).

**Amount disclosed as current maturities of long term borrowings under the head Non-current borrowings (refer note 20)**

₹ in Lacs

Particulars	Effective interest rate %	Maturity	As at 31 March 2023	As at 31 March 2022
<b>Secured</b>				
Term loans				
- From bank	8.00%	Apr'22	-	116.07
- Vehicle Loan	7.30% - 8.75%	Various dates	25.14	21.43
Working capital demand loan				
- From bank	7.40%	Apr'22	-	86.00
			<b>25.14</b>	<b>223.50</b>
			<b>48,607.98</b>	<b>50,891.87</b>

## 24 Lease liability

₹ in Lacs

Particulars	As at 31 March 2023	As at 31 March 2022
Lease liability (refer note 4)	2,115.42	1,817.56
	<b>2,115.42</b>	<b>1,817.56</b>

# Notes to the Standalone Financial Statements

for the year ended 31 March 2023

## 25 Trade payables

₹ in Lacs

Particulars	As at	As at
	31 March 2023	31 March 2022
Due to		
Total outstanding dues of micro enterprises and small enterprises; and (refer note 39.4)	1,144.32	4,083.58
Related parties (refer note 39.7)	291.64	380.64
Total outstanding dues of creditors other than micro enterprises and small enterprises	19,387.62	15,750.28
	<b>20,823.58</b>	<b>20,214.50</b>

Trade payable ageing schedule are as below:

As at 31 March 2023

Particulars	Outstanding for following periods from due date of payment					Total
	Unbilled dues	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	2,140.96	6.45	37.92	4.75	2,190.08
(ii) Others	1,092.44	17,188.62	213.90	47.47	91.07	18,633.50
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
<b>Total</b>	<b>1,092.44</b>	<b>19,329.58</b>	<b>220.35</b>	<b>85.39</b>	<b>95.82</b>	<b>20,823.58</b>

As at 31 March 2022

Particulars	Outstanding for following periods from due date of payment					Total
	Unbilled dues	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	3,944.64	116.98	20.20	1.76	4,083.58
(ii) Others	835.93	13,860.10	1,051.59	268.75	114.55	16,130.92
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
<b>Total</b>	<b>835.93</b>	<b>17,804.74</b>	<b>1,168.57</b>	<b>288.95</b>	<b>116.31</b>	<b>20,214.50</b>

# Notes to the Standalone Financial Statements

for the year ended 31 March 2023

## 26 Other financial liabilities

₹ in Lacs

Particulars	As at 31 March 2023	As at 31 March 2022
<b>From related parties</b>		
Security deposits (refer note 39.7)	15.80	20.15
<b>From parties other than related parties</b>		
Interest accrued but not due on borrowings	36.81	26.81
Interest accrued and due	-	103.38
Creditors for capital expenditure	192.41	55.81
Accrual for expenses	632.54	572.45
Unclaimed dividend *	8.59	8.80
(* There are no amounts due for payment to the Investor Education and Protection Fund under Section 125 of the Companies Act, 2013 as at the year end)		
	<b>886.15</b>	<b>787.40</b>

## 27 Current provisions

₹ in Lacs

Particulars	As at 31 March 2023	As at 31 March 2022
<b>Provision for employee benefits</b>		
Provision for gratuity (refer note 39.5 (b))	263.55	198.50
Provision for compensated absences	226.17	200.54
	<b>489.72</b>	<b>399.04</b>

## 28 Other current liabilities

₹ in Lacs

Particulars	As at 31 March 2023	As at 31 March 2022
Advance from customers	1,730.68	2,476.35
Customers dues under schemes / arrangements	7,559.14	8,094.68
Refund liability	1,569.10	1,421.90
Statutory liabilities#	139.70	205.07
Prepaid Lease Rental	8.04	3.63
	<b>11,006.66</b>	<b>12,201.63</b>

# Statutory liabilities includes Tax deducted at source, Goods and service tax, Employee state insurance, Provident fund and Profession tax.

Other current liabilities are non-interest bearing and have an average of 10-months term.

Undisputed statutory dues are generally settled in the next months.

Company's scheme do not qualify as deposits and Company has obtained legal opinion to that effect.

# Notes to the Standalone Financial Statements

for the year ended 31 March 2023

## 29 Revenue from contract with customers

### 29.1 Sale of product

Particulars	₹ in Lacs	
	Year ended 31 March 2023	Year ended 31 March 2022
Sale of goods	2,39,343.25	1,84,367.96
<b>Total</b>	<b>2,39,343.25</b>	<b>1,84,367.96</b>
India	2,39,343.25	1,84,367.96
Outside India	-	-
<b>Contract balances</b>		
Trade receivables*	160.05	161.29
*Trade receivables are generally not interest-bearing.		
<b>Reconciliation of revenue as recognised in Statement of Profit and Loss with the contracted price</b>		
Revenue as per contracted price	2,39,818.21	1,84,877.40
Less: Adjustments		
Price adjustments such as discounts, rebates and sales promotion schemes	474.96	509.44
<b>Revenue as per Statement of Profit and Loss</b>	<b>2,39,343.25</b>	<b>1,84,367.96</b>
<b>Refund assets and Refund liabilities:</b>		
Refund assets	1,427.88	1,293.93
Refund liabilities	1,569.10	1,421.90
<b>Disaggregated revenue information:</b>		
Revenue from retail operations	2,37,498.71	1,81,518.12
Revenue from non-retail operations	1,844.54	2,849.84
<b>Revenue from contract with customers</b>	<b>2,39,343.25</b>	<b>1,84,367.96</b>

### 29.2 Other operating revenue

Particulars	₹ in Lacs	
	Year ended 31 March 2023	Year ended 31 March 2022
- Repairing revenue	19.34	15.99
<b>Total</b>	<b>19.34</b>	<b>15.99</b>

# Notes to the Standalone Financial Statements

for the year ended 31 March 2023

## 30 Other income

₹ in Lacs

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Interest Income		
Interest income on bank deposits	134.20	131.89
Interest Income (Other)	58.85	58.91
Other Non-Operating Income		
Interest on Income Tax Refund	19.60	-
Rental income from investment property (refer note 39.7)	69.87	68.07
Liabilities/Provisions no longer required written back	71.14	19.62
Profit on sale of Property, Plant, and Equipment	1.47	0.25
Gain on termination of lease liability	156.02	38.87
Rent concession (refer note below)	23.44	485.28
Miscellaneous Income	21.27	34.74
	<b>555.86</b>	<b>837.62</b>

During the year ended 31<sup>st</sup> March 2022, the company has negotiated rent waiver agreement with some landlords due to the stores remain closed resulting out of lockdown induced by covid-19 pandemic. The management believes that such waiver is short-term in nature and in accordance with the notification issued by central government in consultation with National financial reporting authority, the company has elected to apply the practical expedient available of not considering the rent waiver as a lease modification as envisaged in the standard, Accordingly the company has recognised 31<sup>st</sup> March 2022 ₹ 485.28 lacs. As per amendment to the said notification, the company has considered the rent concession of ₹ 23.44 lacs till June, 2022 in the above standalone financials statement for the year ended 31<sup>st</sup> March 2023.

## 31 Cost of material consumed

₹ in Lacs

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
<b>Inventory at the beginning of the year</b>	17,146.24	17,695.17
Add: Purchases	1,37,174.84	1,28,227.38
	<b>1,54,321.08</b>	<b>1,45,922.55</b>
Less: Inventory at the end of the year	(17,579.52)	(17,146.24)
<b>Cost of material consumed</b>	<b>1,36,741.56</b>	<b>1,28,776.31</b>

## 32 Purchase of stock-in-trade

₹ in Lacs

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Purchase of stock-in-trade	72,430.67	52,151.34
	<b>72,430.67</b>	<b>52,151.34</b>

# Notes to the Standalone Financial Statements

for the year ended 31 March 2023

## 33 Changes in inventories of finished goods and stock-in-trade

₹ in Lacs

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Opening inventory		
- Finished goods	60,822.28	49,225.09
- Stock-in-trade	42,582.78	32,629.04
	<b>1,03,405.06</b>	<b>81,854.13</b>
Closing inventory		
- Finished goods	51,127.45	60,822.28
- Stock-in-trade	53,532.36	42,582.78
	<b>1,04,659.81</b>	<b>1,03,405.07</b>
<b>Decrease in stock</b>	<b>(1,254.75)</b>	<b>(21,550.94)</b>

## 34 Employee benefits expenses

₹ in Lacs

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Salaries, wages and bonus	6,445.69	5,770.63
Contribution to provident and other funds (refer note 39.5(a))		
- Provident fund	245.37	213.97
- Other fund	20.00	20.38
Gratuity expenses (refer note 39.5 (b))	132.80	180.83
Compensated absences (refer 39.5 ( c ))	52.47	40.00
Staff welfare expenses	164.32	124.39
	<b>7,060.65</b>	<b>6,350.20</b>

## 35 Finance costs

₹ in Lacs

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Interest expenses	3,168.42	2,450.09
Other borrowing costs (BG and limit renewal charges)	195.00	382.05
Interest expense on lease liability	958.79	727.76
Interest on Late Payments	156.04	-
	<b>4,478.25</b>	<b>3,559.90</b>

# Notes to the Standalone Financial Statements

for the year ended 31 March 2023

## 36 Depreciation and amortisation expenses

₹ in Lacs

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Depreciation on property, plant and equipment (refer note 3)	667.38	663.20
Depreciation on right to use assets (refer note 4)	1,665.23	1,470.87
Amortisation on intangible assets (refer note 6)	70.83	73.17
Depreciation on investment property (refer note 5)	18.25	18.26
	<b>2,421.69</b>	<b>2,225.50</b>

## 37 Other expenses

₹ in Lacs

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Power and fuel	318.11	240.27
Water charges	27.18	8.57
Boxes and packing material	124.58	154.53
Repairs and maintenance		
- Plant & machinery	91.94	107.84
- Others	161.55	117.09
Jobwork charges	86.03	82.28
Rent (refer note 4)	507.84	292.58
Advertisement and sales promotion	4,362.13	3,306.67
Freight and forwarding charges	135.72	97.72
Commission and service charges	2.35	4.09
Insurance	55.50	56.27
Travelling and conveyance expenses	152.70	70.76
Rates and taxes	66.42	96.00
Legal and professional fees	572.84	425.27
Postage, telegrams and telephone charges	25.21	25.99
Payment to auditors:		
- Statutory audit	39.45	34.50
- Certification charges	15.50	15.50
- Out of pocket expenses	-	-
Security charges	202.24	193.06
Loss on sale of PPE	3.13	8.92
Asset written off	86.48	2.97
Bank charges	782.90	525.43
Bad debts	26.45	
(Less) Provision for Expected Credit Loss Reversed	(26.45)	-
Contribution towards Corporate Social Responsibility (refer note 39.2)	78.64	79.07
Directors sitting fees	6.90	6.00
Commission to directors	35.00	30.00
Miscellaneous expenses	154.64	160.55
	<b>8,094.98</b>	<b>6,141.94</b>



# Notes to the Standalone Financial Statements

for the year ended 31 March 2023

## 38 Income tax expense

₹ in Lacs

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
<b>The major components of income tax expenses for the year ended 31 March 2023 and 31 March 2022 are:</b>		
<b>(i) Amounts recognised in profit and loss</b>		
<b>Current income tax</b>	<b>1,304.00</b>	<b>517.00</b>
<b>Deferred income tax liability / (asset)</b>		
Origination and reversal of temporary differences	-118.83	59.46
<b>Deferred tax expenses / (income)</b>	<b>-118.83</b>	<b>59.46</b>
<b>Tax expense for the year</b>	<b>1,185.17</b>	<b>576.46</b>
<b>(ii) Amounts recognised in other comprehensive income</b>		
<b>Items that will not be reclassified to profit &amp; loss</b>		
Remeasurements of defined benefit plans	23.46	-28.80
<b>(iii) Reconciliation of effective tax rate</b>		
Profit before tax	5,152.58	2,287.58
Company's domestic tax rate	25.168%	25.168%
<b>Tax using the company's domestic tax rate</b>	<b>1,296.80</b>	<b>575.74</b>
<b>Tax effect of:</b>		
Expense not allowed for tax purpose	993.70	20.42
Expense allowed for tax purpose	(1,105.33)	(21.70)
	<b>1,185.17</b>	<b>576.46</b>
Current tax	1,304.00	517.00
Deferred tax	-118.83	59.46
<b>Total tax</b>	<b>1,185.17</b>	<b>576.46</b>

## 39 Notes to Accounts

### 39.1 Earning Per Share (EPS)

₹ in Lacs

Particulars	31 March 2023	31 March 2022
Profit after taxation (₹ in lacs)	3,967.41	1,711.12
Weighted Average Number of Equity Shares	6,67,30,620	6,67,30,620
Basic earnings per share (₹)	5.95	2.56
Diluted earnings per share (₹)	5.95	2.56

# Notes to the Standalone Financial Statements

for the year ended 31 March 2023

## 39.2 Corporate social responsibility (CSR)

- (a) CSR amount required to be spent as per Section 135 of the Companies Act, 2013 read with Schedule VII thereof by the Company during the year is ₹ 78.64 lacs (Previous Year ₹ 79.07 lacs).
- (b) Expenditure related to Corporate Social Responsibility is ₹ 78.64 lacs (Previous Year ₹ 79.07 lacs).

Particulars	₹ in Lacs	
	31 March 2023	31 March 2022
Health (including COVID - 19)	0.33	5.50
Education	55.96	48.98
Gender Equality and Empowering Women	22.35	24.59
<b>Total</b>	<b>78.64</b>	<b>79.07</b>

## 39.3 Contingent liabilities and commitments

### (i) Contingent Liabilities

Claims against the Company not acknowledged as debts

Particulars	₹ in Lacs	
	31 March 2023	31 March 2022
a) Bank Guarantees given	7,306.44	9,255.00
b) Other matters for which the Company is contingently liable		
i) Sales tax matters	402.58	417.48
ii) Local body tax matters	31.53	31.53
iii) Custom duty matters	25.00	25.00

The contingent liabilities, if materialised, shall entirely be borne by the Company, as there is no likely reimbursement from any other party.

The Company's pending litigations comprises of claims against the Company primarily for shortfall of Forms F and disallowance of input credit, with Sales, VAT tax, GST and other authorities. The Company has reviewed all its pending litigations and proceedings, and has adequately provided for where provisions are required and disclosed the contingent liabilities, where applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a materially adverse effect on its financial results.

The Company has a process whereby periodically all long-term contracts are assessed for material foreseeable losses. At the year end, the Company has reviewed and ensured that adequate provision as required under any law/ accounting standards for material foreseeable losses on such long-term contracts has been made in the books of account.

### (ii) Commitments

Estimated amount of Contracts remaining to be executed on capital account and not provided for (net of advances) as at 31 March 2023 is ₹ 48.42 lacs (31 March 2022: NIL).

# Notes to the Standalone Financial Statements

for the year ended 31 March 2023

## 39.4 Dues to Micro, Small and Medium Enterprises

On the basis of the information and records available with management, the following disclosures are made for the amounts due to Micro, Small and Medium enterprises who have registered with the Competent authorities.

Particulars	₹ in Lacs	
	31 March 2023	31 March 2022
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year:		
Principal amount remaining unpaid	2,190.08	4,083.58
Interest due and unpaid interest	116.69	28.78
The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
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 Micro, Small and Medium Enterprises Development Act, 2006;	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year; and	116.69	28.78
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

Note : 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.

## 39.5 Gratuity and Other Post-employment benefit plans

### (a) Defined contribution plans

The Company makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards Provident Fund and Employees State Insurance, which are defined contribution plans. The Company has no obligations other than to make the specified contributions. The contributions are charged to the Statement of Profit and Loss as they accrue. The amount recognised as an expense towards contribution to Provident Fund and other funds for the year aggregated to ₹ 265.37 Lacs (31 March 2022: ₹ 234.35 Lacs) which is shown under notes to financial statements 35 – 'Employee benefits'.

### (b) Defined benefit plans

The Company operates gratuity plan through a Trust wherein every employee is entitled to the benefit equivalent to fifteen days salary last drawn for each completed year of service. The same is payable on termination of service or retirement, whichever is earlier. The benefit vests after five years of continuous service. In case of some employees, the Company's scheme is more favourable as compared to the obligation under Payment of Gratuity Act, 1972. The gratuity plan is funded. The Company contributes to the Fund based on the actuarial valuation report. The Company has contributed to the Insurer Managed Fund. The following tables summarise the components of net benefit expense recognised in the Statement of Profit and Loss, and the funded status and amounts recognised in the Balance Sheet for the respective plans:

# Notes to the Standalone Financial Statements

for the year ended 31 March 2023

₹ in Lacs

Particulars	Gratuity (funded)	
	31 March 2023	31 March 2022
<b>I Change in Benefit Obligation</b>		
<b>Liability at the beginning of the year</b>	1,341.11	1,350.54
Interest cost	90.65	91.77
Current service cost	124.27	131.23
Benefit paid	(123.26)	(76.79)
Actuarial (gain) / loss on obligations	42.92	(155.64)
<b>Liability at the end of the year</b>	<b>1475.69</b>	<b>1341.11</b>
<b>Bifurcation of Present value of obligation at the end of the year</b>		
Current liabilities (Short term)	263.55	198.50
Non-Current liabilities (Long term)	1,212.15	1,142.62
<b>Present value of obligation</b>	<b>1,475.70</b>	<b>1,341.11</b>
<b>II Amount recognised in the Balance Sheet</b>		
Liability at the end of the year	1,475.69	1,341.11
Fair value of plan assets at the end of the year	(542.23)	(553.66)
<b>Amount recognised in the Balance Sheet</b>	<b>933.46</b>	<b>787.45</b>
Current provisions	263.55	198.50
Non-current provisions	669.92	588.96
	<b>933.47</b>	<b>787.46</b>
<b>III Expenses recognised in the Statement of Profit and Loss</b>		
Current service cost	124.27	131.23
Interest cost	90.65	91.77
Investment Income	(82.12)	(42.17)
Net actuarial (gain) / loss to be recognised	-	-
Gratuity paid	-	-
Adjustment to opening balance of plan assets	-	-
Expense recognised in Statement of Profit and Loss	132.80	180.83
<b>IV Expenses recognised in the Other Comprehensive Income</b>		
Change in demographic assumptions		
<b>Actuarial (Gains) / Losses</b>		
- Change in demographic assumptions	2.22	(5.42)
- Change in Financial assumptions	21.61	(96.79)
- Experience variance	19.08	(53.43)
Return on plan assets	50.30	41.19
<b>Expense recognised in the Other Comprehensive Income</b>	<b>93.21</b>	<b>(114.44)</b>
<b>V Balance Sheet Reconciliation</b>		
Opening net liability	787.46	729.96
Expense recognized in the Statement of Profit and Loss	132.80	180.83
Expense recognized in the Statement of OCI	93.21	(114.44)
Gratuity paid	-	-
Contribution Paid	(80.00)	(8.90)
<b>Amount recognised in Balance Sheet</b>	<b>933.47</b>	<b>787.46</b>

# Notes to the Standalone Financial Statements

for the year ended 31 March 2023

₹ in Lacs

Particulars	Gratuity (funded)	
	31 March 2023	31 March 2022
<b>VI Composition of plan assets</b>		
Qualifying insurance policies*	542.23	553.66
A split of plan asset between various asset classes is as below:		
<b>Unquoted other debt instruments</b>	<b>542.23</b>	<b>553.66</b>
<b>VII Movement in fair value of plan assets</b>		
Fair value of plan assets at the beginning of the year	553.67	620.58
Contributions paid into the plan	80.00	8.90
Benefits paid by the plan	(123.26)	(76.79)
Investment Income	82.12	42.17
Actuarial (losses) / gains	(50.30)	(41.19)
<b>Fair value of plan assets at the end of the year</b>	<b>542.23</b>	<b>553.67</b>
<b>VIII Principal actuarial assumptions</b>		
Discount rate per annum	7.15%	7.30%
Expected rate of return on plan Assets	7.00%	7.75%
Salary escalation rate per annum	7.00%	7.00%
Mortality	Indian Assured lives Mortality (2012-14) Ultimate	Indian Assured lives Mortality (2012-14) Ultimate
Employee Turnover rate	2.00% - 36.00%	0.00% - 19.00%
<b>IX The principal actuarial risks to which the Company is exposed are investment risk, interest rate risk, salary risk and longevity risk.</b>		
Investment risk	The probability or likelihood of occurrence of losses relative to the expected return on any particular investment.	
Interest risk	The plan exposes the Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability.	
Longevity risk	The Company has used certain mortality and attrition assumptions in the valuation of the liability. The Company is exposed to the risk of actual experience turning out to be worse compared to the assumption.	
Salary Risk	The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.	

# Notes to the Standalone Financial Statements

for the year ended 31 March 2023

## IX Sensitivity Analysis

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and mortality. The sensitivity analysis below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The results of sensitivity analysis is given below:

₹ in Lacs

Particulars	31 March 2023	31 March 2022
Defined Benefit Obligation (Base)	1,475.69	1,341.11

Particulars	31 March 2023		31 March 2022	
	Decrease	Increase	Decrease	Increase
Discount Rate (- / + 1%)	1,634.54	1,341.17	1,548.10	1,171.23
(% change compared to base due to sensitivity)	10.76 %	(9.12)%	15.40%	(-12.70%)
Salary Growth Rate (- / + 1%)	1,339.83	1,633.18	1,169.34	1,546.62
(% change compared to base due to sensitivity)	(9.21)%	10.67 %	(-12.80%)	15.30%
Attrition Rate (- / + 50% of attrition rates)	1,475.64	1,475.77	1,343.61	1,338.84
(% change compared to base due to sensitivity)	(0.00)%	0.00 %	0.20%	(-0.20%)
Mortality Rate (- / + 10% of mortality rates)	1,475.08	1,476.28	1,340.84	1,341.39
(% change compared to base due to sensitivity)	(0.04)%	0.04 %	0.00%	0.00%

	31 March 2023	31 March 2022
X Maturity Profile of Defined Benefit Obligation		
Weighted average duration (based on discounted cashflows)	15 years	15 years
Expected cash flows over the next (valued on undiscounted basis):		
1 year	263.55	198.50
2 to 5 years	292.28	150.66
6 to 10 years	418.00	197.27
More than 10 years	2619.65	4,029.72

# Notes to the Standalone Financial Statements

for the year ended 31 March 2023

The Company expects to pay ₹ 263.55 lac (31 March 2023 ₹ 906.48 lacs) to the fund in the year ending 31 March 2024.

\*The Company has maintained funds with Life Insurance Corporation of India and HDFC Life. The details of major category of plan assets held by the insurance companies is not available and hence the disclosure thereof is not made. The expected long-term rate of return on plan assets is based exclusively on the historical returns, without adjustments.

Estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

## c) Other long-term employee benefits

Compensated absences

The liability towards compensated absences (annual and sick leave) for the year ended 31 March 2023 based on actuarial valuation carried out by using Projected unit credit method resulted in a charged of ₹ 52.47 Lacs (31 March 2022: ₹ 40.00 Lacs).

### Annual and sick leave assumptions

	31 March 2023	31 March 2022
Discount rate per annum	7.15%	7.30%
Salary escalation rate per annum	7.00%	7.00%
Mortality	Indian Assured lives Mortality (2012-14) Ultimate	Indian Assured lives Mortality (2012-14) Ultimate
Employee turnover rate	2.00% - 36.00%	0.00% - 19.00%

## 39.6 Long-term contracts

The Company has a process whereby periodically all long term contracts (including derivative contracts) are assessed for material foreseeable losses. At the year end, the Company has reviewed and determined that there are no long term contracts (including derivative contracts) which require provision under any law / accounting standards for material foreseeable losses.

## 39.7 Information on related party transactions as required by the Indian Accounting Standard (IND AS) - 24 for the year ended 31 March 2023

### I. Name of related parties

#### Key Managerial Personnel

- 1 Shrikant Zaveri, Chairman and Managing Director
- 2 Binaisha Zaveri, Whole Time Director
- 3 Raashi Zaveri, Whole Time Director
- 4 Saurav Banerjee, Chief Financial Officer till 13<sup>th</sup> May, 2022
- 5 Mukesh Sharma, Chief Financial Officer from 16<sup>th</sup> May, 2022
- 6 Niraj Oza, Company Secretary

#### Relative of Key Managerial Personnel

- 1 Kunal S Vaishnav

#### Entities over which Key Managerial personnel and/or their relatives exercise significant influence

- 1 TBZ Limited Employees Gratuity Trust

#### Subsidiary

- 1 Tribhovandas Bhimji Zaveri (Bombay) Limited

# Notes to the Standalone Financial Statements

for the year ended 31 March 2023

## Transactions during the year and balances as at year end with related parties:

₹ in Lacs

Nature of transaction	Key Managerial Personnel	Relative of Key Managerial Personnel	Entities over which Key Managerial personnel and/or their relatives exercise significant influence	Subsidiary
<b>Transaction during the year</b>				
Making and melting charges paid (net of GST)	-	-	-	1,907.42
	-	-	-	(1,935.39)
Remuneration paid				
		-	-	-
- Mr. Shrikant Zaveri	240.00	-	-	-
	(240.00)	-	-	-
- Ms. Binaisha Zaveri	240.00	-	-	-
	(240.00)	-	-	-
- Ms. Raashi Zaveri	240.00	-	-	-
	(240.00)	-	-	-
- Mr. Saurav Banerjee*	61.18	-	-	-
	(118.36)	-	-	-
- Mr. Mukesh Sharma*	94.51			
	-			
- Mr. Niraj Oza*	39.57	-	-	-
	(39.14)	-	-	-
Dividend Paid				
- Mr. Shrikant Zaveri	334.02			
	(835.06)			
- Ms. Binaisha Zaveri	52.85			
	(132.13)			
- Ms. Raashi Zaveri	45.73			
	(114.31)			
Sale of goods				
- Mr. Kunal Vaishnav	-	0.83	-	-
	-	(0.51)	-	-
- Ms. Raashi Zaveri	1.33	-	-	-
	-	-	-	-
- Mr. Saurav Banerjee	-	-	-	-
	(3.36)	-	-	-
- Mr. Mukesh Sharma	1.37	-	-	-
	-	-	-	-
- Mr. Niraj Oza	0.36	-	-	-
	(0.18)	-	-	-
Gratuity trust fund	-	-	80.00	-
	-	-	(8.90)	-
Rent received (net of GST)	-	-	-	67.77
	-	-	-	(66.00)



# Notes to the Standalone Financial Statements

for the year ended 31 March 2023

Nature of transaction	Key Managerial Personnel	Relative of Key Managerial Personnel	Entities over which Key Managerial personnel and/or their relatives exercise significant influence	Subsidiary
Reimbursement of expenses	-	-	-	5.35
	-	-	-	(3.67)
Rent paid (net of GST) - Mr. Shrikant Zaveri	269.54	-	-	-
	(261.53)	-	-	-
Rent paid	-	-	-	2.32
	-	-	-	-
Legal fees paid - Mr Kunal Vaishnav	-	10.70	-	-
	-	(10.35)	-	-
Deposit given	-	-	-	3.09
	-	-	-	-
Share application money of Non-cumulative optionally convertible preference share	-	-	-	-
	-	-	-	(993.96)
Non-cumulative optionally convertible preference shares	-	-	-	993.96
	-	-	-	-
<b>Balance as at 31 March 2023</b>				
Security deposits receivable				
- Mr. Shrikant Zaveri	128.36	-	-	3.09
	(128.36)	-	-	-
Deposit payable	-	-	-	15.80
	-	-	-	(20.15)
Inventory held with 3 <sup>rd</sup> Party	-	-	-	-
	-	-	-	(126.50)
Trade payable	-	-	-	291.64
	-	-	-	(380.64)
Investment	-	-	-	1,196.29
- Equity instruments	-	-	-	202.33
	-	-	-	(202.33)
- Share application money of Non-cumulative optionally convertible preference share	-	-	-	-
	-	-	-	(993.96)
- Non-cumulative optionally convertible preference shares	-	-	-	993.96
	-	-	-	-

## Notes:

- 1) No amount in respect of the related parties have been written off / back during the year.
- 2) ESIC is not applicable to KMPs and Provident Fund is opted only by the Company Secretary.
- 3) The borrowing is secured by personal guarantee of the Chairman & Managing Director and Executive Directors of the Company (refer note 23).
- 4) Amounts pertaining to year ended 31 March 2022 are in brackets.
- 5) \*Excludes provision for gratuity which is determined on the basis of actuarial valuation done on overall basis for the Company

# Notes to the Standalone Financial Statements

for the year ended 31 March 2023

## 39.8 Dividend on Equity Shares

₹ in Lacs

Particular	31 March 2023	31 March 2022
Dividend on equity shares paid during the year	667.31	1,668.27
Proposed dividend on equity shares recognised as liability	-	-
Proposed dividend on equity shares not recognised as liability	-	-
Final dividend of ₹ 1.75/- per share	667.31	1,668.27

The Board of Directors has recommended a dividend @ ₹ 1.75 /- per equity share (17.5%) of face value of ₹ 10 per share for financial year 2022-23.

## 39.9 Segment reporting

- (i) The Company's business activity falls within a single primary business segment of "Jewellery" and one reportable geographical segment which is "within India". Accordingly, the company is a single segment company in accordance with Indian Accounting Standard 108 "Operating Segment".
- (ii) Geographical information
- a. The Company is domiciled in India. The amount of its revenue from external customers broken down by location of customers is stated below:

₹ in Lacs

Geography	Year Ended 31 March 2023	Year Ended 31 March 2022
India	2,39,362.59	1,84,383.95
Outside India	-	-
<b>Total</b>	<b>2,39,362.59</b>	<b>1,84,383.95</b>

- b. Information regarding geographical non-current assets\* is as follows:

₹ in Lacs

Geography	Year Ended 31 March 2023	Year Ended 31 March 2022
India	15,793.40	14,955.30
Outside India	-	-
<b>Total</b>	<b>15,793.40</b>	<b>14,955.30</b>

\* Non-current assets exclude non-current financial assets, non-current tax assets (net) and deferred tax.

- c. Information about major customers:

No single customer contributed 10% or more to the Company's revenue during the years ended 31<sup>st</sup> March, 2023 and 31<sup>st</sup> March, 2022.

## 39.10 Disclosure pursuant to change with SEBI (Listing obligation and disclosure requirement, 2015) and section 186 of the Companies Act, 2013

No loans have been given by the Company to any third party or its subsidiary companies.

The details of investment in subsidiary companies are given in Note 7.

# Notes to the Standalone Financial Statements

for the year ended 31 March 2023

## 39.11 Fair value hedge of gold price risk in inventory

The Company enters into contracts for purchase of gold wherein the Company has the option to fix the purchase price based on market price of gold during a stipulated time period. The prices are linked to gold prices. Accordingly, these contracts are considered to have an embedded derivative (represented in the said option to fix the price) that is required to be separated from the host contract which is the gold loan liability. Such feature is kept to hedge against exposure in the value of inventory of gold due to volatility in gold prices. The Company designates the embedded derivative in the payable for such purchases as the hedging instrument in fair value hedging of inventory. The Company designates only the spot-to-spot movement of the gold inventory as the hedged risk. The carrying value of inventory which are designated under fair value hedge relationship are measured at fair value at each reporting date. There is no ineffectiveness in the relationships designated by the Company for hedge accounting.

Disclosure of effects of fair value hedge accounting on financial position:

Hedged item - Changes in fair value of inventory attributable to change in gold prices

Hedging instrument - Changes in fair value of the option to fix prices of gold purchases, as described above

### As at 31 March 2023

₹ in Lacs

Commodity price risk	Carrying amount of hedged item		Carrying amount of hedging instrument		Notional value of hedge item	Notional value of hedging instrument	Maturity date	Balance sheet classification	Impact of change in fair value relating to the hedged risk (spot)
	Assets	Liabilities	Assets	Liabilities					
Hedged item - Inventory of gold	21,953.04	-	NA	NA	21,953.04	NA	Range - with in 6 months	Inventory	2,699.14
Hedging instrument - Option to fix gold price	NA	NA	-	2,699.14	NA	2,699.14	Range - with in 6 months	Current borrowing	2,699.14

### As at 31 March 2022

₹ in Lacs

Commodity price risk	Carrying amount of hedged item		Carrying amount of hedging instrument		Notional value of hedge item	Notional value of hedging instrument	Maturity date	Balance sheet classification	Impact of change in fair value relating to the hedged risk (spot)
	Assets	Liabilities	Assets	Liabilities					
Hedged item - Inventory of gold	25,092.90	-	NA	NA	25,092.90	NA	Range - with in 6 months	Inventory	1,630.46
Hedging instrument - Option to fix gold price	NA	NA	-	1,630.46	NA	1,630.46	Range - with in 6 months	Current borrowing	1,630.46

# Notes to the Standalone Financial Statements

for the year ended 31 March 2023

## 39.12 Capital management

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors the return on capital as well as the level of dividends to ordinary shareholders.

The board of directors seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position. The primary objective of the Company's Capital Management is to maximise shareholder value. The Company manages its capital structure and makes adjustments in the light of changes in the economic environment and the requirements of the financial covenants, if any.

The Company monitors capital using a ratio of 'adjusted net debt' to 'equity'. For this purpose, adjusted net debt is defined as total borrowings, comprising interest-bearing loans and borrowings less cash and cash equivalents. Equity comprises all components of equity.

The company's adjusted net debt to equity ratio was as follows.

Particular	₹ in Lacs	
	31 March 2023	31 March 2022
Total borrowings	48,665.39	50,901.17
Less: Cash and cash equivalent	789.15	812.34
<b>Adjusted net debt</b>	<b>47,876.24</b>	<b>50,088.83</b>
Total equity	56,727.17	53,496.82
<b>Adjusted net debt to equity ratio</b>	<b>0.84</b>	<b>0.94</b>

## 39.13 Financial Instruments - Fair values and risk management

### 39.13.1 Financial Instruments - Fair values

#### Accounting classification and fair values

Carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy, are presented below.

- a) The fair value of financial instruments have been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to unobservable inputs (Level 3 measurements)

The categories used are as follows:

- Level 1: Quoted prices for identical instruments in an active market;
- Level 2: Directly or indirectly observable market inputs, other than Level 1 inputs; and
- Level 3: Inputs which are not based on observable market data.

# Notes to the Standalone Financial Statements

for the year ended 31 March 2023

₹ in Lacs

31 March 2023	Carrying amount		Fair value			Total
	FVOCI	Amortised cost	Level 1	Level 2	Level 3	
<b>Non-current financial assets</b>						
Other financial assets	-	494.29	-	-	-	-
<b>Current financial assets</b>						
Trade receivables	-	160.05	-	-	-	-
Cash and cash equivalents	-	789.15	-	-	-	-
Bank balances other than above	-	3,757.62	-	-	-	-
Others financial assets	-	246.51	-	-	-	-
<b>Non-current financial liabilities</b>						
Borrowings	-	57.41	57.41	-	-	57.41
Lease liability	-	6,762.59	-	-	-	-
<b>Current financial liabilities</b>						
Borrowings	-	48,607.98	48,607.98	-	-	48,607.98
Lease liability	-	2,115.42	-	-	-	-
Trade payables	-	20,823.58	-	-	-	-
Others financial liabilities	-	886.15	-	-	-	-
<b>Assets for which fair values are disclosed</b>						
Investment property (refer Note 4):						
Factory	-	1,774.40	-	-	2,938.81	2,938.81

₹ in Lacs

31 March 2022	Carrying amount		Fair value			Total
	FVOCI	Amortised cost	Level 1	Level 2	Level 3	
<b>Non-current financial assets</b>						
Other financial assets	-	461.01	-	-	-	-
<b>Current financial assets</b>						
Trade receivables	-	161.29	-	-	-	-
Cash and cash equivalents	-	812.34	-	-	-	-
Bank balances other than above	-	3,719.54	-	-	-	-
Others financial assets	-	332.42	-	-	-	-
<b>Non-current financial liabilities</b>						
Borrowings	-	9.30	9.30	-	-	9.30
Lease Liability	-	6,070.39	-	-	-	-
<b>Current financial liabilities</b>						
Borrowings	-	50,891.87	50,891.87	-	-	50,891.87
Lease Liability	-	1,817.56	-	-	-	-
Trade payables	-	20,214.49	-	-	-	-
Other financial liabilities	-	787.40	-	-	-	-
<b>Assets for which fair values are disclosed</b>						
Investment property (refer Note 4):						
Factory	-	1,792.64	-	-	2,861.57	2,861.57

# Notes to the Standalone Financial Statements

for the year ended 31 March 2023

## 39.13.2 Financial risk management

The company's principal financial liabilities, other than derivatives, comprise loans and borrowings, trade and other payable. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include trade and other receivables and cash and cash equivalents that derive directly from its operations.

The company is exposed to market risk, credit risk and liquidity risk. The company's senior management oversees the management of these risks. It is the Company's policy that no trading in derivatives for speculative purposes may be undertaken. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

### A Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's exposures to trade receivables (mainly institutional customers and credit sales), deposits with landlords for store properties taken on leases and other receivables including balances with banks.

#### Trade receivables and other deposits

The Company's retail business is predominantly on 'cash and carry' basis which is largely through cash and credit card collections. The credit risk on such credit card collections is minimal, since they are primarily owned by customers' card issuing banks. The Company has adopted a policy of dealing with only credit worth counterparties in case of institutional customers and credit sales and the credit risk exposure for institutional customers and credit sales are managed by the Company by credit worthiness checks. The Company also carries credit risk on lease deposits with landlords for store properties taken on leases, for which agreements are signed and property possessions timely taken for store operations. The risk relating to refunds of deposits after store shut down is managed through successful negotiations or appropriate legal actions, where necessary.

#### Other financial assets

The Company maintains exposure in cash and cash equivalents and term deposits with banks. The Cash and cash equivalents and term deposits are held with the banks with good credit ratings.

The Company's maximum exposure to credit risk as at 31<sup>st</sup> March 2023 and 31<sup>st</sup> March 2022 is the carrying value of each class of financial assets.

### B Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company maintained a cautious liquidity strategy, with a positive cash balance throughout the year ended 31 March, 2023 and 31 March, 2022. Cash flow from operating activities provides the funds to service the financial liabilities on a day-to-day basis.

The Company regularly monitors the rolling forecasts to ensure it has sufficient cash on an on-going basis to meet operational needs. Any short term surplus cash generated, over and above the amount required for working capital management and other operational requirements, is retained as cash and cash equivalents (to the extent required) and any excess is invested in interest bearing term deposits with appropriate maturities to optimise the cash returns on investments while ensuring sufficient liquidity to meet its liabilities.

# Notes to the Standalone Financial Statements

for the year ended 31 March 2023

## Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments:

₹ in Lacs

31 March 2023	Less than 1 year	More than 1 year but less than 5 years	More than 5 years	TOTAL	Carrying amount
<b>Non current financial liabilities</b>					
<u>Borrowings</u>					
Secured Term loans from banks	-	57.41	-	57.41	57.41
Lease Liability	-	6,931.98	3,009.57	9,941.55	6,762.59
<b>Current financial liabilities</b>					
<u>Borrowings</u>					
Working capital demand loan from banks	14,468.60	-	-	14,468.60	14,468.60
Cash credit from banks	12,161.20	-	-	12,161.20	12,161.20
Gold loan	21,953.04	-	-	21,953.04	21,953.04
Bill Discounting	-	-	-	-	-
Current maturity of long term borrowing	25.14	-	-	25.14	25.14
Lease Liability	2,196.65	-	-	2,196.65	2,115.42
Trade payables	20,823.58	-	-	20,823.58	20,823.58
Other current financial liabilities	886.15	-	-	886.15	886.15

₹ in Lacs

31 March 2022	Less than 1 year	More than 1 year but less than 5 years	More than 5 years	TOTAL	Carrying amount
<b>Non current financial liabilities</b>					
<u>Borrowings</u>					
Secured Term loans from banks	-	9.30	-	9.30	9.30
Lease Liability	-	3,395.93	2,674.46	6,070.39	6,070.39
<b>Current financial liabilities</b>					
<u>Borrowings</u>					
Working capital demand loan from banks	16,433.70	-	-	16,433.70	16,433.70
Gold loan	25,092.90	-	-	25,092.90	25,092.90
Cash credit from banks	8,791.87	-	-	8,791.87	8,791.87
Bill Discounting	349.90	-	-	349.90	349.90
Current maturity of long term borrowing	223.50	-	-	223.50	223.50
Lease Liability	1,817.56	-	-	1,817.56	1,817.56
Trade payables	20,214.49	-	-	20,214.49	20,214.49
Other current financial liabilities	787.40	-	-	787.40	787.40

As of 31 March 2023 and 31 March 2022 the Company had unutilized credit limits from banks of ₹ 14,560.79 lacs and ₹ 15,012.88 lacs.

# Notes to the Standalone Financial Statements

for the year ended 31 March 2023

## C Market risk

### i. Market risk

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

### ii. Interest rate risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing financial assets or borrowings because of fluctuations in the interest rates, if such assets/borrowings are measured at fair value through profit or loss. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing borrowings will fluctuate because of fluctuations in the interest rates.

#### Exposure to interest rate risk

The interest rate profile of the Company's interest-bearing financial instruments as reported to the management of the Company is as follows.

₹ in Lacs

	Nominal amount	
	31 March 2023	31 March 2022
<b>Fixed-rate instruments</b>		
<b>Financial assets</b>		
Deposits with banks	3,749.03	3,710.75
<b>Financial liabilities</b>		
Secured term loans from banks	82.55	146.80
Working capital demand loans from banks	14,468.60	16,519.70
Bill Discounting	-	349.90
<b>Floating-rate instruments</b>		
<b>Financial liabilities</b>		
Cash credit from banks	12,161.20	8,791.87
Gold loan	21,953.04	25,092.90

The Company's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

#### Sensitivity

The sensitivity to profit and loss in case of a reasonable possible change in interest rate of +/- 80 basis points (previous year +/- 80 basis points), keeping all other variables constant, would have resulted in an impact on profits by ₹ 369.49 Lacs (previous year ₹ 324.26 Lacs)

### iii. Price risk

#### Exposure from Borrowings:

The Company's exposure to price risk also arises from borrowings of the Company that are at unfixed prices, and therefore, payment is sensitive to changes in gold price. The option to fix gold prices are classified in the



# Notes to the Standalone Financial Statements

for the year ended 31 March 2023

balance sheet as fair value through profit or loss. The option to fix gold prices are at unfixed prices to hedge against potential losses in value of inventory of gold held by the Company.

The Company applies fair value hedge for the gold purchased whose price is to be fixed in future. Therefore, there will no impact of the fluctuation in the price of the gold on the Company's profit for the period.

## 39.14 Ratio Analysis and its components

Sr No.	Particulars	31 March 2023	31 March 2022	% Change
1	Current ratio	1.55	1.49	3.80%
2	Debt- Equity Ratio	0.86	0.95	(9.84%)
3	Debt Service Coverage Ratio#	1.59	0.98	61.82%
4	Return on Equity Ratio##	7.20%	3.20%	124.80%
5	Inventory Turnover Ratio	1.97	1.68	17.67%
6	Trade Receivable Turnover Ratio \$	1,489.80	735.84	102.46%
7	Trade Payable Turnover Ratio	10.19	10.57	(3.58%)
8	Net Capital Turnover Ratio	5.21	4.35	19.69%
9	Net Profit Ratio ##	1.66%	0.93%	78.61%
10	Return on Capital Employed %	9.14%	5.60%	63.15%
11	Return on Investment	3.04%	2.98%	1.75%

# Due to increase in profitability in current year.

## Due to increase in net profit after tax in the current year

\$ Due to increase in revenue from operations and decrease in debtors in the current year

% Due to increase in Profit Before Interest & Tax

## Components of Ratio

₹ in Lacs

Sr No.	Ratios	Numerator	Denominator
1	Current ratio	Current Assets	Current Liabilities
2	Debt- Equity Ratio	Total Debts	Total Equity (Equity Share capital + Other equity)
3	Debt Service Coverage Ratio	Earnings available for debt service (Net profit after tax expense + depreciation & amortization + Finance cost + Non cash operating items + other adjustment)	Finance cost & lease payment + principle repayment of long term borrowings during the year
4	Return on Equity Ratio	Net profit after tax	Average Total Equity [(Opening Equity Share capital + Opening Other equity + Closing Equity Share Capital + Closing Other Equity)/2]
5	Inventory Turnover Ratio	Revenue from sales of products	Average Inventory (opening balance + closing balance)/2

# Notes to the Standalone Financial Statements

for the year ended 31 March 2023

₹ in Lacs

Sr No.	Ratios	Numerator	Denominator
6	Trade Receivable Turnover Ratio	Revenue from operations	Average trade receivable (Opening balance + closing balance) / 2
7	Trade Payable Turnover Ratio	Cost of materials consumed + Purchase of Stock-in-Trade	Average trade payable (Opening balance + closing balance) / 2
8	Net Capital Turnover Ratio	Revenue from operations	Working capital (Current asset - current liabilities)
9	Net Profit Ratio	Net profit after tax	Revenue from operations
10	Return on Capital Employed	Profit Before interest & Tax	Total Equity + Total Debts
11	Return on Investment	Interest Income on fixed deposits + Profit on sale of investments + Income of investment - impairment on value of investment	Current investments + Non current investments + Fixed deposits with bank

## 39.15 Events after the reporting period

The Company has evaluated subsequent events from the balance sheet date through 24 May 2023, the date at which the financial statement were available to be issued, and determine that there are no material items to disclose other than those disclosed.

## 39.16 Other Statutory information

- (a) The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
  - (i) 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
  - (ii) Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (b) The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
  - (i) 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
  - (ii) Provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (c) The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

## 39.17 Relationship with Struck off companies

There are no balance outstanding on account of any transaction with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

**39.18** The Company has not traded or invested in crypto currency or virtual currency during the financial year.

**39.19** The Company has not been declared a wilful defaulter by any bank or financial institution or other lender (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India.

# Notes to the Standalone Financial Statements

for the year ended 31 March 2023

**39.20** The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.

**39.21** The figures for the previous year have been re-grouped/ re-arranged, wherever necessary, to correspond with the current period's classification/disclosure.

**39.22** The standalone financial statements were approved for issue by the Board of Directors on 24<sup>th</sup> May, 2023

As per our report of even date

For **Chaturvedi & Shah LLP**

Chartered Accountants

Firm Registration No: 101720W/W100355

**Vijay Napawaliya**

Partner

Membership No: 109859

**Shrikant Zaveri**

Chairman and Managing Director

DIN:00263725

**Mukesh Sharma**

Chief Financial Officer

For and on behalf of the Board of Directors of

**Tribhovandas Bhimji Zaveri Limited**

**Raashi Zaveri**

Whole Time Director

DIN:00713688

**Niraj Oza**

Head-Legal & Company Secretary

Membership No.:A20646

Place: Mumbai

Date: 24<sup>th</sup> May 2023

# Independent Auditor's Report

To the Members of **Tribhovandas Bhimji Zaveri Limited**

## Report on the Audit of the Consolidated Financial Statements

### OPINION

We have audited the accompanying consolidated financial statements of **Tribhovandas Bhimji Zaveri Limited** (hereinafter referred to as "the Holding Company"), its subsidiary (the Holding Company and its subsidiary 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 Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information. (herein after referred to as "consolidated financial statements")

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013, ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2023, its consolidated profit including other comprehensive income, its consolidated cash flows and the 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 (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Consolidated Financial Statements' section of our report. We are independent of the Group in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

### KEY AUDIT MATTER

Key audit matter is those matter that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the financial year ended March 31, 2023. This matter was 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 this matter. For matter below, our description of how our audit addressed the matter is provided in that context.

Key audit matter	How our audit addressed the key audit matter
<p><b>Existence and valuation of Inventories</b></p> <p>The carrying values of Inventories of the Company are ₹ 122268.30 lakh as at March 31, 2023 (Refer no. 11 of consolidated financial statements) which constitutes 82.89 % of the Group's total assets. The Group's inventories mainly comprised of gold, diamond, silver and platinum in the distribution centers and retail outlets. Valuation of Inventories is at lower of cost and net realizable value. Significant portion of Inventories costs includes gold diamond, platinum and silver which are subject to risk of changes in the market value. The assessment of net realizable value of inventories is based on estimates and judgments by the management in respect of, among others, the economic condition, sales forecast, marketability of products and the quality of gold and diamond used to make jewellery products. Furthermore, there is higher inherent risk of theft and pilferage given the high intrinsic value and portable nature of individual inventory items.</p> <p>Considering the above, we concluded that existence and valuation of inventories as a key audit matter for our audit.</p>	<p>Our audit procedures over existence and valuation of inventories included the following:</p> <ul style="list-style-type: none"> <li>• We evaluated the design, implementation and tested the operating effectiveness of key controls that the Group has in relation to safeguarding and physical verification of inventories including the appropriateness of the Group's standard operating procedures for conducting, recording and reconciling physical verification of inventories and tested the implementation thereof.</li> <li>• Participated and observed the physical verification of inventory conducted by the management at retail outlet on sample basis as at March 31, 2023.</li> <li>• We compared the net realizable values on sample basis of gold, silver and platinum inventories calculated based on the current market price with their carrying value of inventories.</li> <li>• We compared the results of independent gemological appraisal report of selected samples to the weight and purity of diamond jewellery with records in the inventories system.</li> <li>• We evaluated the independence and objectivity of the gemologist appointed by management.</li> </ul>

## **INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON**

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report but does not include the consolidated financial statements and our auditor's report thereon. The Annual report is expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the other information identified above, if we conclude that there is a material misstatement therein we are required to communicate the matter to those charged with governance.

## **RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS**

The Holding 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 accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. 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 of 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the Companies included in the Group are responsible for assessing the ability of the Group continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

That respective Board of Directors of the Companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

## **AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS**

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with 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 skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Companies Act 2013, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to consolidated financial statements 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 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.

We communicate with those charged with governance of the Holding 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 for the financial year ended March 31, 2023 and are therefore the key audit matter. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by section 143 (3) of the Act, based on our audit we report, to the extent applicable, that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;
  - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books;
  - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and 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 Accounting Standards specified under Section 133 of the Act;
  - (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2023, taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiary Company, none of the directors of the Group's Companies 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 of the Holding Company and its subsidiary Company with reference to these consolidated financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" to this report;
  - (g) In our opinion, the managerial remuneration for the year ended March 31, 2023 has been paid / provided by the Holding Company to their directors in accordance with the provisions of section 197 read with Schedule V to 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 Group has disclosed the impact of pending litigations on its financial position in its consolidated financial statements – Refer Note no. 38.8 to the consolidated financial statements;
  - ii) The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses
  - iii) There has been no delay in transferring amounts, required to be transferred, to the Investors Education and Protection Fund by of the Holding Company and its subsidiary Company incorporated in India during the year ended March 31, 2023.
  - iv) a) The respective managements of the Company and its subsidiary which are companies incorporated in India whose financial statements have been audited under the Act have represented to us that, to the best of their knowledge and belief, as disclosed in the financial statements, 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 subsidiary to or in any other person(s) or entity(ies), 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 or subsidiary ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
  - b) The respective managements of the Company and its subsidiary which are companies incorporated in India whose financial statements have been audited under the Act have represented to us that to the best of their knowledge and belief, as disclosed in the financial statements, no funds have been received by the Company or subsidiary from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company or 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 that has been considered reasonable and appropriate in the circumstances performed by us and those performed by the auditors of the subsidiary which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our notice that has caused us to believe that the representations under paragraph (2) (h) (iv) (a) and (b) above, contain any material misstatement.
  - v) The final dividend paid by the Holding Company during the year which was declared for the previous year is in accordance with section 123 of the Companies Act 2013 to the extent it applies to payment of dividend.
- As stated in note no 38.1 to the consolidated financial statements, the Board of Directors of the Holding Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.
- The Subsidiary has not declared or paid any dividend during the current year.
- 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 to the Company and its Subsidiary with effect from 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.

2. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 ("the Order") 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 reports issued by the auditors of the subsidiary included in the consolidated financial statements

of the Company, to which reporting under CARO is applicable and based on the identification of matters of qualifications or adverse remarks in their CARO reports, we report that the auditor of such subsidiary have not reported any qualified / adverse remarks in their CARO report.

For **Chaturvedi & Shah LLP**

Chartered Accountants

Registration Number: 101720W/W100355

**Vijay Napawaliya**

Partner

Place: Mumbai

Date: May 24, 2023

Membership Number: 109859

UDIN: 23109859BGXRTU7180



# “Annexure A” to The Independent Auditor’s Report

**Referred to in paragraph 2(e) under the heading “Report on Other Legal and Regulatory Requirements” of our report of even date to the members of the Tribhovandas Bhimji Zaveri Limited on the consolidated financial statements for the year ended March 31, 2023.**

## **REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 (“THE ACT”)**

In conjunction with our audit of the consolidated financial statements of Tribhovandas Bhimji Zaveri Limited as of and for the year ended March 31, 2023, we have audited the internal financial controls with reference to consolidated financial statements of Tribhovandas Bhimji Zaveri Limited (hereinafter referred to as the “Holding Company”) and its subsidiary Company, which are companies incorporated in India, as of that date.

### **MANAGEMENT’S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS**

The respective Board of Directors of the Holding Company, its subsidiary company, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal financial control with reference to the consolidated financial statements 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 (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 Holding Company’s internal financial controls with reference to the consolidated financial statements. 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 ICAI and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to the consolidated financial statements. 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 with reference to the consolidated financial statements 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 with reference to the consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to the consolidated financial statements included obtaining an understanding of internal financial controls, 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 consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements.

### **MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO CONSOLIDATED FINANCIAL STATEMENTS**

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

### **INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THESE CONSOLIDATED FINANCIAL STATEMENTS**

Because of the inherent limitations of internal financial controls with reference to Consolidated Financial Statements, 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 with reference to Consolidated Financial Statements to future periods are subject to the risk that the internal financial control with reference to Consolidated Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **OPINION**

In our opinion, the Holding Company, its subsidiary Company, which are companies incorporated in India,

have maintained in all material respects, adequate internal financial controls with reference to these consolidated financial statements and such internal financial controls with reference to these consolidated financial statements were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Chaturvedi & Shah LLP**

Chartered Accountants

Registration Number: 101720W/W100355

**Vijay Napawaliya**

Partner

Place: Mumbai

Date: May 24, 2023

Membership Number: 109859

UDIN: 23109859BGXRTU7180

# Consolidated Balance Sheet

as at 31 March 2023

₹ in Lacs

	Notes	As at 31 March 2023	As at 31 March 2022
<b>A. ASSETS</b>			
<b>1 Non-current assets</b>			
(a) Property, plant and equipment	3	8,144.21	8,216.78
(b) Capital work-in-progress	3(a)	66.34	-
(c) Right-to-use assets	4	7,682.45	6,848.11
(d) Intangible assets	5	30.53	96.21
(e) Financial assets			
(i) Investments	6	3.33	2.24
(ii) Other financial assets	7	500.65	467.30
(f) Deferred tax assets (net)	8	486.55	367.73
(g) Non current tax assets	9	472.58	957.30
(h) Other non-current assets	10	122.42	58.00
<b>Total Non-current assets</b>		<b>17,509.06</b>	<b>17,013.67</b>
<b>2 Current assets</b>			
(a) Inventories	11	1,22,268.30	1,20,442.33
(b) Financial assets			
(i) Trade receivables	12	160.05	161.29
(ii) Cash and cash equivalents	13	800.03	816.55
(iii) Bank balance other than (ii) above	14	3,757.62	3,719.54
(iv) Other financial assets	15	243.42	332.42
(c) Other current assets	16	2,766.98	3,179.23
<b>Total Current assets</b>		<b>1,29,996.40</b>	<b>1,28,651.36</b>
<b>Total Assets</b>		<b>1,47,505.46</b>	<b>1,45,665.03</b>
<b>B. EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity share capital	17	6,673.06	6,673.06
(b) Other equity	18	49,367.77	46,085.20
<b>Equity attributable to equity holders of the Company</b>		<b>56,040.83</b>	<b>52,758.26</b>
<b>Liabilities</b>			
<b>1 Non current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	19	57.41	9.30
(ii) Lease liability	20	6,762.59	6,070.39
(b) Provisions	21	818.67	734.78
<b>Total Non Current Liabilities</b>		<b>7,638.67</b>	<b>6,814.47</b>
<b>2 Current liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	22	48,607.98	50,891.87
(ii) Lease liability	23	2,115.42	1,817.56
(iii) Trade payables	24		
a) Total outstanding dues of micro enterprises and small enterprises		1,163.55	4,102.61
b) Total outstanding dues of creditors other than micro enterprises and small enterprises		19,498.74	15,818.96
(iv) Other financial liabilities	25	871.26	768.43
(b) Provisions	26	508.20	414.73
(c) Other current liabilities	27	11,060.81	12,278.14
<b>Total Current liabilities</b>		<b>83,825.96</b>	<b>86,092.30</b>
<b>Total Equity and Liabilities</b>		<b>1,47,505.46</b>	<b>1,45,665.03</b>
Significant accounting policies	2		
Notes to the consolidated financial statements	1 to 38		

As per our report of even date  
For **Chaturvedi & Shah LLP**  
Chartered Accountants  
Firm Registration No: 101720W/W100355

For and on behalf of the Board of Directors of  
**Tribhovandas Bhimji Zaveri Limited**

**Vijay Napawaliya**  
Partner  
Membership No: 109859

**Shrikant Zaveri**  
Chairman and Managing Director  
DIN:00263725

**Raashi Zaveri**  
Whole Time Director  
DIN:00713688

**Mukesh Sharma**  
Chief Financial Officer

**Niraj Oza**  
Head-Legal & Company Secretary  
Membership No.: A20646

Place: Mumbai  
Date: 24<sup>th</sup> May 2023

# Consolidated Statement of Profit and Loss

for the year ended 31 March 2023

₹ in Lacs

	Notes	Year ended 31 March 2023	Year ended 31 Mar 2022
<b>1. Revenue from Operations</b>			
(a) Revenue from operations	28.1	2,39,343.25	1,84,367.96
(b) Other operating revenue	28.2	19.34	15.99
<b>(c) Total revenue from operations (a+b)</b>		<b>2,39,362.59</b>	<b>1,84,383.95</b>
(d) Other income	29	497.55	777.75
<b>2. Total Income (c+d)</b>		<b>2,39,860.14</b>	<b>1,85,161.70</b>
<b>3. Expenses</b>			
(a) Cost of material consumed	30	1,37,008.53	1,29,854.44
(b) Purchase of stock-in-trade	31	72,430.67	52,151.34
(c) Changes in inventories of finished goods and stock-in-trade	32	(1,361.19)	(22,586.19)
(d) Labour Charges		2,885.40	3,344.35
(e) Employee benefits expense	33	7,421.34	6,703.82
(f) Finance costs	34	4,476.68	3,557.99
(g) Depreciation and amortisation expense	35	2,447.65	2,251.40
(h) Other expenses	36	9,346.86	7,289.85
<b>4. Total expenses</b>		<b>2,34,655.94</b>	<b>1,82,567.00</b>
<b>5. Profit before tax (2-4)</b>		<b>5,204.20</b>	<b>2,594.70</b>
(a) Current tax	37	1,304.00	517.00
(b) Deferred tax		(118.83)	59.46
<b>6. Total tax expenses</b>		<b>1,185.17</b>	<b>576.46</b>
<b>7. Profit after tax (5-6)</b>		<b>4,019.03</b>	<b>2,018.24</b>
<b>8. Other Comprehensive Income</b>			
A) Items that will not be reclassified subsequently to profit or loss			
i) Re-measurement of defined benefit obligation		(93.71)	148.41
ii) Re-measurement (loss)/profit on quoted investment		1.09	0.71
iii) Income tax effect on above		23.46	(28.80)
<b>9. Other Comprehensive Income</b>		<b>(69.16)</b>	<b>120.32</b>
<b>10. Total Comprehensive Income for the year (7+9)</b>		<b>3,949.87</b>	<b>2,138.56</b>
<b>11. Net Profit attributable to:</b>			
- Owners of the parent		4,019.03	2,018.24
- Non-controlling interests		-	-
<b>12. Other Comprehensive Income attributable to:</b>			
- Owners of the parent		(69.16)	120.32
- Non-controlling interests		-	-
<b>13. Total Comprehensive Income attributable to:</b>			
- Owners of the parent		3,949.87	2,138.56
- Non-controlling interests		-	-
Earnings per equity share			
Basic & Diluted (₹)	38.1	6.02	3.02
Significant accounting policies	2		
Notes to the consolidated financial statements	1 to 38		

As per our report of even date  
For **Chaturvedi & Shah LLP**  
Chartered Accountants  
Firm Registration No: 101720W/W100355

For and on behalf of the Board of Directors of  
**Tribhovandas Bhimji Zaveri Limited**

**Vijay Napawaliya**  
Partner  
Membership No: 109859

**Shrikant Zaveri**  
Chairman and Managing Director  
DIN:00263725

**Raashi Zaveri**  
Whole Time Director  
DIN:00713688

**Mukesh Sharma**  
Chief Financial Officer

**Niraj Oza**  
Head-Legal & Company Secretary  
Membership No.: A20646

Place: Mumbai  
Date: 24<sup>th</sup> May 2023

# Consolidated Statement of Cash flow

for the year ended 31 March 2023

₹ in Lacs

	Year ended 31 March 2023	Year ended 31 Mar 2022
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net profit before tax	5,204.20	2,594.70
Adjustments to:		
Depreciation and amortisation	2,447.65	2,251.40
Finance cost	4,476.68	3,559.90
Interest income	(134.20)	(131.89)
Profit on sales of property, plant and equipment	1.64	8.67
Assets written off	86.60	2.97
Other Income – Rent waiver / Lease liability cancellation	(179.47)	(524.85)
Liabilities/Provisions no longer required written back (net)	(73.06)	(25.25)
<b>Operating cash flow before working capital changes</b>	<b>11,830.04</b>	<b>7,735.65</b>
<b>Changes in working capital</b>		
Adjustments for (increase)/ decrease in operating assets:		
Trade receivables	1.24	178.57
Inventories	(1,825.97)	(22,041.37)
Other Receivables	577.12	(315.86)
Adjustments for increase / (decrease) in operating liabilities:		
Trade payables	740.71	5,890.68
Other Payables	(1,280.41)	2,800.78
Provisions	93.47	21.78
<b>Cash generated from operating activities</b>	<b>10,136.20</b>	<b>(5,729.77)</b>
Direct taxes paid (Net of refund)	(819.28)	(889.90)
<b>Net cash flows from / (used in) operating activities (A)</b>	<b>9,316.92</b>	<b>(6,619.67)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Capital Expenditure on property, plant and equipment and intangible assets	(772.95)	(108.65)
Proceeds from sale of property, plant and equipment	10.99	4.00
Bank deposits	(39.45)	(238.97)
Rental income	6.12	2.55
Interest received	134.20	131.89
<b>Net cash flow from / (used in) investing activities (B)</b>	<b>(661.09)</b>	<b>(209.18)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds of non current borrowings	76.89	-
Repayment of non current borrowings	(227.14)	(2,342.50)
Proceeds from / (repayment of) current borrowings (net)	(2,085.53)	15,694.03
Dividend paid	(667.31)	(1,668.28)
Payment of lease liability	(2,157.99)	(1,774.57)
Finance cost paid	(3,611.27)	(2,832.08)
<b>Net cash flow from / (used in) financing activities (C)</b>	<b>(8,672.35)</b>	<b>7,076.60</b>

# Consolidated Statement of Cash flow

for the year ended 31 March 2023

₹ in Lacs

		Year ended 31 March 2023	Year ended 31 Mar 2022
<b>Net (decrease) / increase in cash and cash equivalents</b>	<b>(A+B+C)</b>	<b>(16.52)</b>	<b>247.75</b>
<b>Cash and cash equivalent at beginning of year</b>		<b>816.55</b>	<b>568.80</b>
<b>Cash and cash equivalent at end of year</b>		<b>800.03</b>	<b>816.55</b>
<b>Notes to Consolidated Statement of Cash flows</b>			
<b>A. Components of cash and cash equivalents: (refer note 13)</b>			
Cash on hand	13	120.22	258.59
Balances with banks			
- on current accounts	13	679.81	557.96
		<b>800.03</b>	<b>816.55</b>

## B. Changes in Liabilities arising from Financing Activities

Particulars	As at 1 <sup>st</sup> April 2022	Cash Flows	Non-cash	As at 31 <sup>st</sup> March 2023
Borrowings - Non-Current (Refer Note 19)	232.80	(150.26)	-	82.55
Borrowings - Current (Refer Note 22)	50,668.37	(2,085.53)	-	48,582.84

Particulars	As at 1 <sup>st</sup> April 2021	Cash Flows	Non-cash	As at 31 <sup>st</sup> March 2022
Borrowings - Non-Current (Refer Note 19)	2,575.39	(2,342.59)	-	232.80
Borrowings - Current (Refer Note 22)	34,974.34	15,694.03	-	50,668.37

Notes to the consolidated financial statements

1 to 38

As per our report of even date  
For **Chaturvedi & Shah LLP**  
Chartered Accountants  
Firm Registration No: 101720W/W100355

For and on behalf of the Board of Directors of  
**Tribhovandas Bhimji Zaveri Limited**

**Vijay Napawaliya**  
Partner  
Membership No: 109859

**Shrikant Zaveri**  
Chairman and Managing Director  
DIN:00263725

**Raashi Zaveri**  
Whole Time Director  
DIN:00713688

**Mukesh Sharma**  
Chief Financial Officer

**Niraj Oza**  
Head-Legal & Company Secretary  
Membership No.: A20646

Place: Mumbai  
Date: 24<sup>th</sup> May 2023

# Consolidated Statement of Changes in Equity

for the year ended 31 March 2023

## A. Equity Share Capital

Particulars	As at 31 March 2023		As at 31 March 2022	
	No. of shares	₹ in Lacs	No. of shares	₹ in Lacs
Equity shares of ₹ 10 each issued, subscribed and fully paid				
<b>As at 1 April 2022</b>	<b>6,67,30,620</b>	<b>6,673.06</b>	<b>6,67,30,620</b>	<b>6,673.06</b>
Issue of share capital	-	-	-	-
<b>As at 31 March 2023</b>	<b>6,67,30,620</b>	<b>6,673.06</b>	<b>6,67,30,620</b>	<b>6,673.06</b>

## B. Other Equity

Particular	Reserves and Surplus			Other Comprehensive Income	Total Other equity
	Securities premium (refer note 18)	General reserve (refer note 18)	Retained earnings (refer note 18)	Re-measurement of quoted investments (refer note 18)	
<b>As at 1 April 2021</b>	<b>16,791.35</b>	<b>1,401.47</b>	<b>27,393.34</b>	<b>29.52</b>	<b>45,615.29</b>
Profit for the year	-	-	2,018.24	-	<b>2,018.24</b>
Dividend	-	-	(1,668.27)	-	<b>(1,668.27)</b>
Re-measurement of defined benefit obligation for the year	-	-	119.61	0.71	<b>120.32</b>
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>469.58</b>	<b>0.71</b>	<b>470.29</b>
<b>Balance as at 31 March 2022</b>	<b>16,791.35</b>	<b>1,401.47</b>	<b>27,862.93</b>	<b>30.23</b>	<b>46,085.20</b>
<b>Balance as at 1 April 2022</b>	<b>16,791.35</b>	<b>1,401.47</b>	<b>27,862.93</b>	<b>30.23</b>	<b>46,085.20</b>
Profit for the year	-	-	4,019.03	-	<b>4,019.03</b>
Dividend	-	-	(667.31)	-	<b>(667.31)</b>
Re-measurement of defined benefit obligation for the year	-	-	(70.25)	1.09	<b>(69.16)</b>
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>3,281.48</b>	<b>1.09</b>	<b>3,282.57</b>
<b>Balance as at 31 March 2023</b>	<b>16,791.35</b>	<b>1,401.47</b>	<b>31,144.41</b>	<b>31.32</b>	<b>49,367.77</b>

Note: Re-measurement of defined benefit plans is recognised as part of Retained earnings. Previous year figures are considered as part of Retained earnings.

As per our report of even date  
 For **Chaturvedi & Shah LLP**  
 Chartered Accountants  
 Firm Registration No: 101720W/W100355

For and on behalf of the Board of Directors of  
**Tribhovandas Bhimji Zaveri Limited**

**Vijay Napawaliya**  
 Partner  
 Membership No: 109859

**Shrikant Zaveri**  
 Chairman and Managing Director  
 DIN:00263725

**Raashi Zaveri**  
 Whole Time Director  
 DIN:00713688

**Mukesh Sharma**  
 Chief Financial Officer

**Niraj Oza**  
 Head-Legal & Company Secretary  
 Membership No.: A20646

Place: Mumbai  
 Date: 24<sup>th</sup> May 2023

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2023

## 1 Corporate information

Tribhovandas Bhimji Zaveri Limited ('TBZ' or the "the Company") known under the brand 'TBZ- the Original' was incorporated on 24 July 2007 by conversion of a partnership firm Tribhovandas Bhimji Zaveri under Part IX of the Companies Act, 1956 whereby the partners of the partnership firm became shareholders with the shareholdings as agreed amongst the partners. The Company has been converted to a public limited company w.e.f. 3 December 2010. The Company is in the business of retail sales of ornaments made of gold, diamond, silver, platinum and precious stones through its 29 showrooms and 3 franchisee outlets located across in India.

Tribhovandas Bhimji Zaveri (Bombay) Limited ("the subsidiary Company") was incorporated on 24 April 1986, in Mumbai. The Company has been converted to a public company w.e.f. 27 December 2010. The Company is involved in the business of goldsmiths, silversmiths, gem merchants and other related activities.

These consolidated financial statements comprise the company and its subsidiary (referred to collectively as the 'Group').

## 2 Basis of Preparation of financial statements and significant accounting policies

### 2.1 Basis of Preparation of financial statements

#### a. Statement of compliance

The financial statements of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS), notified under the Companies (Indian Accounting Standards) Rules, 2015, and other relevant provisions of the Companies Act, 2013 ("the Act") as amended.

#### b. Functional and presentation currency

The financial statements are presented in Indian Rupees (INR), and all the values are rounded to the nearest Lakhs with two decimals, except when otherwise indicated.

#### c. Basis of measurement

The financial statements have been prepared on accrual basis under the historical cost

convention, except for the following assets and liabilities which have been measured at fair value as required by relevant Ind AS:

- derivative financial instruments,
- certain financial assets and liabilities (refer accounting policy regarding financial instruments), and
- defined employee benefit liability

#### d. Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, (regardless of whether that price is directly observable or estimated using another valuation technique). In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability, if market participants would take those characteristics into account when pricing the asset or liability, at the measurement date.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of Ind AS 102, leasing transactions



# Notes to the Consolidated Financial Statements

for the year ended 31 March 2023

that are within the scope of Ind AS 116, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

**e. Significant accounting judgements, estimates and assumptions**

The preparation of the Group's financial statements requires the management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets, liabilities and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. Estimates and assumptions are reviewed on periodic basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

The key assumptions concerning the future and other key sources of estimation, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities, within the next financial year, are described below. The Group has based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

Information about critical judgments in applying accounting policies, as well as estimates and assumptions that have the most significant effect to the carrying amounts of assets and liabilities within the next financial year, are included in the following notes:

**(a) Measurement of defined benefit obligations**

The cost of the defined benefit gratuity plan and other post-employment retirement benefits and the present value of the gratuity obligation are determined using

actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation. The mortality rate is based on publicly available mortality tables for India. Those mortality tables tend to change only at intervals in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

Further details about gratuity obligations are given in Note – 38.5.

For the purpose of assessing the leave availment rate, the Group considered the past leave availment history of the employees.

**(b) Measurement and likelihood of occurrence of provisions and contingencies**

A provision is recognised when the Group 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.

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2023

A disclosure for contingent liabilities is made where there is a possible obligation or a present obligation that may probably not require an outflow of resources. When there is a possible or a present obligation where the likelihood of outflow of resources is remote, no provision or disclosure is made in the financial statements.

**(c) Recognition of taxes**

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

**(d) Provision for sales return**

The Group developed a statistical model for forecasting sales returns. The model used the historical return data of each franchise to come up with expected return percentages. These percentages are applied to determine the expected value of the variable consideration. Any significant changes in experience as compared to historical return pattern will impact the expected return percentages estimated by the Group

**(e) Provision for inventory**

The Group provides provision based on policy, past experience, current trend and future expectations of the inventory held by them.

**(f) Useful life of property, plant and Equipments and Intangible assets**

The Group reviews the estimated useful lives of property, plant and equipment and intangible assets at the end of each reporting period. During financial year ended 31 March 2023, there were no changes in useful lives of property plant and equipment and intangible assets other

than those resulting from store closures / shifting of premises.

The Group at the end of each reporting period, based on external and internal sources of information, assesses indicators and mitigating factors of whether a store (cash generating unit) may have suffered an impairment loss. If it is determined that an impairment loss has been suffered, it is recognised in statement of profit & loss

**(g) Embedded derivative**

The Group enters into purchase gold contract, in which the amount payable is not fixed based on gold price on the date of purchase, but instead is affected by changes in gold prices in future. Such transactions are entered into to protect against the risk of gold price movement in the purchased gold. Accordingly, such unfixed payables (gold loan) are considered to have an embedded derivative. The Group designates the gold price risk in such instruments as hedging instruments, with gold inventory considered to be the hedged item. The hedged risk is gold prices movement.

**(h) Going concern**

During the current year ended March 31, 2023, management has performed an assessment of the entity's ability to continue as a going concern. Based on the assessment, management believe that there is no material uncertainty with respect to any events or conditions that may cast a significant doubt on the entity to continue as a going concern, hence the financial statements have been prepared on going concern basis.

**(i) Classification of Leases**

The Group evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgement. The Group uses significant judgement in assessing the lease term (including

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2023

anticipated renewals) and the applicable discount rate. The Group determines the lease term as the non-cancellable period of a lease, together with both periods covered by an options to extend the lease if the Group is reasonably certain to exercise that options; and periods covered by an option to terminate the lease if the Group is reasonably certain not to exercise that options. In assessing whether the company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Group to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Group revises the lease term if there is a change in the non-cancellable period of a lease. The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

## f. Current -non-current classification

All assets and liabilities are classified into current and non-current.

### Assets

An asset is classified as current when it satisfies any of the following criteria :

- a. it is expected to be realised in, or is intended for sale or consumption in, the Group's normal operating cycle;
- b. it is held primarily for the purpose of being traded;
- c. it is expected to be realised within 12 months after reporting date; or
- d. it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of non-current financial assets.

All other assets are classified as non-current.

### Liabilities

A liability is classified as current when it satisfies any of the following criteria:

- a. it is expected to be settled in the Group's normal operating cycle;
- b. it is held primarily for the purpose of being traded;
- c. it is due to be settled within 12 months after the reporting date; or
- d. the Group does not have as unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instrument do not affect its classification.

Current liabilities include current portion of non-current financial liabilities.

All other liabilities are classified as non-current.

### Operating Cycle :

Based on the nature of services and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Group has ascertained its operating cycle as 12 months for the purpose of current – non-current classification of assets and liabilities.

### Recent Accounting pronouncements

On March 31, 2023, the Ministry of Corporate Affairs (MCA) has notified Companies (Indian Accounting Standards) Amendment Rules, 2023. This notification has resulted into amendments in the following existing accounting standards which are applicable to company from April 1, 2023

Amendment to Existing issued Ind AS

- i. Ind AS 101- First time adoption of Indian Accounting Standards
- ii. Ind AS 102 – Share-based Payment
- iii. Ind AS 103 – Business Combinations
- iv. Ind AS 107 – Financial Instruments Disclosures

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2023

- v. Ind AS 109 - Financial Instruments
- vi. Ind AS 115 – Revenue from Contracts with Customers
- vii. Ind AS 1 – Presentation of Financial Statements
- viii. Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors
- ix. Ind AS 12 – Income Taxes
- x. Ind AS 34 - Interim Financial Reporting

Application of above standards are not expected to have any significant impact on the Company's financial statements.

## Basis of consolidation:

These consolidated financial statements relate to Tribhovandas Bhimji Zaveri Limited ("the Company") and entities controlled by the Company. Control is achieved when the Company has power over the entity, is exposed, or has rights, to variable returns from its involvement with the investee; and has the ability to affect the entity's returns by using its power over the entity.

The financial statements of the Company and its subsidiaries have been combined on a line by line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances, intra-group transactions and unrealised profit or losses. These consolidated financial statements are prepared by applying uniform accounting policies in use at the Group.

Goodwill is recognised when a change in Group's ownership interest (or otherwise), results in the Group acquiring control over a Company

Changes in the Group's ownership interests in subsidiary that do not result in the Group losing control over the subsidiary are accounted for as equity transaction (i.e transactions with owners in their capacity as owners)

Goodwill arising on consolidation is tested for impairment at each reporting date. If the recoverable amount of cash generating unit to which the goodwill is attributed is less than the

carrying the amount of the unit an impairment loss is recognised, first to reduce the carrying amount of goodwill (and thereafter to the balance assets of the unit, pro rata to their carrying amounts).

Non-controlling interests are presented in the consolidated balance sheet within equity, separately from the equity of the owners of the Company. Total Comprehensive Income of subsidiary is attributed to the owners and to the non-controlling interests, (even if this results in the non-controlling interests having a deficit balance).

Entities controlled by the Company are consolidated from the date the control commences until the date control ceases.

The subsidiary companies which are included in the consolidation and the Company's holdings therein are as under:

Name of the Company	Country incorporation	Ownership interest 31 March 2023	Ownership interest 31 March 2022
Tribhovandas Bhimji Zaveri (Bombay) Limited	India	100%	100%

## 2.2 Significant accounting policies

### a) Property, plant and Equipment

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 tax authorities), any directly attributable expenditure on making the asset ready for its intended use. Subsequent expenditure on property, plant and equipment after its purchase/completion is capitalized only if it is probable that future economic benefit associated with the expenditure will flow to the Group.

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2023

Property, plant and equipment not ready for the intended use on the date of balance sheet are disclosed as "Capital work-in-progress". Capital work in progress is stated at cost, net of accumulated impairment loss, if any.

If significant parts of an item of property, plant and equipment have different lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Gains or losses arising from disposal or retirement of property, plant and equipment are recognised in the Statement of Profit and Loss.

Depreciation on PPE has been provided on the basis using straight line method over the useful life of the assets, as prescribed in schedule II to the Company act 2013. Freehold land is not depreciated. Leasehold Improvement are amortised over primary period of lease.

Property, plant and equipment	Management estimate of useful life	Useful life as per Schedule II
Furniture and fittings	5 to 10 years	10 years
Plant and machinery	3 to 15 years	15 years

Depreciation method, useful lives and residual values are reviewed at each financial year end and adjusted, if appropriate.

Depreciation for the year is recognised in the Statement of Profit and Loss.

## b) Intangible assets

Intangible assets are recognised only when it is probable that the future economic benefits that are attributable to the assets will flow to the Group and the cost of such assets can be measured reliably. Intangible assets are stated at cost less accumulated amortisation and impairment loss, if any. All costs relating to the acquisition are capitalised.

Intangible assets are amortised in the Statement of Profit & Loss over their estimated useful lives, from the date that they are available for use

based on the expected pattern of consumption of economic benefits of the asset.

The Group's intangible assets comprise of Computer software which are being amortised on a straight line basis over their estimated useful life of five years. Amortisation method and useful lives are reviewed at each reporting date. If the useful life of an asset is estimated to be significantly different from previous estimates, the amortisation period is changed accordingly. If there has been a significant change in the expected pattern of economic benefits from the asset, the amortisation method is changed to reflect the changed pattern.

## c) Impairment of non financial assets

Assessment for impairment is done at each balance sheet date as to whether there is any indication that a non-financial asset may be impaired. For the purpose of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets is considered as a cash generating unit.

If any indication of impairment exists, an estimate of the recoverable amount of the individual asset/cash generating unit is made. Asset/cash generating unit whose carrying value exceeds their recoverable amount are written down to the recoverable amount by recognising the impairment loss as an expense in the Statement of profit and loss. Recoverable amount is higher of an asset's or cash generating unit's fair value less cost of disposal and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset or cash generating unit and from its disposal at the end of its useful life.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2023

in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit & loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

## d) Inventories

Inventories which comprise raw materials, finished goods, stock-in-trade and packing materials are carried at the lower of cost or net realizable value. Cost is determined on weighted average basis.

Cost of inventories comprises all costs of purchase and, other duties and taxes (other than those subsequently recoverable from tax authorities), costs of conversion and all other costs incurred in bringing the inventory to their present location and condition. In respect of purchase of goods at prices that are yet to be fixed at the year end, adjustments to the provisional amounts are recognised based on the year end closing gold rate.

Diamond finished jewellery is valued at specific cost.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale. Raw materials and other supplies held for use in the production of finished products are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realisable value.

## e) Borrowing Costs

Borrowing costs consist of interest and other costs (including exchange differences to the extent regarded as an adjustment to the interest costs) incurred in connection with the borrowing of funds.

Borrowing costs directly attributable to the acquisition or construction of an asset, as defined in Ind AS 23, that necessarily takes a substantial period of time to get ready for its intended use are capitalized as a part of the cost of such assets. All other borrowing costs are recognized as an expense in the period in which they are incurred.

## f) Revenue from contract with customer

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. The Group has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods or services before transferring them to the customer and sales under sale or return basis arrangements.

Revenue towards satisfaction of performance obligation is measured at the amount of transaction price (net variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the Company as a part of contract.

## i) Sale of goods

Revenue from sale of goods is recognised at the point in time when control of the goods is transferred to the customer, generally on delivery of the goods. In determining the transaction price for the sale of product, the Group considers the effects of variable consideration.

### (a) Variable consideration

Revenue is measured at fair value of consideration received or receivable net of returns, trade and scheme discounts, volume rebate excluding taxes or duties collected on behalf of the government.

If the consideration in a contract includes a variable amount, the Group

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2023

estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved. Some contracts for the sale of product provide customers with a right of return. The rights of return give rise to variable consideration.

**(b) Rights of return**

Certain contracts provide a customer with a right to return the goods within a specified period. The Group uses the expected value method to estimate the goods that will not be returned because this method best predicts the amount of variable consideration to which the Group will be entitled. The requirements in Ind AS 115 on constraining estimates of variable consideration are also applied in order to determine the amount of variable consideration that can be included in the transaction price. For goods that are expected to be returned, instead of revenue, the Group recognises a refund liability. A right of return asset and corresponding adjustment to change in inventory is also recognised for the right to recover products from a customer.

**(c) Assets and liabilities arising from rights of return**

**Right of return assets:**

Right of return asset represents the Groups right to recover the goods expected to be returned by customers. The asset is measured at the former carrying amount of the inventory, less any expected costs to recover

the goods, including any potential decreases in the value of the returned goods. The Group updates the measurement of the asset recorded for any revisions to its expected level of returns, as well as any additional decreases in the value of the returned products

**Refund liabilities:**

A refund liability is the obligation to refund some or all of the consideration received (or receivable) from the customer and is measured at the amount the Group ultimately expects it will have to return to the customer. The Group updates its estimates of refund liabilities (and the corresponding change in the transaction price) at the end of each reporting period. Refer to above accounting policy on variable consideration.

- ii) **Service Income:** Service income is recognized on rendering of services at a point in time.
- iii) **Gift Card :** Sales are recognized when the vouchers are redeemed and goods are sold to the customers.
- iv) **Interest Income:** Interest income is recorded using the Effective Interest Rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial assets or to the amortised cost of a financial liability. When calculating the EIR, the Group estimates the expected cash flows by considering all the contractual terms of the financial instruments (for example : prepayment and extension), but does not consider the expected credit losses. Interest income is included in other income in the Statement of Profit and Loss.

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2023

## g) Foreign currency transactions

Foreign currency transactions are recorded at the exchange rates prevailing on the dates of the transactions. Exchange differences arising on foreign currency transactions settled during the period are recognized in the Statement of profit and loss.

Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated into functional currency at the exchange rates at the reporting date. The resultant exchange differences are recognized in the Statement of profit and loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

## h) Employee benefits

### Short-term employee benefits

Employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits. These benefits include salaries and wages, bonus and ex-gratia. The undiscounted amount of short-term employee benefits to be paid in exchange for employee services is recognised as an expense as the related service is rendered by employees.

### Post-employment benefits

#### Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which the Group pays specified contribution to a Government administered scheme and has no obligation to pay any further amounts. The Group makes specified monthly contributions towards provident fund and

employee state insurance, which are defined contribution plans, at the prescribed rates. The Group's contribution is recognised as an expense in the Statement of profit and loss during the period in which the employee renders the related service.

### Defined benefit plans

#### Gratuity

The Group operates a defined benefit gratuity plan in India. The Group contributes to a gratuity trust maintained by an independent insurance Group. The Group's liabilities under the Payment of Gratuity Act are determined on the basis of actuarial valuation made at the end of each financial year using the projected unit credit method. Obligation is measured at the present value of estimated future cash flows using a discounted rate that is determined by reference to market yields at the Balance Sheet date on Government bonds, where the terms of the Government bonds are consistent with the estimated terms of the defined benefit obligation. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and fair value of plan assets. This cost is included in 'Employee benefits expense' in the Statement of Profit and Loss. Re-measurement gains or losses and return on plan assets (excluding amounts included in net interest on the net defined benefit liability) arising from changes in actuarial assumptions are recognised in the period in which they occur, directly in OCI. They are included in retained earnings in the Statement of changes in equity and in the Balance Sheet. Re-measurements are not reclassified to the Statement of Profit and Loss in subsequent periods.

### Other long-term employee benefits

#### Compensated absences

The Group provides for encashment of leave or leave with pay subject to certain rules. The employees are entitled to accumulate leave subject to certain limits for future encashment / availment. The Group makes provision for compensated absences based on an independent actuarial valuation carried out at the end of the year using the projected unit credit method.



# Notes to the Consolidated Financial Statements

for the year ended 31 March 2023

Actuarial gains and losses are recognised in the Statement of profit and loss.

## i) Leases

As per Ind AS 116- Lease, the determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

### Where the Group is the lessee

A lease is classified at the inception date as a finance lease or an operating lease. Leases, where substantial portion of risk and reward of ownership are retained by the lessor, are classified as operating leases. Operating lease payments are recognised as an expense in the Statement of Profit and Loss on a straight-line basis over the lease period.

### Where the Group is the lessor

Leases in which the Group does not transfer substantially all the risks and rewards of ownership of an asset is classified as an operating lease. Assets subject to operating leases are included in the property, plant and equipment. Rental income on an operating lease is recognised in the Statement of Profit and Loss on a straight-line basis over the lease term. Costs, including depreciation, are recognised as an expense in the Statement of Profit and Loss.

## j) Income taxes

Income tax expense comprises current tax and deferred tax. It is recognised in the Statement of profit & loss except to the extent that it relates to an item recognized directly in equity or in other comprehensive income.

### Current tax

The Income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date in India.

Current income tax relating to items recognised outside the Statement of Profit and Loss is recognised outside the Statement of Profit and Loss (either in OCI or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. The management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions, where appropriate, on the basis of amounts expected to be paid to the tax authorities.

### Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised, except when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction,

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2023

affects neither the accounting profit nor taxable profit or loss.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date, and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Current tax and deferred tax relating to items recognised outside the Statement of Profit and Loss is recognised outside the Statement of Profit and Loss (either in OCI or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

## **k) Earnings per share (EPS)**

Basic earnings per share is calculated by dividing the net profit for the year attributable to equity shareholders of the Group by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares, that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit for the period attributable to equity

shareholders and the weighted average number of shares outstanding during the year is adjusted for the effects of all dilutive potential equity shares.

## **l) Provision, contingent liabilities and contingent assets**

The Group creates a provision when there is a present obligation (legal or constructive) as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the balance sheet date and are discounted to its present value if the effect of time value of money is considered to be material. These are reviewed at each year end date and adjusted to reflect the best current estimate. The unwinding of the discount is recognized as finance cost. Expected future operating losses are not provided for.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may or may not require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Contingent assets are neither recognised nor disclosed in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the period in which the change occurs.

## **m) Cash and cash equivalents**

Cash and Cash Equivalents in the balance sheet and for the purpose of cash flow statement comprise cash in hand and cash at bank including fixed deposit with original maturity period of three months and short-term highly liquid investments with an original maturity of three months or less net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2023

## n) Financial instruments

A Financial instruments is any contract that gives rise to a financial assets of one entity and a financial liability or equity instrument of another entity.

### Financial Assets

#### Initial recognition and measurement:

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Groups business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under Ind AS 115.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

## Financial asset :

### Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- a) Debt instruments at amortised cost
- b) Debt instruments at fair value through other comprehensive income (FVTOCI)
- c) Debt instruments, derivatives and equity instruments at fair value through profit & loss (FVTPL)
- d) Equity instruments measured at fair value through other comprehensive income (FVTOCI)

### Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Group. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

### Debt instrument at FVTOCI

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

- a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- b) The asset's contractual cash flows represent SPPI.

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2023

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Group recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the P&L. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to P&L. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method."

## Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Group may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency. The Group has not designated any debt instrument as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

## Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL. For all other equity instruments, the Group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling

of the amounts from OCI to P&L, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity. Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

## De-recognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a Group of similar financial assets) is primarily derecognised (i.e. removed from the Group's consolidated balance sheet) when:

- a) The rights to receive cash flows from the asset have expired, or
- b) The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2023

## Impairment of financial assets

In accordance with Ind-AS 109, the Group applies Expected Credit Loss ("ECL") model for measurement and recognition of impairment loss on the financial assets measured at amortized cost and financial assets measured at FVOCI. For financial assets other than trade receivables, as per Ind AS 109, the Group recognises 12 month expected credit losses for all originated or acquired financial assets if at the reporting date the credit risk of the financial asset has not increased significantly since its initial recognition. The expected credit losses are measured as lifetime expected credit losses if the credit risk on financial asset increases significantly since its initial recognition. The Group's trade receivables do not contain significant financing component and loss allowance on trade receivables is measured at an amount equal to life time expected losses i.e. expected cash shortfall.

The impairment losses and reversals are recognised in Statement of Profit and Loss

## Financial liabilities :

### Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

The measurement of financial liabilities depends on their classification, as described below:

### Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit & loss include financial liabilities held for trading

and financial liabilities designated upon initial recognition as at fair value through profit & loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to Profit & Loss. However, the Group may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit & loss. The Group has not designated any financial liability as at fair value through profit and loss.

### Loans and borrowings

This is the category most relevant to the Group. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

### Financial guarantee contracts

Financial guarantee contracts issued by the Group are those contracts that require a payment

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2023

to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation

## De-recognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

## Offsetting

Financial assets and financial liabilities are offset and the net amount is presented in the Balance Sheet, if the Group currently has a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

## o) Derivative financial instruments and hedge accounting

### Initial recognition, subsequent measurement and fair value hedge

In order to hedge its exposure to commodity price risks, the Group also enters into forward contracts. The Group does not hold derivative financial instruments for speculative purposes. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when

the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to statement of profit and loss. Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recognised in statement of profit and loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

## Embedded derivative

An embedded derivative is a component of a hybrid (combined) instrument that also includes a non-derivative host contract – with the effect that some of the cash flows of the combined instrument vary in a way similar to a standalone derivative. An embedded derivative causes some or all of the cash flows that otherwise would be required by the contract to be modified according to a specified variable.

Derivatives are initially measured at fair value. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are generally recognised in profit and loss.

At the inception of a hedge relationship, the Group formally designates and documents the hedge relationship to which the Group wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes the Group's risk management objective and strategy for undertaking hedge, the hedging/ economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the entity will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2023

## 3 Property, plant and equipment

₹ in Lacs

Particulars	Freehold land	Leasehold improvements	Building	Plant and machinery	Furniture and fittings	Computers	Vehicles	Total
<b>Cost</b>								
<b>As at 1 April 2021</b>	<b>1,443.72</b>	<b>1,910.60</b>	<b>4,685.44</b>	<b>2,454.75</b>	<b>1,682.30</b>	<b>559.20</b>	<b>171.84</b>	<b>12,907.84</b>
Additions	-	-	-	33.67	49.20	18.70	-	101.57
Deductions / adjustment during the year	-	8.17	-	12.40	42.96	10.89	-	74.43
<b>As at 31 March 2022</b>	<b>1,443.72</b>	<b>1,902.43</b>	<b>4,685.44</b>	<b>2,476.02</b>	<b>1,688.54</b>	<b>567.01</b>	<b>171.84</b>	<b>12,934.99</b>
<b>As at 1 April 2022</b>	<b>1,443.72</b>	<b>1,902.43</b>	<b>4,685.44</b>	<b>2,476.02</b>	<b>1,688.54</b>	<b>567.01</b>	<b>171.84</b>	<b>12,934.99</b>
Additions	-	163.28	-	44.89	379.82	54.39	96.88	739.26
Deductions / adjustment during the year	-	209.26	3.32	20.36	145.77	0.87	24.37	403.95
<b>As at 31 March 2023</b>	<b>1,443.72</b>	<b>1,856.44</b>	<b>4,682.11</b>	<b>2,500.55</b>	<b>1,922.59</b>	<b>620.53</b>	<b>244.36</b>	<b>13,270.30</b>
<b>Depreciation</b>								
<b>As at 1 April 2021</b>	-	<b>1,226.61</b>	<b>480.93</b>	<b>778.50</b>	<b>1,051.02</b>	<b>494.01</b>	<b>39.27</b>	<b>4,070.34</b>
Depreciation for the year	-	222.39	92.65	156.05	206.57	9.98	19.72	707.36
Deductions / adjustment during the year	-	5.20	-	10.39	34.51	9.38	-	59.48
<b>As at 31 March 2022</b>	-	<b>1,443.80</b>	<b>573.58</b>	<b>924.16</b>	<b>1,223.08</b>	<b>494.61</b>	<b>58.99</b>	<b>4,718.20</b>
<b>As at 1 April 2022</b>	-	<b>1,443.80</b>	<b>573.58</b>	<b>924.16</b>	<b>1,223.08</b>	<b>494.61</b>	<b>58.99</b>	<b>4,718.20</b>
Depreciation	-	189.61	92.66	154.89	231.03	15.56	27.88	711.61
Deductions / adjustment during the year	-	163.97	0.74	11.74	112.13	0.77	14.37	303.70
<b>As at 31 March 2023</b>	-	<b>1,469.44</b>	<b>665.50</b>	<b>1,067.30</b>	<b>1,341.99</b>	<b>509.40</b>	<b>72.50</b>	<b>5,126.11</b>
<b>Net carrying value as at</b>								
<b>31 March 2022</b>	<b>1,443.72</b>	<b>458.63</b>	<b>4,111.86</b>	<b>1,551.86</b>	<b>465.46</b>	<b>72.40</b>	<b>112.85</b>	<b>8,216.78</b>
<b>31 March 2023</b>	<b>1,443.72</b>	<b>387.01</b>	<b>4,016.62</b>	<b>1,433.25</b>	<b>580.60</b>	<b>111.13</b>	<b>171.86</b>	<b>8,144.21</b>

### Notes:

- Property plant and equipment are pledged as security for working capital loans and vehicles against vehicle loans (refer note 19 and 22).
- As at 31 March 2023, Buildings with carrying amount of ₹ 3,584.37 lacs (31 March 2022 ₹ 3,656.57 lacs) are subject to first pari passu charge to secured borrowings (refer note 22)
- As at 31 March 2023, Freehold Land with carrying amount of ₹ 1,419.34 lacs (31 March 2022 ₹ 1,419.34 lacs) are subject to first pari passu charge to secured borrowings (refer note 22)

### 3(a) Capital Work in Progress

₹ in Lacs

Particulars	As at 31 March 2023	As at 31 March 2022
"Capital Work in Progress (Refer Note below)	66.34	-
<b>TOTAL</b>	<b>66.34</b>	<b>-</b>

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2023

## Notes:

(i) Capital Work in progress ageing:

Particulars	₹ in Lacs	
	As at 31 March 2023	As at 31 March 2022
Less than 1 year	66.34	-
1 to 2 years	-	-
2 to 3 years	-	-
More than 3 years	-	-
<b>TOTAL</b>	<b>66.34</b>	<b>-</b>

(ii) Capital expenditure for showroom during the year is ₹ 66.34 (March 31, 2022: ₹ NIL)

## 4 Right to Use Assets and Lease Liability

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the year:

Particulars	₹ in Lacs	
	Building	
<b>Cost</b>		
<b>As at 1 April 2021</b>		<b>8,491.61</b>
Additions		3,630.57
Deductions / adjustment during the year		2,531.64
<b>As at 31 March 2022</b>		<b>9,590.54</b>
<b>As at 1 April 2022</b>		<b>9,590.54</b>
Additions		3,594.34
Deductions / adjustment during the year		1,094.77
<b>As at 31 March 2023</b>		<b>12,090.11</b>
<b>Depreciation</b>		
<b>As at 1 April 2021</b>		<b>3,488.80</b>
Depreciation for the year		1,470.87
Deductions / adjustment during the year		2,217.24
<b>As at 31 March 2022</b>		<b>2,742.43</b>
<b>As at 1 April 2022</b>		<b>2,742.43</b>
Depreciation for the year		1,665.23
Deductions / adjustment during the year		-
<b>As at 31 March 2023</b>		<b>4,407.66</b>
<b>Net carrying value</b>		
<b>As at 31 March 2022</b>		<b>6,848.11</b>
<b>As at 31 March 2023</b>		<b>7,682.45</b>



# Notes to the Consolidated Financial Statements

for the year ended 31 March 2023

Set out below are the carrying amounts of lease liabilities and the movements during the year:

₹ in Lacs

Particular	31 March 2023	31 March 2022
<b>As at 31 March 2023</b>	7,887.95	-
(As at 31 March 2022)	-	6,217.05
Additions	3,191.73	3,493.63
Accretion of interest	958.79	727.76
Lease payment	(2,157.99)	(1,774.57)
Less: Lease liability adjusted during the year	(1,002.47)	(775.93)
<b>Net carrying value as at:-</b>	<b>8,878.01</b>	<b>7,887.95</b>
Non Current	6,762.59	6,070.39
Current	2,115.42	1,817.56

The maturity analysis of lease liabilities are disclosed in Note 38.15.2.B

The following are the amounts recognised in statement profit or loss:

₹ in Lacs

Particular	31 March 2023	31 March 2022
Depreciation expense of right-of-use assets	1,665.23	1,470.87
Interest expense on lease liabilities	958.79	727.76
Expense relating to short-term leases (included in other expenses)	498.47	287.03
<b>Total amount recognised in profit or loss</b>	<b>3,122.48</b>	<b>2,485.66</b>

The Group had total cash outflows for leases of ₹ 2,157.99 lacs in March 31, 2023 (₹ 1,774.54 lacs in March 31, 2022). The Group also had non-cash additions to right-of-use asset of ₹ 3,594.34 lacs & lease liabilities of ₹ 3,191.73 lacs in March 31, 2023 (₹ 3,630.57 lacs & ₹ 3,493.63 lacs in 31 March 2022 respectively).

## 5 Intangible assets

₹ in Lacs

Particular	Total
<b>Cost</b>	
<b>As at 1 April 2021</b>	<b>368.36</b>
Additions	10.84
Deductions / adjustment during the year	-
<b>As at 31 March 2022</b>	<b>379.20</b>
<b>As at 1 April 2022</b>	<b>379.20</b>
Additions	5.14
Deductions / adjustment during the year	-
<b>As at 31 March 2023</b>	<b>384.34</b>
<b>Amortisation</b>	
<b>As at 1 April 2021</b>	<b>209.82</b>
Amortisation for the year	73.17
Deductions / adjustment during the year	-
<b>As at 31 March 2022</b>	<b>282.99</b>

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2023

₹ in Lacs

Particular	Total
<b>As at 1 April 2022</b>	<b>282.99</b>
Amortisation for the year	70.82
Deductions / adjustment during the year	-
<b>As at 31 March 2023</b>	<b>353.81</b>
<b>Net carrying value as at:-</b>	
<b>As at 31 March 2022</b>	<b>96.21</b>
<b>As at 31 March 2023</b>	<b>30.53</b>

## 6 Other Investments:

₹ in Lacs

Particulars	As at 31 March 2023	As at 31 March 2022
Investments at fair value through OCI (fully paid - Quoted)		
Bank of Baroda	3.21	2.12
1,903 (31 March 22 : 1,903) Equity shares of ₹ 2 each		
Investments in equity instruments (Unquoted)		
Saraswat Co-operative Bank Ltd	0.12	0.12
1,155 (31 March 22: 1,155) Equity shares of ₹ 10		
	<b>3.33</b>	<b>2.24</b>
Aggregate book value of quoted investments	5.06	5.06
Aggregate market value of quoted investments	3.21	2.12
Aggregate book value of unquoted investments	0.12	0.12

## 7 Other Financial assets

(Unsecured, considered good)

₹ in Lacs

Particulars	As at 31 March 2023	As at 31 March 2022
<b>To parties other than related parties</b>		
- Security deposits	500.65	467.30
	<b>500.65</b>	<b>467.30</b>

## 8 Deferred tax assets (net)

₹ in Lacs

Particulars	As at 31 March 2023	As at 31 March 2022
<b>a. The major components of income tax (income) / expense are:</b>		
Deferred tax assets	723.23	640.47
Deferred tax Liability	(236.68)	(272.74)
<b>Net deferred tax</b>	<b>486.55</b>	<b>367.73</b>

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2023

## b. Deferred tax relates to following

Particulars	Balance sheet		Statement of Profit and Loss	
	31 March 2023	31 March 2022	31 March 2023	31 March 2022
Property, plant and equipment	(236.68)	(272.74)	(36.06)	(10.89)
Employee benefits	365.16	313.67	(51.49)	(13.09)
Commission to directors	6.29	7.55	1.26	35.86
Provision for doubtful debts	14.14	25.41	11.27	0.58
Leases	300.90	261.63	(39.27)	43.97
Provision for sales return	36.74	32.21	(4.53)	0.63
MTM Option Derivative	-	-	-	2.39
<b>Deferred tax expense / (income)</b>			<b>(118.82)</b>	<b>59.45</b>
<b>Net deferred tax assets/(Liabilities)</b>	<b>486.55</b>	<b>367.73</b>		

## 9 Non-current tax assets

Particulars	₹ in Lacs	
	As at 31 March 2023	As at 31 March 2022
Advance tax (net of provision for Tax ₹ 6,000.03 Lacs 31st March 2022, ₹ 4,510.35 Lacs)	472.58	957.30
	<b>472.58</b>	<b>957.30</b>

## 10 Other non current assets

Particulars	₹ in Lacs	
	As at 31 March 2023	As at 31 March 2022
Advances for capital expenditure	122.24	23.40
Prepayments		
- To other than related party	0.18	34.60
	<b>122.42</b>	<b>58.00</b>

## 11 Inventories\*

Particulars	₹ in Lacs	
	As at 31 March 2023	As at 31 March 2022
Raw material **	17,579.52	17,146.24
Finished goods **	51,094.93	60,683.31
Stock-in-trade **	53,532.36	42,582.78
Packing material	61.49	30.00
	<b>1,22,268.30</b>	<b>1,20,442.33</b>

\*Working Capital Borrowing are secured by hypothecation of inventories of the Parent Company (refer note 22).

\*\* Cost of precious stones is determined by management based on technical estimate of the purity and clarity of diamonds used, on which the auditors have placed reliance, as this being a technical matter.

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2023

## 12 Trade receivables\*

₹ in Lacs

Particulars	As at	
	31 March 2023	31 March 2022
Unsecured, considered good**	160.05	161.29
Credit impaired	-	26.45
	160.05	187.74
Less: Provision for expected credit loss	-	(26.45)
<b>Total</b>	<b>160.05</b>	<b>161.29</b>

\* Working capital borrowing are secured by hypothecation of trade receivables of the Company (refer note 19 and 22).

\*\* Includes receivable from credit card and unified payment interface (UPI) companies amounting to ₹ 158.58 lac (31 March 2022: ₹ 128.50 lac)

Trade receivables are generally not interest-bearing.

### The movement in allowance for doubtful receivables is as follows:

Balance as at beginning of the year	26.45	27.77
Provision created/(reversed) during the year	(26.45)	(1.32)
Balance as at the end of the year	-	<b>26.45</b>

### Trade receivable ageing schedule are as below:

#### As at 31 March 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	
(i) Undisputed Trade receivables – considered good	160.05	-	-	-	-	160.05
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-
<b>Sub Total</b>	<b>160.05</b>	-	-	-	-	<b>160.05</b>
Less: Allowance for credit impaired/Expected credit loss	-	-	-	-	-	-
<b>Total</b>	<b>160.05</b>	-	-	-	-	<b>160.05</b>

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2023

## As at 31 March 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	
(i) Undisputed Trade receivables – considered good	160.86	0.43	-	-	-	161.29
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables–considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	26.45	26.45
<b>Sub Total</b>	<b>160.86</b>	<b>0.43</b>	<b>-</b>	<b>-</b>	<b>26.45</b>	<b>187.74</b>
Less: Allowance for credit impaired/Expected credit loss	-	-	-	-	(26.45)	(26.45)
<b>Total</b>	<b>160.86</b>	<b>0.43</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>161.29</b>

## 13 Cash and cash equivalents

₹ in Lacs

Particulars	As at	As at
	31 March 2023	31 March 2022
Balances with banks		
- on current accounts	679.81	557.96
Cash on hand	120.22	258.59
	<b>800.03</b>	<b>816.55</b>

## 14 Bank balances other than cash and cash equivalents

₹ in Lacs

Particulars	As at	As at
	31 March 2023	31 March 2022
Bank deposits (with original maturity for more than 3 months but less than 12 months)*	3,749.03	3,710.75
Earmarked balance with banks		
- Unclaimed dividend#	8.59	8.79
	<b>3,757.62</b>	<b>3,719.54</b>

#Includes restricted amounts towards Unclaimed Dividend of ₹ 8.59 Lacs (31 March 2022: ₹ 8.79 Lacs).

\* Deposit with carrying value of ₹ 3,705.55 Lacs (31 March 2022 ₹ 2,778.11 Lacs) are under lien to secure working capital facilities availed from banks.

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2023

## 15 Other financial assets

(Unsecured, considered good)

Particulars	₹ in Lacs	
	As at 31 March 2023	As at 31 March 2022
<b>To related parties</b>		
Security deposits	136.40	128.36
<b>To parties other than related parties</b>		
- Security deposits	123.73	222.14
Less: Impairment allowance	(29.75)	(29.75)
	<b>93.98</b>	<b>192.39</b>
<b>To parties other than related parties</b>		
Interest accrued on fixed deposits	13.04	11.67
	<b>243.42</b>	<b>332.42</b>

## 16 Other current assets

Particulars	₹ in Lacs	
	As at 31 March 2023	As at 31 March 2022
<b>To parties other than related parties</b>		
Advance to suppliers	237.57	468.34
Advances to employees and others	19.71	35.58
Prepaid expenses	140.09	189.16
Balance with government authorities (other than income tax)	941.73	1,192.22
Refund Assets	1,427.88	1,293.93
	<b>2,766.98</b>	<b>3,179.23</b>

## 17 Equity share capital

### Authorised share capital

Particulars	As at 31 March 2023		As at 31 March 2022	
	No. of shares	₹ in Lacs	No. of shares	₹ in Lacs
As at the beginning of the year	7,50,00,000	7,500.00	7,50,00,000	7,500.00
Increase during the year	-	-	-	-
<b>As at the end of the year</b>	<b>7,50,00,000</b>	<b>7,500.00</b>	<b>7,50,00,000</b>	<b>7,500.00</b>

### Issued equity share capital

Particulars	As at 31 March 2023		As at 31 March 2022	
	No. of shares	₹ in Lacs	No. of shares	₹ in Lacs
At the beginning and at the year end	6,67,30,620	6,673.06	6,67,30,620	6,673.06
Increase during the year	-	-	-	-
<b>At the end of the year</b>	<b>6,67,30,620</b>	<b>6,673.06</b>	<b>6,67,30,620</b>	<b>6,673.06</b>

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2023

## a. Terms / rights attached to equity shares

The company has only one class of equity shares having par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. The voting rights of an equity shareholder on a poll (not on show of hands) are in proportion to his share of 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.

## b. Details of shareholders holding more than 5% shares in the Company

Particulars	As at 31 March 2023		As at 31 March 2022	
	No. of Shares	% holding in the class	No. of Shares	% holding in the class
Equity shares of ₹ 10 each fully paid up held by:				
Shrikant Zaveri	3,34,02,275	50.06%	3,34,02,275	50.06%
Binaisha Zaveri	52,85,000	7.92%	52,85,000	7.92%
Raashi Zaveri	45,72,500	6.85%	45,72,500	6.85%
Bindu Zaveri	35,00,000	5.24%	35,00,000	5.24%

## c. Details of shares held by promoters in the Company

Particulars	As at 31 March 2023		As at 31 March 2022	
	No. of Shares	%	No. of Shares	%
Shrikant Zaveri	3,34,02,275	50.06%	3,34,02,275	50.06%
Binaisha Zaveri	52,85,000	7.92%	52,85,000	7.92%
Raashi Zaveri	45,72,500	6.85%	45,72,500	6.85%
Bindu Zaveri	35,00,000	5.24%	35,00,000	5.24%

\* There is no change in promoters share holding during the year ended March 31, 2023 & March 31, 2022.

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2023

## 18 Other equity

Particulars	₹ in Lacs	
	As at 31 March 2023	As at 31 March 2022
<b>Securities premium</b>		
<b>As at the beginning of the year</b>	<b>16,791.35</b>	<b>16,791.35</b>
Add: Securities premium collected during the year	-	-
<b>As at the end of the year</b>	<b>16,791.35</b>	<b>16,791.35</b>
<b>General reserves</b>		
<b>As at the beginning of the year</b>	1,401.47	1,401.47
Add: Transfer during the year	-	-
<b>As at the end of the year</b>	<b>1,401.47</b>	<b>1,401.47</b>
<b>Surplus in profit and loss</b>		
<b>As at the beginning of the year</b>	<b>27,862.15</b>	<b>27,392.57</b>
Add / (Less): Profit for the year	4,019.03	2,018.24
Other comprehensive income arising from remeasurement of defined benefit	(70.25)	119.61
Add / (Less): Equity dividend	(667.31)	(1,668.27)
<b>As at the end of the year</b>	<b>31,143.63</b>	<b>27,862.15</b>
<b>Other comprehensive</b>		
<b>As at the beginning of the year</b>	<b>30.23</b>	<b>29.52</b>
Add: Re-measurement (loss)/profit on quoted investment	1.09	0.71
<b>As at the end of the year</b>	<b>31.32</b>	<b>30.23</b>
	<b>49,367.77</b>	<b>46,085.20</b>

### Notes:

#### Securities premium reserve

Securities premium reserve is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with provisions of the Companies Act 2013.

#### General reserves

The general reserve is mainly created / built by the Company from time to time by transferring the profits from the retained earnings. The reserve may be utilised mainly to declare dividend as permitted under Companies Act 2013.

#### Surplus in profit and loss

Retained earnings comprise of the Group's undistributed profits after taxes and includes re-measurement of defined benefit plan of the Group.

#### Other comprehensive income

Items of other comprehensive income consist of re-measurement of fair value of quoted investments of the Group.



# Notes to the Consolidated Financial Statements

for the year ended 31 March 2023

## 19 Non current borrowings

Particulars	Effective interest rate %	Maturity	₹ in Lacs	
			As at 31 March 2023	As at 31 March 2022
Secured				
Term loans				
- Vehicle Loan	8.75%	Various dates	57.41	9.30
			<b>57.41</b>	<b>9.30</b>

The vehicle loans from banks are secured by hypothecation of vehicle purchased. The vehicle loans shall be repayable on monthly Installments of ₹ 1.73 lacs (7 monthly installments), ₹ 0.59 (49 monthly installments) and ₹ 0.98 lacs (58 monthly installments) till November 2023, April 2027 and January 2028 respectively.

The Company has not defaulted for any loans payable, and there has been no breach of any loan covenants.

## 20 Lease liability

Particulars	₹ in Lacs	
	As at 31 March 2023	As at 31 March 2022
Lease liability (refer note 4)	6,762.59	6,070.39
	<b>6,762.59</b>	<b>6,070.39</b>

## 21 Non-current provisions

Particulars	₹ in Lacs	
	As at 31 March 2023	As at 31 March 2022
<b>Employee benefits obligations</b>		
- Provision for gratuity (refer note 38.5 (b))	731.36	647.86
- Provision for compensated absences	87.31	86.92
	<b>818.67</b>	<b>734.78</b>

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2023

## 22 Current borrowings

₹ in Lacs

Particulars	Effective interest rate %	Maturity	As at 31 March 2023	As at 31 March 2022
<b>Secured</b>				
<b>Loans repayable on demand from Banks</b>				
Working capital demand loan	7.60% to 10.35%	Various dates	14,468.60	16,433.70
Gold Loan	2.35% to 4.51%	Various dates	21,953.04	25,092.90
Cash credit	8.95% to 10.80%	On demand	12,161.20	8,791.87
<b>Unsecured</b>				
Bill Discounting	10.30%	Various dates	-	349.90
			<b>48,582.84</b>	<b>50,668.37</b>

Working capital demand loan and the Cash credit facilities are part of a consortium arrangement with banks. The above facilities are secured by primary security by way of hypothecation charge on the entire current assets of the Company, present and future, on first pari passu basis among the members of the consortium.

Further, the facility is secured by collateral security on first pari passu charge basis among the members of the consortium

- By way of mortgage over premises at Zaveri Bazar, Mumbai, premises at Surat, premises at Kandivali Industrial Estate, Mumbai, premises at Nariman Point, Mumbai, premises at Punjagutta, Hyderabad.
- By way of hypothecation charge over Property, Plant and Equipment installed/erected at Surat, at Kandivali Industrial Estate, Mumbai, at Pune, and all movable and immovable assets present in all the Company's showrooms.

The facility is also secured by way of extension of mortgage charge on Second pari passu basis over commercial premises at Santacruz, Mumbai belonging to Shri Shrikant Zaveri (Chairman and Managing Director) and the personal guarantee of Shri Shrikant Zaveri the Chairman and Managing Director, Raashi Zaveri Executive Director and Binaisha Zaveri, Executive Director of the Company.

Deposit with carrying value of ₹ 3,705.55 Lacs (31 March 2022 ₹ 2,778.11 Lacs) are under lien to secure working capital facilities availed from banks. The facilities are also secured by Bank Guarantee of ₹ 7,306.44 lacs (31 March 2022: ₹ 9,255.00 lacs).

Amount disclosed as current maturities of long term borrowings under the head Non-current borrowings (refer note 19)

₹ in Lacs

Particulars	Effective interest rate %	Maturity	As at 31 March 2023	As at 31 March 2022
<b>Secured</b>				
Term loans				
- From bank	8.00%	Apr'22	-	116.07
- Vehicle Loan	7.30% - 8.75%	Various dates	25.14	21.43
Working capital demand loan				
- From bank	7.40%	Apr'22	-	86.00
			<b>25.14</b>	<b>223.50</b>
			<b>48,607.98</b>	<b>50,891.87</b>

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2023

## 23 Lease liability

₹ in Lacs

Particulars	₹ in Lacs	
	As at 31 March 2023	As at 31 March 2022
Lease liability (refer note 4)	2,115.42	1,817.56
	<b>2,115.42</b>	<b>1,817.56</b>

## 24 Trade payables

₹ in Lacs

Particulars	₹ in Lacs	
	As at 31 March 2023	As at 31 March 2022
Due to		
- Total outstanding dues of micro enterprises and small enterprises; and (refer note 38.4)	1,163.55	4,102.61
Other than Micro, Small and Medium Enterprises		
- Total outstanding dues of creditors other than micro enterprises and small enterprises	19,498.74	15,818.96
	<b>20,662.29</b>	<b>19,921.57</b>

Trade payable ageing schedule are as below:

As at 31 March 2023

Particulars	Unbilled dues	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	2,167.91	6.45	37.92	4.75	2,217.03
(ii) Others	1,092.44	16,999.75	214.53	47.47	91.07	18,445.27
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
<b>Total</b>	<b>1,092.44</b>	<b>19,167.66</b>	<b>220.98</b>	<b>85.39</b>	<b>95.82</b>	<b>20,662.29</b>

As at 31 March 2022

Particulars	Unbilled dues	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	3,963.67	116.98	20.20	1.76	4,102.61
(ii) Others	835.93	13,545.62	1,054.11	268.75	114.55	15,818.96
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
<b>Total</b>	<b>835.93</b>	<b>17,509.29</b>	<b>1,171.09</b>	<b>288.95</b>	<b>116.31</b>	<b>19,921.57</b>

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2023

## 25 Other financial liabilities

₹ in Lacs

Particulars	As at 31 March 2023	As at 31 March 2022
<b>From related parties</b>		
- Security deposits (refer note 38.7)	-	3.26
<b>From parties other than related parties</b>		
Interest accrued but not due on borrowings	36.81	26.81
Interest accrued and due on borrowings	-	103.38
Creditors for capital expenditure	192.41	55.81
Accrual for expenses	630.19	570.37
- Unclaimed dividend *	8.59	8.80
(* There are no amounts due for payment to the Investor Education and Protection Fund under Section 125 of the Companies Act, 2013 as at the year end)		
Deposit Other than related party	3.26	-
	<b>871.26</b>	<b>768.43</b>

## 26 Current provisions

₹ in Lacs

Particulars	As at 31 March 2023	As at 31 March 2022
<b>Employee benefit obligation</b>		
- Provision for gratuity (refer note 38.5 (b))	269.60	202.34
- Provision for compensated absences	238.60	212.39
	<b>508.20</b>	<b>414.73</b>

## 27 Other current liabilities

₹ in Lacs

Particulars	As at 31 March 2023	As at 31 March 2022
Advance from customers	1,730.68	2,476.41
Customers dues under schemes / arrangements	7,559.14	8,094.68
Refund liability	1,569.10	1,421.90
Statutory dues#	147.16	213.28
Accrual for expenses	54.73	71.87
	<b>11,060.81</b>	<b>12,278.14</b>

# Statutory dues includes Tax deducted at source, Goods and service tax, Employee state insurance, Provident fund and Profession tax.

Other current liabilities are non-interest bearing and have an average of 10-months term.

Undisputed statutory dues are generally settled in the next months.

Company's scheme do not qualify as deposits and Company has obtained legal opinion to that effect.

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2023

## 28 Revenue from contract with customers

### 28.1 Sale of product

₹ in Lacs

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Sale of goods	2,39,343.25	1,84,367.96
<b>Total</b>	<b>2,39,343.25</b>	<b>1,84,367.96</b>
India	2,39,343.25	1,84,367.96
Outside india	-	-
<b>Contract balances</b>		
Trade receivables*	160.05	161.29
*Trade receivables are generally not interest-bearing.		
<b>Reconciliation of revenue as recognised in Statement of Profit and Loss with the contracted price</b>		
Revenue as per contracted price	2,39,818.21	1,84,877.40
Less: Adjustments		
Price adjustments such as discounts , rebates and sales promotion schemes	474.96	509.44
<b>Revenue from contract with customers</b>	<b>2,39,343.25</b>	<b>1,84,367.96</b>
<b>Refund assets and Refund liabilities</b>		
Refund assets	1,427.88	1,293.93
Refund liabilities	1,569.10	1,421.90
<b>Disaggregated revenue information:</b>		
Revenue from retail operations	2,37,498.71	1,81,518.12
Revenue from non-retail operations	1,844.54	2,849.84
<b>Revenue from contract with customers</b>	<b>2,39,343.25</b>	<b>1,84,367.96</b>

### 28.2 Other operating revenue

₹ in Lacs

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
- Repairing revenue	19.34	15.99
<b>Total</b>	<b>19.34</b>	<b>15.99</b>

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2023

## 29 Other income

₹ in Lacs

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Interest Income		
- Interest income on bank deposits	134.20	131.89
- Interest Income (Other)	59.14	58.91
Other Non-Operating Income		
Interest on Income Tax Refund	22.78	-
Dividend income -Investments - Mutual Funds	0.05	0.02
Rental income	6.12	2.55
Liabilities/Provisions no longer required written back	73.06	25.25
Profit on sale of Property, Plant, and Equipment	1.48	0.25
Gain on termination of lease liability	156.02	38.87
Rent concession (refer note below)	23.44	485.28
Miscellaneous Income	21.26	34.73
	<b>497.55</b>	<b>777.75</b>

During the year ended 31<sup>st</sup> March 2022, the Group has negotiated rent waiver agreement with some landlords due to the stores remain closed resulting out of lockdown induced by covid-19 pandemic. The management believes that such waiver is short-term in nature and in accordance with the notification issued by central government in consultation with National financial reporting authority, the Group has elected to apply the practical expedient available of not considering the rent waiver as a lease modification as envisaged in the standard, Accordingly the group has recognised ₹ 485.28 lacs. As per amendment to the said notification, the Group has considered the rent concession of ₹ 23.44 lacs till June, 2022 in the above consolidated financials statement for the year ended 31<sup>st</sup> March 2023.

## 30 Cost of material consumed

₹ in Lacs

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
<b>Inventory at the beginning of the year</b>	17,146.24	17,695.17
Add: Purchases	1,37,441.81	1,29,305.51
	<b>1,54,588.05</b>	<b>1,47,000.68</b>
Less: Inventory at the end of the year	(17,579.52)	(17,146.24)
<b>Cost of material consumed</b>	<b>1,37,008.53</b>	<b>1,29,854.44</b>

## 31 Purchase of stock-in-trade

₹ in Lacs

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Purchase of stock-in-trade	72,430.67	52,151.34
	<b>72,430.67</b>	<b>52,151.34</b>

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2023

## 32 Changes in inventories of finished goods and stock-in-trade

₹ in Lacs

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Opening inventory		
- Finished goods	60,683.31	48,050.87
- Stock-in-trade	42,582.78	32,629.04
	<b>1,03,266.09</b>	<b>80,679.91</b>
Closing inventory		
- Finished goods	51,094.93	60,683.31
- Stock-in-trade	53,532.35	42,582.78
	<b>1,04,627.28</b>	<b>1,03,266.09</b>
<b>(Increase)/Decrease in stock</b>	<b>(1,361.19)</b>	<b>(22,586.19)</b>

## 33 Employee benefits expenses

₹ in Lacs

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Salaries, wages and bonus	6,749.39	6,060.98
Contribution to provident and other funds (refer note 38.5 (a))		
- Provident fund	264.06	233.51
- Other fund	20.00	20.38
Gratuity expenses (refer note 38.5 (b))	143.57	196.07
Compensated absences (refer 38.5 (c))	54.18	44.34
Staff welfare expenses	190.14	148.54
	<b>7,421.34</b>	<b>6,703.82</b>

## 34 Finance costs

₹ in Lacs

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Interest expenses	3,168.42	2,450.09
Other borrowing costs (BG and limit renewal charges)	193.43	380.14
Interest expense on lease liability	958.79	727.76
Interest on Late Payments	156.04	-
	<b>4,476.68</b>	<b>3,557.99</b>

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2023

## 35 Depreciation and amortisation expenses

₹ in Lacs

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Depreciation on property, plant and equipment (refer note 3)	711.59	707.36
Depreciation on right to use assets (refer note 4)	1,665.23	1,470.87
Amortisation on intangible assets (refer note 5)	70.83	73.17
	<b>2,447.65</b>	<b>2,251.40</b>

## 36 Other expenses

₹ in Lacs

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Power and fuel	366.28	287.32
Water charges	27.18	8.57
Boxes and packing material	124.58	154.53
Repairs and maintenance		
- Plant & machinery	104.42	119.40
- Others	169.14	127.03
Jobwork charges	1,034.51	925.48
Rent (refer note 4)	507.89	293.68
Advertisement and sales promotion	4,362.13	3,306.67
Freight and forwarding charges	135.72	97.72
Stores and spares consumed	112.28	100.05
Commission and service charges	2.35	4.09
Insurance	56.11	57.00
Travelling and conveyance expenses	153.89	71.29
Rates and taxes	66.42	117.69
Legal and professional fees	622.57	473.51
Postage, telegrams and telephone charges	26.76	27.59
Payment to auditors:		
- Statutory audit	47.70	42.00
- Certification charges	15.50	15.50
Security charges	222.91	207.26
Loss on sale of property plant and equipment	3.13	8.92
Asset written off	86.60	2.97
Printing & Stationery	2.31	1.84
Bank charges	782.95	525.44
Bad debts	26.45	
(Less) Provision for Expected Credit Loss Reversed	(26.45)	-
Interest on late payment of TDS & MSME payments	0.50	1.84
Contribution towards Corporate Social Responsibility (refer note 38.2)	78.64	79.07
Directors sitting fees	6.90	6.00
Commission to directors	35.00	30.00
Miscellaneous expenses	192.49	197.39
	<b>9,346.86</b>	<b>7,289.85</b>



# Notes to the Consolidated Financial Statements

for the year ended 31 March 2023

## 37 Income tax expense

₹ in Lacs

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
<b>The major components of income tax expense for the years ended 31 March 2023 and 31 March 2022 are:</b>		
<b>(i) Amounts recognised in profit and loss</b>		
Current income tax	1,304.00	517.00
Changes in estimates relating to prior years	-	-
<b>Deferred income tax liability / (asset), net</b>		
Origination and reversal of temporary differences	(118.83)	59.46
<b>Deferred tax expense</b>	<b>(118.83)</b>	<b>59.46</b>
<b>Tax expense for the year</b>	<b>1,185.17</b>	<b>576.46</b>
<b>(ii) Amounts recognised in other comprehensive income</b>		
<b>Items that will not be reclassified to profit or loss</b>		
Remeasurements of defined benefit plans	23.46	(28.80)
<b>(iii) Reconciliation of effective tax rate</b>		
Profit before tax	5,204.20	2,594.70
Company's domestic tax rate	25.168%	25.168%
<b>Tax using the company's domestic tax rate</b>	<b>1,309.80</b>	<b>653.03</b>
<b>Tax effect of:</b>		
Expense not allowed for tax purpose	993.69	(54.87)
Expense allowed for tax purpose	(1,118.32)	(21.70)
	<b>1,185.17</b>	<b>576.46</b>
Current tax	1,304.00	517.00
Deferred tax	(118.83)	59.46
<b>Total tax</b>	<b>1,185.17</b>	<b>576.46</b>

## 38 Notes to Accounts

### 38.1 Earning Per Share (EPS)

₹ in Lacs

Particulars	31 March 2023	31 March 2022
Profit after taxation ( ₹ in lacs )	4,019.03	2,018.24
Weighted Average Number of Equity Shares	6,67,30,620	6,67,30,620
Basic earnings per share ( ₹ )	6.02	3.02
Diluted earnings per share ( ₹ )	6.02	3.02

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2023

## 38.2 Corporate social responsibility (CSR)

- (a) CSR amount required to be spent as per Section 135 of the Companies Act, 2013 read with Schedule VII thereof by the Company during the year is ₹ 78.64 lacs (Previous Year ₹ 79.07 lacs).
- (b) Expenditure related to Corporate Social Responsibility is ₹ 78.64 lacs (Previous Year ₹ 79.07 lacs).

₹ in Lacs

Particulars	31 March 2023	31 March 2022
Health (including COVID - 19)	0.33	5.50
Education	55.96	48.98
Gender Equality and Empowering Women	22.35	24.59
<b>Total</b>	<b>78.64</b>	<b>79.07</b>

## 38.3 Contingent liabilities and commitments

### (i) Contingent Liabilities

Claims against the Group not acknowledged as debts

₹ in Lacs

Particulars	31 March 2023	31 March 2022
a) Bank Guarantees given	7,306.44	9,255.00
b) Other matters for which the Group is contingently liable		
i) Sales tax matters	402.58	417.48
ii) Local body tax matters	31.53	31.53
iii) Custom duty matters	25.00	25.00

The contingent liabilities, if materialised, shall entirely be borne by the Group, as there is no likely reimbursement from any other party.

The Group's pending litigations comprises of claims against the Group primarily for shortfall of Forms F and disallowance of input credit, with Sales, VAT tax, GST and other authorities. The Group has reviewed all its pending litigations and proceedings, and has adequately provided for where provisions are required and disclosed the contingent liabilities, where applicable, in its financial statements. The Group does not expect the outcome of these proceedings to have a materially adverse effect on its financial results.

The Group has a process whereby periodically all long-term contracts are assessed for material foreseeable losses. At the year end, the Group has reviewed and ensured that adequate provision as required under any law/ accounting standards for material foreseeable losses on such long-term contracts has been made in the books of account.

### (ii) Commitments

Estimated amount of Contracts remaining to be executed on capital account and not provided for (net of advances) as at 31 March 2023 is ₹ 48.42 lacs (31 March 2022: NIL).

## 38.4 Dues to Micro, Small and Medium Enterprises

On the basis of the information and records available with management, the following disclosures are made for the amounts due to Micro, Small and Medium enterprises who have registered with the Competent authorities.

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2023

Particulars	₹ in Lacs	
	31 March 2023	31 March 2022
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year:		
Principal amount remaining unpaid	2,217.03	4,102.61
Interest due and unpaid interest	116.69	28.90
The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
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 Micro, Small and Medium Enterprises Development Act, 2006;	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year; and	116.69	28.90
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

Note : 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.

## 38.5 Gratuity and Other Post-employment benefit plans

### a) Defined contribution plans

The Group makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards Provident Fund and Employees State Insurance, which are defined contribution plans. The Group has no obligations other than to make the specified contributions. The contributions are charged to the Statement of Profit and Loss as they accrue. The amount recognised as an expense towards contribution to Provident Fund and other funds for the year aggregated to ₹ 284.06 Lacs (31 March 2022: ₹ 253.89 Lacs) which is shown under notes to financial statements 33 – 'Employee benefits'.

### b) Defined benefit plans

The Group operates gratuity plan through a Trust wherein every employee is entitled to the benefit equivalent to fifteen days salary last drawn for each completed year of service. The same is payable on termination of service or retirement, whichever is earlier. The benefit vests after five years of continuous service. In case of some employees, the Group's scheme is more favourable as compared to the obligation under Payment of Gratuity Act, 1972. The gratuity plan is funded. The Group contributes to the Fund based on the actuarial valuation report. The Group has contributed to the Insurer Managed Fund. The following tables summarise the components of net benefit expense recognised in the Statement of Profit and Loss, and the funded status and amounts recognised in the Balance Sheet for the respective plans:

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2023

₹ in Lacs

Particulars	Gratuity (funded)	
	31 March 2023	31 March 2022
<b>I Change in Benefit Obligation</b>		
<b>Liability at the beginning of the year</b>	<b>1,403.86</b>	<b>1,441.42</b>
Interest cost	95.00	97.77
Current service cost	130.69	140.48
Benefit paid	(129.78)	(86.20)
Actuarial (gain) / loss on obligations	43.42	(189.61)
<b>Liability at the end of the year</b>	<b>1,543.19</b>	<b>1,403.86</b>
Bifurcation of Present value of obligation at the end of the year		
Current liabilities (Short term)	269.60	202.34
Non-Current liabilities (Long term)	1,273.59	1,201.52
<b>Present value of obligation</b>	<b>1,543.19</b>	<b>1,403.86</b>
<b>II Amount recognised in the Balance Sheet</b>		
Liability at the end of the year	1,543.19	1,403.86
Fair value of plan assets at the end of the year	(542.23)	(553.66)
<b>Amount recognised in the Balance Sheet</b>	<b>1,000.96</b>	<b>850.20</b>
Current provisions	269.60	202.34
Non-current provisions	731.36	647.86
	<b>1,000.96</b>	<b>850.20</b>
<b>III Expenses recognised in the Statement of Profit and Loss</b>		
Current service cost	130.69	140.48
Interest cost	95.00	97.76
Investment Income	(82.12)	(42.17)
<b>Expense recognised in Statement of Profit and Loss</b>	<b>143.57</b>	<b>196.07</b>
<b>IV Expenses recognised in the Other Comprehensive Income</b>		
<b>Actuarial (Gains) / Losses:</b>		
- Change in demographic assumptions	2.10	(4.61)
- Change in Financial assumptions	21.35	(134.73)
- Experience variance	19.95	(50.26)
Return on plan assets	50.31	41.19
<b>Expense recognised in the Other Comprehensive Income</b>	<b>93.71</b>	<b>(148.41)</b>
<b>V Balance Sheet Reconciliation</b>		
Opening net liability	850.20	820.84
Expense recognized in the Statement of Profit and Loss	143.57	196.07
Expense recognized in the Statement of OCI	93.71	-148.41
Gratuity paid	(6.52)	(9.41)
Contribution Paid	(80.00)	(8.90)
<b>Amount recognised in Balance Sheet</b>	<b>1,000.96</b>	<b>850.20</b>
<b>VI Composition of plan assets</b>		
Qualifying insurance policies*	542.23	553.66
A split of plan asset between various asset classes is as below:		
<b>Unquoted other debt instruments</b>	<b>542.23</b>	<b>553.66</b>

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2023

₹ in Lacs

Particulars	Gratuity (funded)	
	31 March 2023	31 March 2022
<b>VII Movement in fair value of plan assets</b>		
Fair value of plan assets at the beginning of the year	553.66	620.58
Contributions paid into the plan	80.00	8.90
Benefits paid by the plan	(123.26)	(76.79)
Investment Income	82.12	42.17
Actuarial (losses) / gains	(50.30)	(41.19)
<b>Fair value of plan assets at the end of the year</b>	<b>542.23</b>	<b>553.66</b>
<b>VIII Principal actuarial assumptions</b>		
Discount rate per annum	7.15% - 7.20%	7.15% - 7.30%
Expected rate of return on plan Assets	7.00%	7.75%
Salary escalation rate per annum	6% -7%	6% -7%
Mortality	Indian Assured lives Mortality (2012-14) Ultimate	Indian Assured lives Mortality (2012-14) Ultimate
Employee Turnover rate	2.00% - 36.00%	0.00% - 19.00%
<b>IX The principal actuarial risks to which the Group is exposed are investment risk, interest rate risk, salary risk and longevity risk.</b>		
Investment risk	The probability or likelihood of occurrence of losses relative to the expected return on any particular investment.	
Interest risk	The plan exposes the Group to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability.	
Longevity risk	The Group has used certain mortality and attrition assumptions in the valuation of the liability. The Group is exposed to the risk of actual experience turning out to be worse compared to the assumption.	
Salary Risk	The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.	

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2023

## X Sensitivity Analysis

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and mortality. The sensitivity analysis below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The results of sensitivity analysis is given below:

₹ in Lacs

Particulars	31 March 2023	31 March 2022
Defined Benefit Obligation (Base)	1,543.19	1,403.86

Particulars	31 March 2023		31 March 2022	
	Decrease	Increase	Decrease	Increase
Discount Rate (- / + 1%)	1,707.44	1,403.85	1,616.80	1,228.79
(% change compared to base due to sensitivity)	8.03% to 10.76%	(7.12%) to (9.12%)	9.50% to 15.40%	(8.30%) to (12.70%)
Salary Growth Rate (- / + 1%)	1,402.42	1,706.09	1,226.80	1,615.33
(% change compared to base due to sensitivity)	(7.26%) to (9.21%)	8.04% to 10.67%	(8.40%) to (12.80%)	9.50% to 15.30%
Attrition Rate (- / + 50% of attrition rates)	1,542.94	1,543.44	1,405.56	1,402.25
(% change compared to base due to sensitivity)	(0.28%) to 0.00%	0.00% to 0.27%	(1.30%) to 0.20%	(0.20%) to 1.10%
Mortality Rate (- / + 10% of mortality rates)	1,542.55	1,543.78	1,403.57	1,404.15
(% change compared to base due to sensitivity)	(0.02%) to (0.04%)	0.02% to 0.04%	0.00% to 0.00%	0.00% to 0.10%

	31 March 2023	31 March 2022
<b>XI Maturity Profile of Defined Benefit Obligation</b>		
Weighted average duration (based on discounted cashflows)	15 years	15 years
Expected cash flows over the next (valued on undiscounted basis):		
1 year	269.60	202.34
2 to 5 years	311.80	167.83
6 to 10 years	460.50	235.12
More than 10 years	2619.65	4,105.11

The Group expects to pay ₹ 263.55 lac (31 March 2023 ₹ 906.48 lacs) to the fund in the year ending 31 March 2024.

\* The Parent Company has maintained funds with Life Insurance Corporation of India and HDFC Life. The details of major category of plan assets held by the insurance companies is not available and hence the disclosure thereof is not made. The expected long-term rate of return on plan assets is based exclusively on the historical returns, without adjustments.

Estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2023

## c) Other long-term employee benefits

### Compensated absences

The liability towards compensated absences (annual and sick leave) for the year ended 31 March 2023 based on actuarial valuation carried out by using Projected unit credit method resulted in a charged of ₹ 54.18 Lacs (31 March 2022 ₹ 44.34 Lacs).

### Annual and sick leave assumptions

	31 March 2023	31 March 2022
Discount rate per annum	7.15% - 7.20%	7.15% - 7.30%
Salary escalation rate per annum	6% -7%	6% -7%
Mortality	Indian Assured lives Mortality (2012-14) Ultimate	Indian Assured lives Mortality (2012-14) Ultimate
Employee turnover rate	2.00% - 36.00%	0.00% - 19.00%

## 38.6 Long-term contracts

The Group has a process whereby periodically all long term contracts (including derivative contracts) are assessed for material foreseeable losses. At the year end, the Group has reviewed and determined that there are no long term contracts (including derivative contracts) which require provision under any law / accounting standards for material foreseeable losses.

## 38.7 Information on related party transactions as required by the Indian Accounting Standard (IND AS) - 24 for the year ended 31 March 2023

### I. Name of related parties

#### Key Managerial Personnel

- 1 Shrikant Zaveri, Chairman and Managing Director
- 2 Binaisha Zaveri, Whole Time Director
- 3 Raashi Zaveri, Whole Time Director
- 4 Saurav Banerjee, Chief Financial Officer till 13<sup>th</sup> May, 2022
- 5 Mukesh Sharma, Chief Financial Officer from 16<sup>th</sup> May, 2022
- 6 Niraj Oza, Company Secretary

#### Relative of Key Managerial Personnel

1. Kunal S Vaishnav

#### Entities over which Key Managerial personnel and/or their relatives exercise significant influence

1. TBZ Limited Employees Gratuity Trust

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2023

## Transactions during the year and balances as at year end with related parties:

₹ in Lacs

Nature of transaction	Key Managerial Personnel	Relative of Key Managerial Personnel	Entities over which Key Managerial personnel and/or their relatives exercise significant influence
<b>Transaction during the year</b>			
Remuneration paid			
- Mr. Shrikant Zaveri	240.00	-	-
	(240.00)	-	-
- Ms. Binaisha Zaveri	240.00	-	-
	(240.00)	-	-
- Ms. Raashi Zaveri	240.00	-	-
	(240.00)	-	-
- Mr. Saurav Banerjee*	61.18	-	-
	(118.36)	-	-
- Mr. Mukesh Sharma*	94.51	-	-
	-	-	-
- Mr. Niraj Oza*	39.57	-	-
	(39.14)	-	-
<b>Dividend Paid</b>			
- Mr. Shrikant Zaveri	334.02		
	(835.06)		
- Ms. Binaisha Zaveri	52.85		
	(132.13)		
- Ms. Raashi Zaveri	45.73		
	(114.31)		
<b>Sale of goods</b>			
- Mr. Kunal Vaishnav	-	0.83	-
	-	(0.51)	-
- Ms. Raashi Zaveri	1.33	-	-
	-	-	-
- Mr. Saurav Banerjee	-	-	-
	(3.36)	-	-
- Mr. Mukesh Sharma	1.37	-	-
	-	-	-
- Mr. Niraj Oza	0.36	-	-
	(0.18)	-	-
Gratuity trust fund	-	-	80.00
	-	-	(8.90)
Rent paid (net of GST) - Mr. Shrikant Zaveri	269.54	-	-
	(261.53)	-	-
Legal fees paid - Mr Kunal Vaishnav	-	10.70	-
	-	(10.35)	-
<b>Balance as at 31 March 2023</b>			
Security deposits receivable - Mr. Shrikant Zaveri	128.36	-	-
	(128.36)	-	-



# Notes to the Consolidated Financial Statements

for the year ended 31 March 2023

## Notes:

- 1) No amount in respect of the related parties have been written off / back during the year.
- 2) ESIC is not applicable to KMPs and Provident Fund is opted only by the Company Secretary.
- 3) The borrowing is secured by personal guarantee of the Chairman & Managing Director and Executive Directors of the Group (refer note 22).
- 4) Amounts pertaining to year ended 31 March 2022 are in brackets.
- 5) \*Excludes provision for gratuity which is determined on the basis of actuarial valuation done on overall basis for the Company.

## 38.8 Dividend on Equity Shares

₹ in Lacs

Particular	31 March 2023	31 March 2022
Dividend on equity shares paid during the year (includes Dividend distribution tax)	667.31	1,668.27
Proposed dividend on equity shares recognised as liability	-	-
Proposed dividend on equity shares not recognised as liability	-	-
Final dividend of ₹ 1.75/- per share	667.31	1,668.27

The Board of Directors has recommended a dividend @ ₹ 1.75 /- per equity share (17.5%) of face value of ₹ 10 per share for financial year 2022-23.

## 38.9 Segment reporting

The Group's business activity falls within a single primary business segment of "Jewellery" and one reportable geographical segment which is "within India". Accordingly, the Group is a single segment company in accordance with Indian Accounting Standard 108 "Operating Segment".

### (ii) Geographical information

- a. The Company is domiciled in India. The amount of its revenue from external customers broken down by location of customers is stated below:

₹ in Lacs

Geography	Year Ended 31 March 2023	Year Ended 31 March 2022
India	2,39,362.59	1,84,383.95
Outside India	-	-
<b>Total</b>	<b>2,39,362.59</b>	<b>1,84,383.95</b>

- b. Information regarding geographical non-current assets\* is as follows:

₹ in Lacs

Geography	Year Ended 31 March 2023	Year Ended 31 March 2022
India	16,045.95	15,219.10
Outside India	-	-
<b>Total</b>	<b>16,045.95</b>	<b>15,219.10</b>

\* Non-current assets exclude non-current financial assets, non-current tax assets (net) and deferred tax.

- c. Information about major customers:

No single customer contributed 10% or more to the Company's revenue during the years ended 31<sup>st</sup> March, 2023 and 31<sup>st</sup> March, 2022.

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2023

## 38.10 Disclosure pursuant to change with SEBI (Listing obligation and disclosure requirement, 2015) and section 186 of the Companies Act, 2013

No loans have been given by the Group to any third party.

## 38.11 Entities consolidated as subsidiaries in accordance with Ind AS 110- Consolidated financial statements

Name of the Entity	Country of Incorporation	% of holding as on		% of holding as on	
		31 March 2023	31 March 2022	31 March 2023	31 March 2022
Tribhovandas Bhimji Zaveri (Bombay) Limited	India	100%	100%	1 April 2022 to 31 March 2023	1 April 2021 to 31 March 2022

## 38.12 Additional Information, as required under Schedule III to the Companies Act, 2013, of entities consolidated as subsidiary

₹ in Lacs

Name of Entity	As at 31 March, 2023		For the year ended 31 March 2023					
	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 Amount	As % of consolidated net assets Amount	As % of consolidated profit or loss Amount	As % of consolidated profit or loss Amount	As % of consolidated other comprehensive income Amount	As % of consolidated other comprehensive income Amount	As % of consolidated other comprehensive income Amount	As % of consolidated other comprehensive income Amount
<b>Parent</b>								
Tribhovandas Bhimji Zaveri Limited	101.22%	56,727.17	98.72%	3,967.41	100.86%	(69.75)	98.68%	3,897.66
<b>Subsidiary</b>								
Tribhovandas Bhimji Zaveri (Bombay) Limited	0.94%	527.98	1.59%	63.91	-0.86%	0.59	1.63%	64.50
Total Eliminations	(-2.17%)	(1,214.32)	-0.31%	(12.29)	0.00%	(0.00)	-0.31%	(12.29)
<b>Total</b>	<b>100.00%</b>	<b>56,040.83</b>	<b>100.00%</b>	<b>4,019.03</b>	<b>100.00%</b>	<b>(69.16)</b>	<b>100.00%</b>	<b>3,949.87</b>

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2023

Name of Entity	As at 31 March, 2022		For the year ended 31 March 2022					
	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 Amount (₹ in lacs)		As % of consolidated profit or loss Amount (₹ in lacs)		As % of consolidated other comprehensive income Amount (₹ in lacs)		As % of consolidated other comprehensive income Amount (₹ in lacs)	
<b>Parent</b>								
Tribhovandas Bhimji Zaveri Limited	101.40%	53,496.82	84.78%	1,711.12	71.18%	85.64	84.02%	1,796.76
<b>Subsidiary</b>								
Tribhovandas Bhimji Zaveri (Bombay) Limited	0.88%	463.48	8.50%	171.47	28.82%	34.68	9.64%	206.15
Total Eliminations	(-2.28%)	(1,202.05)	6.72%	135.65	0.00%	-	6.34%	135.64
<b>Total</b>	<b>100.00%</b>	<b>52,758.26</b>	<b>100.00%</b>	<b>2,018.24</b>	<b>100.00%</b>	<b>120.32</b>	<b>100.00%</b>	<b>2,138.56</b>

### 38.13 Fair value hedge of gold price risk in inventory

The Parent Company enters into contracts for purchase of gold wherein the Parent Company has the option to fix the purchase price based on market price of gold during a stipulated time period. The prices are linked to gold prices. Accordingly, these contracts are considered to have an embedded derivative (represented in the said option to fix the price) that is required to be separated from the host contract which is the gold loan liability. Such feature is kept to hedge against exposure in the value of inventory of gold due to volatility in gold prices. The Parent Company designates the embedded derivative in the payable for such purchases as the hedging instrument in fair value hedging of inventory. The Parent Company designates only the spot-to-spot movement of the gold inventory as the hedged risk. The carrying value of inventory which are designated under fair value hedge relationship are measured at fair value at each reporting date. There is no ineffectiveness in the relationships designated by the Parent Company for hedge accounting.

Disclosure of effects of fair value hedge accounting on financial position:

Hedged item - Changes in fair value of inventory attributable to change in gold prices

Hedging instrument - Changes in fair value of the option to fix prices of gold purchases, as described above

As at 31 March 2023

₹ in Lacs

Commodity price risk	Carrying amount of hedged item		Carrying amount of hedging instrument		Notional value of hedge item	Notional value of hedging instrument	Maturity date	Balance sheet classification	Impact of change in fair value relating to the hedged risk (spot)
	Assets	Liabilities	Assets	Liabilities					
Hedged item - Inventory of gold	21,953.04	-	NA	NA	21,953.04	NA	Range - with in 6 months	Inventory	2,699.14
Hedging instrument - Option to fix gold price	NA	NA	-	2,699.14	NA	2,699.14	Range - with in 6 months	Current borrowing	2,699.14

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2023

## As at 31 March 2022

₹ in Lacs

Commodity price risk	Carrying amount of hedged item		Carrying amount of hedging instrument		Notional value of hedge item	Notional value of hedging instrument	Maturity date	Balance sheet classification	Impact of change in fair value relating to the hedged risk (spot)
	Assets	Liabilities	Assets	Liabilities					
Hedged item - Inventory of gold	25,092.90	-	NA	NA	25,092.90	NA	Range - with in 6 months	Inventory	1,630.46
Hedging instrument - Option to fix gold price	NA	NA	-	1,630.46	NA	1,630.46	Range - with in 6 months	Current borrowing	1,630.46

### 38.14 Capital management

The Group's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors the return on capital as well as the level of dividends to ordinary shareholders.

The board of directors seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position. The primary objective of the Group's Capital Management is to maximise shareholder value. The Group manages its capital structure and makes adjustments in the light of changes in the economic environment and the requirements of the financial covenants, if any.

The Group monitors capital using a ratio of 'adjusted net debt' to 'equity'. For this purpose, adjusted net debt is defined as total borrowings, comprising interest-bearing loans and borrowings less cash and cash equivalents. Equity comprises all components of equity.

The Group's adjusted net debt to equity ratio was as follows.

₹ in Lacs

Particular	As at 31 March 2023	As at 31 March 2022
Total borrowings	48,665.39	50,901.17
Less: Cash and cash equivalent	800.03	816.55
<b>Adjusted net debt</b>	<b>47,865.36</b>	<b>50,084.62</b>
Total equity	56,040.83	52,758.26
<b>Adjusted net debt to equity ratio</b>	<b>0.85</b>	<b>0.95</b>

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2023

## 38.15 Financial Instruments - Fair values and risk management

### 38.15.1 Financial Instruments - Fair values

#### Accounting classification and fair values

Carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy, are presented below.

- a) The fair value of financial instruments have been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to unobservable inputs (Level 3 measurements)

The categories used are as follows:

- Level 1: Quoted prices for identical instruments in an active market;
- Level 2: Directly or indirectly observable market inputs, other than Level 1 inputs; and
- Level 3: Inputs which are not based on observable market data.

₹ in Lacs

31 March 2023	Carrying amount		Fair value			Total
	FVOCI	Amortised cost	Level 1	Level 2	Level 3	
<b>Non-current financial assets</b>						
Other financial assets	3.33	-	3.21	-	0.12	3.33
<b>Current financial assets</b>						
Trade receivables	-	160.05	-	-	-	-
Cash and cash equivalents	-	800.03	-	-	-	-
Bank balances other than above	-	3,757.62	-	-	-	-
Others financial assets	-	243.42	-	-	-	-
<b>Non-current financial liabilities</b>						
Borrowings	-	57.41	57.41	-	-	57.41
Lease liability	-	6,762.59	-	-	-	-
<b>Current financial liabilities</b>						
Borrowings	-	48,607.98	48,607.98	-	-	48,607.98
Lease liability	-	2,115.42	-	-	-	-
Trade payables	-	20,662.29	-	-	-	-
Others financial liabilities	-	871.26	-	-	-	-

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2023

₹ in Lacs

31 March 2022	Carrying amount		Fair value			Total
	FVOCI	Amortised cost	Level 1	Level 2	Level 3	
<b>Non-current financial assets</b>						
Investment	2.24	-	2.12	-	0.12	2.24
Other financial assets	-	467.30	-	-	-	-
<b>Current financial assets</b>						
Trade receivables	-	161.29	-	-	-	-
Cash and cash equivalents	-	816.55	-	-	-	-
Bank balances other than above	-	3,719.54	-	-	-	-
Others financial assets	-	332.42	-	-	-	-
<b>Non-current financial liabilities</b>						
Borrowings	-	9.30	9.30	-	-	9.30
Lease liability	-	6,070.39	-	-	-	-
<b>Current financial liabilities</b>						
Borrowings	-	50,891.87	50,891.87	-	-	50,891.87
Lease liability	-	1,817.56	-	-	-	-
Trade payables	-	19,921.57	-	-	-	-
Others financial liabilities	-	768.43	-	-	-	-

## 38.15.2 Financial risk management

The Group principal financial liabilities, other than derivatives, comprise loans and borrowings, trade and other payable. The main purpose of these financial liabilities is to finance the Group's operations. The Group's principal financial assets include trade and other receivables and cash and cash equivalents that derive directly from its operations.

The Group is exposed to market risk, credit risk and liquidity risk. The group's senior management oversees the management of these risks. It is the group's policy that no trading in derivatives for speculative purpose may be undertaken. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

### A Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's exposures to trade receivables (mainly institutional customers and credit sales), deposits with landlords for store properties taken on leases and other receivables including balances with banks.

#### Trade receivables and other deposits

The Group's retail business is predominantly on 'cash and carry' basis which is largely through cash and credit card collections. The credit risk on such credit card collections is minimal, since they are primarily owned by customers' card issuing banks. The Group has adopted a policy of dealing with only credit worth counterparties in case of institutional customers and credit sales and the credit risk exposure for institutional customers and credit sales are managed by the Group by credit worthiness checks. The Group also carries credit risk on lease deposits with landlords for store properties taken on leases, for which agreements are signed and property possessions timely taken for store operations. The risk relating to refunds of deposits after store shut down is managed through successful negotiations or appropriate legal actions, where necessary.

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2023

## Other financial assets

The Company maintains exposure in cash and cash equivalents and term deposits with banks. The Cash and cash equivalents and term deposits are held with the banks with good credit ratings.

The Group's maximum exposure to credit risk as at 31<sup>st</sup> March 2023 and 31<sup>st</sup> March 2022 is the carrying value of each class of financial assets.

## B Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Group maintained a cautious liquidity strategy, with a positive cash balance throughout the year ended 31 March, 2023 and 31 March, 2022. Cash flow from operating activities provides the funds to service the financial liabilities on a day-to-day basis.

The Group regularly monitors the rolling forecasts to ensure it has sufficient cash on an on-going basis to meet operational needs. Any short term surplus cash generated, over and above the amount required for working capital management and other operational requirements, is retained as cash and cash equivalents (to the extent required) and any excess is invested in interest bearing term deposits with appropriate maturities to optimise the cash returns on investments while ensuring sufficient liquidity to meet its liabilities.

## Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments:

₹ in Lacs

31 March 2023	Less than 1 year	More than 1 year but less than 5 years	More than 5 years	TOTAL	Carrying amount
<b>Non current financial liabilities</b>					
<b>Borrowings</b>					
Secured Term loans from banks	-	57.41	-	57.41	57.41
Lease Liability	-	6,931.98	3,009.57	9,941.55	6,762.59
<b>Current financial liabilities</b>					
<b>Borrowings</b>					
Working capital demand loan from banks	14,468.60	-	-	14,468.60	14,468.60
Gold loan	21,953.04	-	-	21,953.04	21,953.04
Cash credit from banks	12,161.20	-	-	12,161.20	12,161.20
Bill Discounting	-	-	-	-	-
Current maturity of long term borrowing	25.14	-	-	25.14	25.14
Lease Liability	2,196.65	-	-	2,196.65	2,115.42
Trade payables	20,662.29	-	-	20,662.29	20,662.29
Other current financial liabilities	871.26	-	-	871.26	871.26

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2023

₹ in Lacs

31 March 2022	Less than 1 year	More than 1 year but less than 5 years	More than 5 years	TOTAL	Carrying amount
<b>Non current financial liabilities</b>					
Borrowings					
Secured Term loans from banks	-	9.30	-	9.30	9.30
Lease Liability	-	3,395.93	2,674.46	6,070.39	6,070.39
<b>Current financial liabilities</b>					
Borrowings					
Working capital demand loan from banks	16,433.70	-	-	16,433.70	16,433.70
Gold loan	25,092.90	-	-	25,092.90	25,092.90
Cash credit from banks	8,791.87	-	-	8,791.87	8,791.87
Bill Discounting	349.90	-	-	349.90	349.90
Current maturity of long term borrowing	223.50	-	-	223.50	223.50
Lease Liability	1,817.56	-	-	1,817.56	1,817.56
Trade payables	19,921.57	-	-	19,921.57	19,921.57
Other current financial liabilities	768.43	-	-	768.43	768.43

As of 31 March 2023 and 31 March 2022 the Company had unutilized credit limits from banks of ₹ 14,560.79 lacs and ₹ 15,012.88 lacs.

## C Market risk

### i. Market risk

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

### ii. Interest rate risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing financial assets or borrowings because of fluctuations in the interest rates, if such assets/borrowings are measured at fair value through profit or loss. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing borrowings will fluctuate because of fluctuations in the interest rates.



# Notes to the Consolidated Financial Statements

for the year ended 31 March 2023

## Exposure to interest rate risk

The interest rate profile of the Group's interest-bearing financial instruments as reported to the management of the Group is as follows.

₹ in Lacs

	Nominal amount	
	31 March 2023	31 March 2022
<b>Fixed-rate instruments</b>		
<b>Financial assets</b>		
Deposits with banks	3,749.03	3,710.75
<b>Financial liabilities</b>		
Secured term loans from banks	82.55	146.80
Working capital demand loans from banks	14,468.60	16,519.70
Bill Discounting	-	349.90
<b>Floating-rate instruments</b>		
<b>Financial liabilities</b>		
Cash credit from banks	12,161.20	8,791.87
Gold loan	21,953.04	25,092.90

The Group's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

## Sensitivity

The sensitivity to profit and loss in case of a reasonable possible change in interest rate of +/- 80 basis points (previous year +/- 80 basis points), keeping all other variables constant, would have resulted in an impact on profits by ₹ 369.49 Lacs (previous year ₹ 324.26 Lacs)

### iii Price risk

Exposure from Borrowings:

The Group's exposure to price risk also arises from borrowings of the Group that are at unfixed prices, and therefore, payment is sensitive to changes in gold price. The option to fix gold prices are classified in the balance sheet as fair value through profit or loss. The option to fix gold prices are at unfixed prices to hedge against potential losses in value of inventory of gold held by the Group.

The Group applies fair value hedge for the gold purchased whose price is to be fixed in future. Therefore, there will no impact of the fluctuation in the price of the gold on the Group's profit for the period.

### 38.16 Events after the reporting period

The Group has evaluated subsequent events from the balance sheet date through 24 May 2023, the date at which the financial statement were available to be issued, and determine that there are no material items to disclose other than those disclosed.

### 38.17 Relationship with Struck off companies

There are no balance outstanding on account of any transaction with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2023

## 38.18 Other Statutory information

- (a) The Group have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
- (i) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or
  - (ii) Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (b) The Group have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:
- (i) 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
  - (ii) Provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (c) The Group does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

**38.19** The Group has not traded or invested in crypto currency or virtual currency during the financial year.

**38.20** The Group has not been declared a wilful defaulter by any bank or financial institution or other lender (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India.

**38.21** The Group has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.

**38.22** The figures for the previous year have been re-grouped/ re-arranged, wherever necessary, to correspond with the current period's classification/disclosure.

**38.23** The consolidated financial statements were approved for issue by the Board of Directors on 24<sup>th</sup> May, 2023

As per our report of even date  
For **Chaturvedi & Shah LLP**  
Chartered Accountants  
Firm Registration No: 101720W/W100355

For and on behalf of the Board of Directors of  
**Tribhovandas Bhimji Zaveri Limited**

**Vijay Napawaliya**  
Partner  
Membership No: 109859

**Shrikant Zaveri**  
Chairman and Managing Director  
DIN:00263725

**Raashi Zaveri**  
Whole Time Director  
DIN:00713688

**Mukesh Sharma**  
Chief Financial Officer

**Niraj Oza**  
Head-Legal & Company Secretary  
Membership No.: A20646

Place: Mumbai  
Date: 24<sup>th</sup> May 2023

**TRIBHOVANDAS BHIMJI ZAVERI LIMITED**  
CIN: L27205MH2007PLC172598  
Regd. Off.: 241/43, Zaveri Bazar, Mumbai - 400 002.  
Tel. No.:(022) 3956 5001/ 40465000/ 01.  
Corporate Off.: 1106 to 1121, 11th Floor, West Wing, Tulsiani Chambers,  
212, Backbay Reclamation, Free Press Journal Road,  
Nariman Point, Mumbai – 400 021. Tel. No.: (022) 30735000/ 49255000.  
Website: [www.tbztheoriginal.com](http://www.tbztheoriginal.com). Email: [investors@tbzoriginal.com](mailto:investors@tbzoriginal.com).



## CONSENT FOR RECEIVING DOCUMENTS IN ELECTRONIC FORM

Dear Shareholder,

Pursuant to Section 101 of the Companies Act, 2013 read with Rule 18 of the Companies (Management and Administration) Rules, 2014, your Company has sent the Annual Report through electronic mode to those Shareholders whose E-mail IDs are registered. Please note that as a Shareholder you will be entitled to receive physical copies of all notices and documents free of cost, upon specific request to the Company.

The Annual Report and the Notice of General Meetings and other documents will also be available on the Company's website at [www.tbztheoriginal.com](http://www.tbztheoriginal.com).

Shareholders holding shares in physical mode and wishing to register / update their E-mail ID to receive the Annual Report and other documents in electronic mode are requested to fill the form below and send the same to our Registrar and Share Transfer Agents viz., **KFin Technologies Limited, Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad – 500 032**. The Company will not be in a position to send the documents in electronic mode unless the duly filled in form given below is received.

Shareholders holding shares in the dematerialized mode and wishing to register / update their E-mail ID to receive the Annual Report and other documents in electronic mode are requested to register / update their E-mail ID with the Depository Participants where their demat account is maintained.

Best Regards,  
**Niraj Oza**  
Head - Legal & Company Secretary

---

**TRIBHOVANDAS BHIMJI ZAVERI LIMITED**  
CIN: L27205MH2007PLC172598  
Regd. Off.: 241/43, Zaveri Bazar, Mumbai - 400 002.  
Tel. No.:(022) 3956 5001/ 40465000/ 01.  
Corporate Off.: 1106 to 1121, 11th Floor, West Wing, Tulsiani Chambers,  
212, Backbay Reclamation, Free Press Journal Road,  
Nariman Point, Mumbai – 400 021. Tel. No.: (022) 30735000/ 49255000.  
Website: [www.tbztheoriginal.com](http://www.tbztheoriginal.com). Email: [investors@tbzoriginal.com](mailto:investors@tbzoriginal.com).



## CONSENT FOR RECEIVING DOCUMENTS IN ELECTRONIC FORM

I / We agree to receive documents in electronic mode pursuant to Section 101 of the Companies Act, 2013 read with Rule 18 of the Companies (Management and Administration) Rules, 2014. Please register / update\* the E-mail ID as mentioned below:

\*Strike out whichever is not applicable.

- 1. Name(s) of Shareholder(s)** : \_\_\_\_\_  
**(including joint holders, if any)**
- 2. No. of Shares held** : \_\_\_\_\_

3. **Registered Folio No. / DP ID & CLIENT ID No.** : \_\_\_\_\_

4. **E-mail ID for receipt of documents in electronic mode** :

**Place:** \_\_\_\_\_

**Date:** \_\_\_\_\_

\_\_\_\_\_  
**(Signature of First Holder)**

\_\_\_\_\_  
**(Name of First Holder)**

For physical share: Kindly send to KFin Technologies Limited.

For Demat shares: Kindly register / update the E-mail ID with the Depository Participant where demat account is maintained.



The original since 1864

TRIBHOVANDAS BHIMJI ZAVERI  
SHRIKANT ZAVERI GROUP

**Registered Office**

241/43, Zaveri Bazar, Mumbai - 400 002.

Tel. No. (022) 40465000 / 01

**Corporate Office**

Tribhovandas Bhimji Zaveri Limited  
11<sup>th</sup> Floor, West Wing, Tulsiani Chambers,  
Free Press Journal Road,

Nariman Point, Mumbai - 400 021

Tel. No : + 91 22 4925 5000

Email : [info@tbzoriginal.com](mailto:info@tbzoriginal.com) /

[investors@tbzoriginal.com](mailto:investors@tbzoriginal.com)

Web : [www.tbztheoriginal.com](http://www.tbztheoriginal.com)