



DR. MAYUR B. NAYAK
B.Com., FCA, Ph.D.

M B NAYAK & CO.
CHARTERED ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To the Members of

PRIORITY JEWELS PRIVATE LIMITED

Report on the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of Priority Jewels Private Limited which comprise the balance sheet as at 31st March 2022, the statement of profit and loss, the statement of cash flows for the year then ended and a summary of the significant accounting policies and other explanatory information (herein after 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 financial statements give the information required by the Companies Act, 2013 ('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 state of affairs of the Company as at March 31, 2022, its Profit and cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the standards on auditing specified under section 143 (10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the code of ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules there under, 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 opinion.

Other Information

The Company's board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, and Business Responsibility Report but does not include the financial statements and our auditor's report thereon.

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



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

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards prescribed under Section 133 of the Act read with relevant rules issued there under.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- 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



company has adequate internal financial controls system in place and the operating effectiveness of such controls

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by 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 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 financial statements, including the disclosures, and whether the 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.

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 section 143(11) of the Act, we give in the Annexure A, a statement on the matters specified in the paragraph 3 and 4 of the order.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The balance sheet, the statement of profit and loss, the statement of cash flows and the 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 read with relevant rule issued there under;

(e) On the basis of the written representations received from the directors as on 31 March 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2022 from being appointed as a director in terms of Section 164 (2) of the Act;

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and

(g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- (i) the Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements
- (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

For M.B. Nayak & Co.
Chartered Accountants



Sanket Narolkar
Partner

Membership no. 140724
Firm Regn. No. 107014W
UDIN: 22140724AXJJYI3924



Place: Mumbai

Date: 08th September, 2022

Annexure A to the Auditors' Report

The Annexure referred to in the Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31st March 2022, we report that:

- i. In respect of its Fixed Assets:
 - a)
 - A. The Company has maintained proper records showing full particulars, including quantitative details and the situation of fixed assets on the basis of available information.
 - B. The company has maintained proper records showing full particulars including quantitative details and the situation of its intangible assets on the basis of available information.
 - b) As per the information and explanations given to us and based on our verification, the company has not physically verified all items of property, plant, and equipment during the year. However, the Management is in the process of verifying the same in the current financial year.
 - c) According to information and explanations given to us, the title deeds of immovable properties are held in the name of the company.
 - d) According to the information and explanations given to us, the revaluation of immovable properties is not performed by the company as it is not mandatory to carry revaluation every year.
 - e) According to the information and explanation given to us, the company does not hold any Benami Property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.
- ii. In respect of its inventories:
 - a) The company has conducted physical verification of stocks at reasonable intervals during the year.



b) The Physical verification of inventory conducted by the management is adequate in relation to the size of the company and the nature of its business and no discrepancies were noticed on such verification.

c) The company has been sanctioned working capital limits in excess of five crore rupees, in aggregate from banks or financial institutions. There was no material difference between the statements filed by the company with such banks or financial institutions and books of accounts.

iii.

a) The company has not provided loans or provided advances in the nature of loans, or stood guarantee or provided security to any other entity. Hence clauses (iii)(a) to (iii)(e) of the Companies (Auditor's Report) Order, 2020 are not applicable to the company.

b) As per the information and explanation given to us and based on the documents produced before us, the company has not granted loans without specifying the terms or period of repayment to employees.

iv. In our opinion and according to the information and explanation given to us, the company has not given any loans to or made investments in entities referred to in sections 185 and 186 of the Companies Act, 2013.

v. According to the information and explanations given to us, the Company has not accepted any deposits from the public as per the provisions of sections 73, 74, 75, and 76 or any other relevant provisions of the Act and the rules framed there under to the extent notified.

vi. The Central Government has not prescribed maintenance of Costing Records for the business of the Company under Section 148(1) of the Companies Act, 2013.

vii. According to the records of the company, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Maharashtra Labour Welfare Fund, Wealth Tax, Goods and Service Tax, Customs Duty, Excise Duty, cess to the extent applicable and any other statutory dues have generally been regularly deposited with the appropriate authorities. According to the information and explanations given to us there were no outstanding statutory dues



as on 31st of March, 2022 for a period of more than six months from the date they became payable, except the following: -

Sr no.	Nature of dues	Nature of Dues	Assessments year	Demand Amount (Rs. In Lakhs)	Amount paid (Rs. In Lakhs)	Forum where a dispute is pending
1	Income Tax Act, 1961	Tax	2015-16	7.26	NIL	CIT - Appeal
2	Income Tax Act, 1961	Tax	2016-17	113.47	NIL	CIT - Appeal
3	Income Tax Act, 1961	Tax	2014-15	2.58	NIL	CIT - Appeal
4	Maharashtra Value-Added Tax	Tax	2013-14	13.03	8.19	Joint Commissioner (Sales tax appeals)
5	West Bengal Value added tax	Tax	2013-14	5.21	0.52	Joint Commissioner (Commercial tax)
6	Custom Duty	Tax	2014-15 onwards	387.99	103.35	Customs Authority
7	Income tax act, 1961	Tax	2011-12	0.58	0.75	Commissioner of Income tax (Appeals)
8	Income tax act, 1961	Penalty	2012-13	10.74	2.14	Commissioner of Income tax (Appeals)

- viii. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income-Tax Act, 1961 (43 of 1961). Accordingly, reporting under paragraph 3 (viii) of the order is not required.



ix.

- (a) The company has not defaulted in repayment of loans or borrowing to a financial institution, bank, or Government or dues to debenture holders.
- (b) According to the information and explanation given to us, the company is not declared a wilful defaulter by any bank or financial institution, or other lenders
- (c) According to the information and explanation given to us and to the best of our knowledge, the Term loans taken during the year were applied for the purpose for which the loans were obtained.
- (d) According to the information and explanation given to us, funds raised by the company short-term term basis had not been utilized for long-term purposes.
- (e) The company does not have any subsidiaries, associates, or joint ventures. Hence clauses (ix)(d) and (e) are not applicable.

x.

- (a) The company did not raise any money by way of an initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3(x) of the Order is not applicable.
- (b) According to information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the period under review.

xi.

- a) According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- b) As there were no instances of fraud during the period under review, clause (xi)(b) is not applicable.
- c) According to the information and explanations are given to us the company has not received any whistle-blower complaints during the year under audit.



- xii. In our opinion and the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- xiii. According to information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Companies Act, 2013 where applicable, and, the details of such transactions have been disclosed in the Financial Statements as required by the applicable accounting standards.
- xiv.
- (a) The company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the reports of the Internal Audit Team of the company for the period under audit.
- xv. According to information and explanations given to us, the company has not entered into non-cash transactions with directors or persons connected with them as referred to in section 192 of the Companies Act, 2013.
- xvi.
- (a) According to information and explanations given to us, the company is not required to be registered under provisions of section 45IA of the Reserve Bank of India Act, 1934.
- (b) During the year, the company has not conducted Non-Banking Financial or Housing Finance activities.
- (c) The company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.
- xvii. According to the information and explanations are given to us, the company has not incurred cash losses in the financial year under audit and also in the immediately preceding financial year.
- xviii. During the year there was no resignation of the statutory auditor from the company.
- xix. On the basis of 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 on the basis of information and explanation and other data provided to us, in our opinion, there is no uncertainty exists as on the date of the audit report that the company is capable of meeting its liabilities exists at the date the of the 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 upto the date of the audit report and we neither give any guarantee nor any assurance that all the liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.

xx.

a) The company has no liability to transfer any unspent amount to a Fund specified in Schedule VII to the Companies Act within a period of six months of the expiry of the financial year in compliance with the second proviso to sub-section (5) of section 135 of the said Act.

b) The clause (xx)(b) of the Companies (Auditor's Report) Order, 2020 is not applicable to the company.

xxi. As per the informations and explanations given to us and based on our verification, the financial statements of subsidiary company are not audited as the company is closed down during the period i.e. on 15th September 2021. Hence, we are unable to comment on clause (xxi) of the Companies (Auditor's Report) Order, 2020.

For M.B. Nayak & Co.
Chartered Accountants

Sanket Narolkar

Sanket Narolkar
Partner
Membership no. 140724
Firm Regn. No. 107014W
UDIN: 22140724AXJJYI3924



Place: Mumbai
Date: 08th September, 2022

Annexure –B to the Auditors 'Report

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

We have audited the internal financial controls over financial reporting of Priority Jewels Pvt Ltd ("the Company") as of 31st March 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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



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

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial



control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For M.B.Nayak & Co.
Chartered Accountants

Sanket Narolkar
Partner

Membership no. 140724
Firm Regn. No. 107014W
UDIN: 22140724AXJJYI3924



Place: Mumbai
Date: 08th September, 2022

Priority Jewels Private Limited

Standalone Balance Sheet

as at 31 March 2022

₹ in Lakhs

	Note	31 March 2022	31 March 2021
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	3	415.00	415.00
Reserves and surplus	4	9,124.71	8,590.93
		9,539.71	9,005.93
Non-current liabilities			
Long-term borrowings	5	1,084.03	1,193.31
Long-term provisions	6	107.14	124.77
		1,191.17	1,318.07
Current liabilities			
Short-term borrowings	7	8,940.83	9,160.41
Trade payables	8		
- due to Micro Enterprises and small enterprises		61.70	28.49
- due to Creditors other than Micro Enterprises and Small Enterprises		2,861.03	4,278.61
Other current liabilities	9	550.86	282.89
Short-term provisions	10	152.43	133.98
		12,566.85	13,884.38
TOTAL EQUITY AND LIABILITIES		23,297.72	24,208.38
ASSETS			
Non-current assets			
Property, Plant and Equipment	11		
Tangible assets		1,519.76	1,514.69
Intangible assets		6.78	9.28
Capital Work-in-Progress		-	4.21
		1,526.54	1,528.18
Non-Current Investments	12	2.60	111.92
Deferred Tax Assets	13	58.05	64.08
Long-Term Loans and Advances	14	187.79	179.50
Other Non-Current Assets	15	45.23	42.06
		293.67	397.66
Current assets			
Inventories	16	6,899.98	8,065.21
Trade Receivables	17	11,816.36	11,756.00
Cash and Bank Balances	18	1,470.92	1,574.07
Short-Term Loans and Advances	19	1,123.98	781.43
Other Current Assets	20	166.28	105.84
		21,477.52	22,282.54
TOTAL ASSETS		23,297.72	24,208.38

Significant accounting policies

2

See accompanying notes forming part of the standalone financial statements

3-46

As per our report of even date attached

For MB NAYAK & CO

Chartered Accountants

Firm's Registration No: 107614W

Sanket Narolkar

Partner

Membership No: 140724



Date: 8th September 2022

Place: Mumbai

For and on behalf of Board of Directors of
PRIORITY JEWELS PRIVATE LIMITED

CIN: U52393MH2007PTC174977

S.H. Sangani

Shailesh H Sangani

Managing Director

DIN: 00187474

Manisha Sangani

Manisha Sangani

Director

DIN: 00187398

Date: 8th September 2022

Place: Mumbai

Priority Jewels Private Limited

Standalone Statement of Profit and Loss for the year ended 31st March 2022

₹ in Lakhs

	Note	31 March 2022	31 March 2021
REVENUE FROM OPERATIONS			
Sale of products	21	38,256.37	25,416.94
Sale of services	21	1,424.39	750.68
Other operating revenues	21	19.90	45.22
Other income	22	656.28	199.09
TOTAL REVENUE		40,356.94	26,411.92
EXPENSES			
Cost of raw material and components consumed	23	35,935.30	23,254.37
Changes in inventories of finished goods, work-in-progress and traded goods	24	(159.51)	20.86
Employee benefits	25	904.77	735.42
Finance costs	26	820.04	808.43
Depreciation and amortisation	11	124.16	131.41
Other expenses	27	2,010.77	1,181.77
TOTAL EXPENSES		39,635.53	26,132.26
PROFIT BEFORE TAX		721.41	279.66
Less: Tax expenses			
- Current tax		181.60	75.01
- Deferred tax charge / (credit)		6.03	0.06
		187.63	75.07
PROFIT FOR THE YEAR		533.79	204.60
Earnings per equity share of Rs. 10 {Based on profit for the year}			
Basic	34	12.86	4.93
Diluted	34	12.86	4.93

Significant accounting policies

2

See accompanying notes forming part of the standalone financial statements

3-46

As per our report of even date attached.

For MB NAYAK & CO

Chartered Accountants

Firm's Registration No: 107014W

Sanket Narolkar

Partner

Membership No: 140724

Date: 8th September 2022

Place: Mumbai



For and on behalf of Board of Directors of
PRIORITY JEWELS PRIVATE LIMITED
CIN: U52393MH2007PTC174977

S. H. Sangani

Shailesh H Sangani

Managing Director

DIN: 00187474

Date: 8th September 2022

Place: Mumbai

Manisha Sangani

Director

DIN: 00187398

Priority Jewels Private Limited

Standalone Cash Flow Statement

for the year ended 31 March 2022

₹ in Lakhs

	31 March 2022	31 March 2021
A. Cash flow from operating activities		
Net profit before tax	721.41	279.66
Adjustments for :		
Interest income	49.69	63.71
Deferred tax		
Depreciation and amortisation	124.16	131.41
Profit on sale of Asset	(0.16)	(1.25)
Finance cost	820.04	808.43
Operating profit before working capital changes	1,715.15	1,281.96
Increase / (Decrease) in long-term provisions	(17.63)	56.73
Increase / (Decrease) in trade payables	(1,384.38)	(2,190.09)
Increase / (Decrease) in other current liabilities	(109.28)	1,192.20
Increase / (Decrease) in short-term provisions	258.02	87.68
Increase / (Decrease) in long-term loans and advances	(8.18)	19.68
(Increase) / Decrease in inventories	1,165.23	803.06
(Increase) / Decrease in trade receivables	(60.36)	739.05
(Increase) / Decrease in short-term loans and advances	(342.55)	(94.56)
(Increase) / Decrease in other current assets	(60.44)	(80.83)
(Increase) / Decrease in other Non current assets	(3.17)	(28.77)
	(562.74)	504.16
Cash (used in) / generated from operations	1,152.40	1,786.12
Less: Income tax paid (net)	153.19	99.56
Net cash flow (used in)/ from operating activities (A)	999.22	1,686.56
B. Cash flow from investing activities		
Purchase of Property, Plant and Equipment	122.53	35.36
Proceeds from sale of Property, Plant and Equipment	(0.16)	(1.25)
Purchase/(Realisation) of investments	(109.32)	(0.64)
Interest received	49.69	63.71
Net cash from / (used in) investing activities (B)	62.74	97.18
C. Cash flow from financing activities		
Proceeds from short-term borrowings (Net)	(219.58)	314.17
Issued of Equity Share	-	-
Buyback of Equity shares	-	(1,282.50)
Finance cost paid	(820.04)	(808.43)
Net cash from / (used in) financing activities (C)	(1,039.62)	(1,776.75)
Net increase in cash and cash equivalents during the year (A-B+C)	(103.15)	(187.37)
Opening cash and cash equivalents	1,574.07	1,761.43
Closing cash and cash equivalents	1,470.92	1,574.07

Significant accounting policies

See accompanying notes forming part of the standalone financial statements

As per our report of even date attached

For MB NAYAK & CO

Chartered Accountants

Firm's Registration No: 107014W

Sanket Narolkar

Sanket Narolkar

Partner

Membership No: 140724



Date: 8th September 2022

Place: Mumbai

For and on behalf of Board of Directors of
PRIORITY JEWELS PRIVATE LIMITED
CIN: U52393MH2007PTC174977

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Managing Director

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Director

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Date: 8th September 2022

Place: Mumbai

Notes to the standalone financial statements (Continued)
for the year ended 31st March 2022

₹ in Lakhs

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Share capital		31 March 2022	31 March 2021		
Authorised					
1,85,00,000 (31 March 2021 : 1,85,00,000) equity shares of Rs 10 each		1,850.00	1,850.00		
3,00,00,000 (31 March 2021 : 3,00,00,000) preference shares of Rs 10 each		300.00	300.00		
		2,150.00	2,150.00		
Issued, subscribed and fully paid-up					
41,50,000 (31 March 2021 : 41,50,000) equity shares of Rs 10 each, fully paid-up		415.00	415.00		
		415.00	415.00		
Notes:					
a. Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting year:					
	31 March 2022	31 March 2022	31 March 2021	31 March 2021	
	No. of shares	Amount	No. of shares	Amount	
Equity shares					
At the commencement of the year	4,150,000	415	18,400,000	1,840	
Less: Buyback of Equity Shares during the year	-	-	14,250,000	1,425	
Outstanding at the end of the year	4,150,000	415	4,150,000	415	
b. Rights, preferences and restrictions attached to equity shares :					
The Company has a single class of equity shares. Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets. The equity shares are entitled to receive dividend as declared from time to time. The voting rights of an equity shareholder on a poll (not on show of hands) are in proportion to its share of the paid-up 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.					
c. Equity shares in the Company held by each shareholder holding more than 5% shares.					
	31 March 2022	%	31 March 2021	%	
	No. of Shares		No. of Shares		
Equity shares of Rs. 10 each fully paid up held by:					
Mrs Manisha Sangani	1,800,000	43.37%	1,800,000	43.37%	
Mr Shailesh Sangani	1,350,000	32.53%	1,350,000	32.53%	
Ms Aditi Sangani	500,000	12.05%	500,000	12.05%	
M/s Priority Retail Ventures Private Limited	500,000	12.05%	500,000	12.05%	
d Promoter's Shareholding					
Shares held by promoters at the end of the year 31st March 2022					
Promoter Name	No. of Shares**	% of total shares**	% Change during the year***		
Shailesh Sangani	1350000	32.53	Nil		
Manisha Sangani	1800000	43.37	Nil		
Aditi Motla	500000	12.05	Nil		
Priority Retail Ventures Private Limited	500000	12.05	Nil		
Total	4150000	100.00			
Shares held by promoters at the end of the year 31st March 2021					
Promoter Name	No. of Shares**	% of total shares**	% Change during the year***		
Shailesh Sangani	1350000	32.53	Nil		
Manisha Sangani	1800000	43.37	Nil		
Aditi Motla	500000	12.05	Nil		
Priority Retail Ventures Private Limited	500000	12.05	Nil		
Total	4150000	100.00			
e Statement of Changes in Equity					
(1) Current Reporting Period ended 31.03.2022	Balance at the beginning of the current reporting period	Changes in Equity Share Capital due to prior period error	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period
	4,150,000	Nil	Nil	Nil	4,150,000
(2) Previous Reporting Period ended 31.03.2021	Balance at the beginning of the current reporting period	Changes in Equity Share Capital due to prior period error	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period
	4,150,000	Nil	Nil	Nil	4,150,000



6

4 Reserves and surplus	31 March 2022	31 March 2021
Surplus (Statement of Profit and Loss)		
At the commencement of the year	7,923.43	7,576.33
Add: Profit for the year	533.79	204.60
At the end of the year	8,457.21	7,780.93
Add: Difference b/w the face value and the offer/buyback price of equity shares*	-	142.50
Less: Capital Redemption Reserve	8,457.21	7,923.43
Capital Redemption Reserve	667.50	667.50
	9,124.71	8,590.93

* F.Y.20-21, Company has bought back 1,42,50,000 Equity shares of Rs. 10/- per share at an offer/buyback price of Rs. 9/- per share from its shareholders, in terms of Section 68 of Companies Act, 2013. The difference between the face value and the offer/buyback price of Re.1/- per share on buyback of equity shares has been transferred to the reserves of the Company.

5 Long-term borrowings				
Secured	Non current portion		Current portion*	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
Vehicle loans from HDFC Bank Ltd	4.07 #	11.76 #	7.69	8.24
Emergency Credit Line Guarantee Scheme (ECLGS T/L)	1,079.96 \$	1,181.54 \$	341.58	39.46
	1,084.03	1,193.31	349.28	47.69

* Amounts disclosed under "other current liabilities", refer note 9

as on 31st March, 22 vehicle loan amounting to Rs 11,76,487 outstanding which is repayable in thirty six monthly installments and carries interest rate @7.5% on reducing balance method. The equated monthly installments is amounting to Rs 69,390 -. The last installment for the vehicle loan is due in the month of september 2023.

Details of loan and security are mentioned below:

Bank Name	Amount	Int Rate	Security
Axis Bank	Rs 3.35 Cr	4% over Repo rate	Second charge on current assets of company Collateral: Second charge on a) All movable FA except vehicles b) Fixed Deposit of Rs 1.47 Crores c) Fixed Deposit of Rs 1.20 Crores d) Land & Building constructed thereon at plot 121, MIDC, Andheri
Yes Bank	Rs 3.73 Cr	1% Over EBLR	
HDFC Bank	Rs 7.13 Cr	1 % Over EBLR	

Note: Tenor is 5 Years from the date of first disbursement. Moratorium period is 1 year and repayment of the principal shall be repaid in 48 instalments after completion of moratorium.

6 Long-term provisions	31 March 2022	31 March 2021
Provision for employee benefits (refer note 29):		
Gratuity	93.90	84.35
Compensated absences	13.24	40.42
	107.14	124.77

7 Short-term borrowings	31 March 2022	31 March 2021
Secured		
From banks		
Export Packing Credit *	3,227.31	2,286.38
Gold loans **	1,576.49	1,657.04
Cash credit from banks ***	4,136.94	5,195.67
Unsecured		
From Directors ##	0.09	21.32
	8,940.83	9,160.41

* Packing Credit Finance are taken from various Banks for a period ranging between 150 - 180 days and carry interest ranging between 3.10% to 10.50% (P.Y. 4.20% - 8.50%) which is computed monthly on the outstanding amount and are repayable on demand.

** Gold loans are taken from various banks for a period of 180-270 days and carry interest ranging between 2.75% to 3.75% (P.Y. 2.75% to 3.75%) against standby letter of credit (SBLC).

*** Working Capital facilities are secured against:

- 1) First hypothecation charge on entire current assets of the company on pari passu basis with all consortium members.
- 2) First pari passu charge on entire movable fixed assets of the company present and future except vehicles.
- 3) Lien on fixed deposit.
- 4) Land & building at plot no 121, MIDC, Andheri (East)

Indian rupee loan from Directors amounting to Rs. 8,992 (31 March 2021 Rs. 21,32,216) is interest free. There is no tenor for the loan, however, it is repayable on demand.



8 Trade payables	31 March 2022	31 March 2021
Dues to:		
Micro and small enterprises	61.70	28.49
Other Creditors	2,861.03	4,278.61
	2,922.73	4,307.11

Year Ended 31.03.2022

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	60.64	0.46	0.16	0.44	61.70
(ii) Others	2,829.15	19.27	7.37	5.24	2,861.03
(iii) Disputed dues- MSME					-
(iv) Disputed dues - Others					-
Total	2,889.79	19.73	7.54	5.67	2,922.73

Year Ended 31.03.2021

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	25.94	2.12	-	0.44	28.49
(ii) Others	2,561.18	1,416.35	295.85	5.24	4,278.61
(iii) Disputed dues- MSME					-
(iv) Disputed dues - Others					-
Total	2,587.12	1,418.47	295.85	5.67	4,307.11

Disclosure for Small, Medium & Small Enterprises:

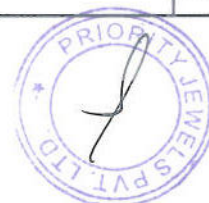
Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the management. This has been relied upon by the auditors.

	2022	2021
Principal amount remaining unpaid to any supplier as at the year end	61.70	28.49
Interest due thereon	Nil	Nil
Amount of interest paid by the Company in terms of section 16 of the MSMED, along with the amount of the payment made to the supplier beyond the appointed day during the accounting period	Nil	Nil
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 period) but without adding the interest specified under the MSMED	Nil	Nil
Amount of interest accrued and remaining unpaid at the end of the accounting period	Nil	Nil
Amount of further interest remaining and due payable even in the succeeding years, until such date when the interest due as above are actually paid to the small enterprises for the purpose of disallowance as a deductible expenditure under the MSMED Act, 2006	Nil	Nil

9 Other current liabilities	31 March 2022	31 March 2021
Current maturities of long term debts (refer note 5)	349.28	47.69
Provision for Interest Payable	17.27	17.42
Advance from customers	-	43.93
Statutory dues payable		
- Tax deducted at source	14.08	10.57
- Profession tax	0.35	0.40
- Employees' state insurance	0.70	0.75
- Provident fund	4.61	5.69
Employee benefits payable	101.34	92.96
Unamortized Forward Premium	63.24	63.48
	550.86	282.89

10 Short-term provisions	31 March 2022	31 March 2021
Provision for employee benefits (refer note 29):		
Gratuity	10.00	15.00
Compensated absences	2.69	7.65
Other provisions:		
Provision for tax [net of advance tax Rs. 10,19,35,243 (31 March 2021: Rs.10,06,45,492)	134.53	106.12
Provision for Value added tax (refer note 40)	5.21	5.21
	152.43	133.98

12 Non-current investments	31 March 2022	31 March 2021
Trade Investments (unquoted)		
Investment in Equity Shares		
Priority Gold & Jewellery DMCC	-	109.32
Sovereign Gold Bond	2.60	2.60
Aggregate cost of unquoted investments	2.60	111.92



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13 Deferred tax assets	31 March 2022	31 March 2021
<i>Deferred tax assets</i>		
- Provision for gratuity	26.15	25.01
- Provision for compensated absences	4.01	12.10
- Provision for doubtful debts and other receivables	3.65	-
- Provision for bonus	12.95	3.63
- Difference between book depreciation and depreciation under the Income tax Act, 1961	11.29	23.34
	58.05	64.08

14 Long-term loans and advances	31 March 2022	31 March 2021
<i>(Unsecured, considered good)</i>		
<i>To parties other than related parties</i>		
Advance tax and tax deducted at source [Net of provision for tax Rs 15,90,73,769 (31 March 2021: Rs. 15,16,55,018)]	187.79	179.60
	187.79	179.60

15 Other non-current assets	31 March 2022	31 March 2021
* Deposits with maturity of more than 12 months(refer note 18)	16.10	15.14
Security deposits	29.13	26.92
	45.23	42.06
* Bank deposits includes carrying amount of Rs. 16,10,262 (31 March 2021: Rs. 15,14,204) being fixed deposit held against bank guarantees issued by the bank on behalf of the Company.		

16 Inventories	31 March 2022	31 March 2021
<i>(valued at lower of cost and net realisable value)</i>		
Raw material	3,760.09	5,084.84
Work-in-progress	1,432.12	815.97
Finished goods	1,707.77	2,164.40
	6,899.98	8,065.21

17 Trade receivables	31 March 2022	31 March 2021
<i>(Unsecured, considered good unless stated otherwise)</i>		
Receivable outstanding for a period exceeding six months from the day they became due for payment.		
- Considered good	190.38	682.94
- Considered doubtful	14.50	14.50
Provision for doubtful receivables	-	-
	204.88	697.44
Other receivables:		
- Considered good	11,611.49	11,058.56
	11,816.36	11,756.00

Year Ended 31.03.2022

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months-1 year	1-2 year	2-3 year	More than 3 years	Total
(i) Undisputed Trade receivables -considered good	11,642.13	38.07	50.05	52.49	19.13	11,801.86
(ii) Undisputed Trade receivables -which have significant increase in credit risk	-	-	-	10.38	4.12	14.50
(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	-	-	-	-	-	-
Total	11,642.13	38.07	50.05	62.88	23.24	11,816.36

Year Ended 31.03.2021

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months-1 year	1-2 year	2-3 year	More than 3 years	Total
(i) Undisputed Trade receivables -considered good	11,073.06	233.83	275.68	128.64	30.29	11,741.50
(ii) Undisputed Trade receivables -which have significant increase in credit risk	-	-	10.38	-	4.12	14.50
(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	-	-	-	-	-	-
Total	11,073.06	233.83	286.06	128.64	34.41	11,756.00



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18 Cash and bank balances	31 March 2022	31 March 2021
Cash and cash equivalents		
Cash on hand	1.10	2.18
Balances with banks		
- On current accounts	328.04	125.33
- On deposits accounts (with original maturity of 3 months or less)	141.07	626.30
- HDFC Margin against Gold Loan	142.50	271.36
- ICICI Margin against Gold Loan	4.59	-
Other bank balances		
- held as margin money deposit (with maturity of more than 3 months but less than 12 months)*	484.49	362.86
- Bank deposits (with maturity of more than 3 months but less than 12 months)*	369.12	186.03
	1,470.92	1,574.07
<p>* Bank deposits includes carrying amount of Rs. 4,84,49,428 (31 March 2021: Rs. 3,62,85,789) being fixed deposits held as margin money, security guarantees against bank guarantee issued to the bank on behalf of the Company.</p>		
Details of bank balances/ deposits		
Bank deposits with original maturity of 3 months or less included under 'Cash and cash equivalents'	141.07	626.30
Bank deposits due to mature within 12 months of the reporting date included under 'Other bank balances'	369.12	186.03
Margin Money due to mature within 12 months of the reporting date included under 'Other bank balances'	484.49	362.86
Bank deposits due to mature after 12 months of the reporting date included under 'Other non-current assets (refer note 15)	16.10	15.14
	1,010.79	1,190.33

19 Short-term loans and advances (Unsecured, considered good)	31 March 2022	31 March 2021
To parties other than related parties		
Advance to suppliers	550.58	92.98
Advances for exhibitions	2.47	7.32
Employee advances	32.26	33.46
Prepaid expenses	55.79	55.18
Balance with government and local authorities	482.88	592.48
	1,123.98	781.43

20 Other current assets	31 March 2022	31 March 2021
Interest accrued on bank deposits	49.82	5.89
	49.82	5.89
Forward Contract Premium Receivable	116.25	99.15
Other Receivables	0.21	0.80
	116.46	99.95
	166.28	105.84



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Priority Jewels Private Limited

Notes to the standalone financial statements (Continued) for the year ended 31st March 2022

₹ in Lakhs

21 Revenue from operations	31 March 2022	31 March 2021
Sale of products		
Finished goods:		
Domestic sales		
Finished Jewellery	9,815.36	5,355.95
Diamonds	6,598.33	7,262.74
Export sales		
Finished Jewellery	4,090.54	2,372.72
Diamond	17,752.14	10,425.53
Total finished goods	38,256.37	25,416.94
Sale of services		
Jobwork charges	1,424.39	750.68
	1,424.39	750.68
Other operating revenues	19.90	45.22
	39,700.66	26,212.83

22 Other income	31 March 2022	31 March 2021
Interest income on		
- Bank deposits	41.68	63.53
- Others	8.01	0.18
Profit/Loss on sale of Fixed Asset	0.16	1.25
Net Foreign Exchange fluctuation	565.83	125.83
Excess Provision Reversed	32.14	-
Sundry Balance Write back	1.65	2.34
Miscellaneous income	6.82	5.95
	656.28	199.09

23 Cost of raw material and components consumed	31 March 2022	31 March 2021
Raw materials and components consumed		
Stock at the beginning of the year	5,084.84	5,867.04
Add: Purchases	34,610.56	22,472.17
	39,695.40	28,339.21
Less: Stock at the end of the year	3,760.09	5,084.84
	35,935.30	23,254.37
Break up of cost of raw material consumed		
Gold	6,479.36	3,443.15
Alloy and silver	47.10	36.27
Platinum	1,085.61	472.91
Diamonds and precious stones	28,323.24	19,302.04
	35,935.30	23,254.37
Break up of inventory - raw materials		
Raw material and components		
Gold	1,728.84	1,989.13
Alloy and silver	14.97	13.15
Platinum	82.07	44.72
Diamonds and precious stones	1,934.21	3,037.84
	3,760.09	5,084.84



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Priority Jewels Private Limited

Notes to the standalone financial statements (Continued)

for the year ended 31st March 2022

₹ in Lakhs

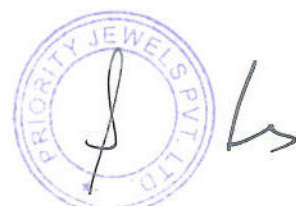
24 Changes in inventories of finished goods, work in progress and traded goods	31 March 2022	31 March 2021
Stock at the beginning of the year Work-in-progress Finished goods	815.97 2,164.40	1,503.63 1,497.60
	2,980.37	3,001.23
Stock at the end of the year Work-in-progress Finished goods	1,432.12 1,707.77	815.97 2,164.40
	3,139.88	2,980.37
(Increase) / decrease in stock	(159.51)	20.86
Details of inventory		
Finished goods		
Diamond studded jewellery	1,707.77	2,164.40
	1,707.77	2,164.40

Priority Jewels Private Limited

Notes to the standalone financial statements (Continued)

for the year ended 31st March 2022

₹ in Lakhs		
27 Other expenses	31 March 2022	31 March 2021
Power and fuel	74.55	62.00
Water charges	9.90	7.92
Consumables and packing materials	234.17	112.90
Repairs and maintenance:		
- Buildings	4.67	2.36
- Plant and machinery	17.33	9.25
- Others	22.83	12.75
Labour charges	827.90	443.77
Freight and forwarding charges	66.39	47.31
Commission and service charges	54.56	32.28
Web Server Hosting Charges	5.04	1.32
Bank charges	11.49	8.10
Insurance	7.35	8.21
Travelling and conveyance expenses	32.43	18.92
Rent	37.45	30.06
Rates and taxes	114.47	58.05
Legal and professional fees	180.93	130.93
Postage, telegrams and telephone charges	7.03	7.31
Printing and stationery	10.06	5.89
Payment to auditors (refer note 28.1)	8.00	5.00
Vehicle expenses	16.49	16.47
Designing charges	149.33	64.15
Testing charges	63.55	38.05
Exhibition expenses	18.48	9.69
Sundry balances written off	6.23	17.44
Miscellaneous expenses	30.12	31.64
	2,010.77	1,181.77
28.1 Payment to auditors (excluding Goods and Service Tax)		
As auditor		
Statutory audit	6.00	3.50
Tax audit	2.00	1.50
	8.00	5.00



Priority Jewels Private Limited

Notes to the standalone financial statements (Continued) as at 31 March, 2022

₹ in Lakhs

11 Property, plant and equipment

Description of assets	As at 1 April 2021	Gross block Additions during the year	Deletion during the year	As at 31 Mar 2022	Depreciation and amortisation For the year As at 1 April 2021	Deletion during the year	As at 31 Mar 2022	Net block As at 31 Mar 2022	Net block As at 31 Mar 2021
A) Tangible assets									
Leasehold land	998.03	-	-	998.03	17.41	-	182.78	815.25	832.66
Leasehold land (PGPL)	69.06	-	-	69.06	-	-	-	69.06	69.06
Buildings - factory	617.98	6.85	-	624.82	25.41	-	376.96	247.86	266.43
Leasehold premises	96.37	-	-	96.37	9.64	-	93.99	2.38	12.01
Plant and machinery	750.78	91.77	31.19	811.36	39.95	22.06	562.43	248.93	206.25
Furniture and fixtures	150.44	10.78	-	161.22	3.76	-	138.74	22.49	15.47
Air conditioners	101.28	13.68	-	114.96	6.10	-	77.88	37.08	29.50
Office equipments	74.26	6.16	-	80.42	1.93	-	71.54	8.89	4.66
Office premises	69.96	-	-	69.96	2.61	-	48.01	21.95	24.56
Electrical installations	48.33	0.41	-	48.73	0.22	-	45.08	3.65	3.46
Vehicles	71.20	-	1.00	70.20	4.44	-	45.65	24.54	29.98
Vehicles (PGPL)	19.48	-	-	19.48	4.16	-	7.36	12.12	15.32
Computers	82.47	7.22	-	89.69	6.98	-	84.12	5.57	5.33
Total (A)	3,149.62	136.87	32.19	3,254.29	121.66	22.06	1,734.53	1,519.76	1,514.69
B) Intangible assets									
Computer software	158.45	-	-	158.45	2.50	-	151.67	6.78	9.28
Total (B)	158.45	-	-	158.45	2.50	-	151.67	6.78	9.28
Total (A) + (B)	3,308.07	136.87	32.19	3,412.75	124.16	22.06	1,886.21	1,526.54	1,523.97

Leasehold improvements were fully depreciated and Net off during the year



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Priority Jewels Private Limited

Notes to the standalone financial statements (Continued) as at 31 March, 2021

₹ in Lakhs

11 Property, plant and equipment

Description of assets	Gross block			Depreciation and amortisation			Net block		
	As at 1 April 2020	Additions during the year	Deletion during the year	As at 31 Mar 2021	As at 1 April 2020	For the year during the year	Deletion during the year	As at 31 Mar 2021	As at 31 Mar 2020
A) Tangible assets									
Leasehold land	998.03	-	-	998.03	147.96	17.41	-	832.66	850.06
Leasehold land (PGPL)	69.06	-	-	69.06	-	-	-	69.06	69.06
Buildings - factory	617.98	-	-	617.98	328.61	22.94	-	266.43	289.37
Leasehold premises	96.37	-	-	96.37	74.49	9.86	-	12.01	21.88
Plant and machinery	743.36	7.43	-	750.78	502.82	41.71	-	206.25	240.54
Furniture and fixtures	148.14	2.30	-	150.44	129.98	4.99	-	15.47	18.16
Air conditioners	99.08	2.20	-	101.28	65.47	6.31	-	29.50	33.61
Office equipments	73.03	1.24	-	74.26	66.09	3.51	-	4.66	6.93
Office premises	69.96	-	-	69.96	42.47	2.93	-	24.56	27.49
Electrical installations	48.33	-	-	48.33	43.59	1.28	-	3.46	4.74
Vehicles	105.05	23.77	57.62	71.20	87.80	5.11	51.69	29.98	17.25
Vehicles (PGPL)	19.48	-	-	19.48	0.96	3.19	-	15.32	18.51
Computers	82.28	0.19	-	82.47	72.65	4.48	-	5.33	9.63
Total (A)	3,170.12	37.12	57.62	3,149.62	1,562.90	123.73	51.69	1,514.69	1,607.22
B) Intangible assets									
Computer software	157.23	1.23	-	158.45	141.48	7.69	-	9.28	15.74
Total (B)	157.23	1.23	-	158.45	141.48	7.69	-	9.28	15.74
Total (A) + (B)	3,327.35	38.35	57.62	3,308.07	1,704.38	131.41	51.69	1,523.97	1,622.96

Leasehold improvements were fully depreciated and Net off during the year



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Priority Jewels Private Limited

Notes to the standalone financial statements for the year ended 31 March 2022

(₹ in Lakhs)

1 Background

The Company was incorporated on 12 October, 2007. The Company is primarily into manufacturing diamond studded jewellery with manufacturing set up in Mumbai. The jewellery is marketed all across India and in the Middle East Countries as well as Western Countries. Currently, the Company has its Head Office / Registered Office in Mumbai and has branches at Kolkata, Ahmedabad, Chennai, Delhi, Coimbatore, Tamilnadu, Madurai and Thrissur.

2 Significant accounting policies

2.1 Basis of Preparation of financial statements

The accounting policies set out below have applied consistently to the periods presented in the financial statements.

These financial statements have been prepared and presented under the historical cost convention, on the accrual basis of accounting in accordance with the accounting principles generally accepted in India, including the Accounting Standard specified under Section 133 of the Companies Act, 2013 (the 'Act') (to the extent notified), read with the Rule 7 of the Companies (Accounts) Rule, 2014, read with Companies (Accounting Standards) Amendment Rules, 2016 applicable with effect from 1 April 2016 and other generally accepted accounting principles (GAAP) in India, to the extent applicable. The financial statements are presented in Indian rupees.

2.2 Use of estimates

The preparation of the financial statements in conformity with Indian GAAP requires Management to make estimates and assumptions that affect the reported amount of assets, liabilities and disclosure of contingent liabilities on the date of the financial statements and the reported amounts of revenues and expenses during the reported period. The estimates and assumptions used in the accompanying financial statements are based upon Management's evaluation of the relevant facts and circumstances as of the date of financial statements which in Management's opinion are prudent and reasonable. Actual results may differ from the estimates used in preparing the accompanying financial statements. Any revision to accounting estimates is recognised prospectively in current and future periods.

2.3 Current / non-current classification

All assets and liabilities are to be 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 the 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.

Liability

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 an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include the current portion of non-current financial liabilities. All other liabilities are classified as non-current.

Operating cycle

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out above which are in accordance with the Schedule III to the Act. 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.

2.4 Plant, Property & Equipments, depreciation and amortisation

2.4.1 Tangible assets

Plant, Property & Equipments are stated at cost less accumulated depreciation and any provision for impairment loss, if any. Cost includes freight, duties, taxes (other than those recoverable from tax authorities) and other expenses related to the acquisition / construction and installation of the Plant, Property & Equipments. Borrowing costs directly attributable to acquisition or construction of those Plant, Property & Equipments which necessarily take a substantial period of time to get ready for their intended use are capitalised.

Depreciation on Plant, Property & Equipments other than lease hold improvements and computer software has been provided on the written down value (WDV), in the manner and as per the useful life prescribed in Schedule II to the Act, which in Management's view reflects the useful lives of the assets. If Management's estimate of the useful life of a Plant, Property & Equipments at the time of acquisition of the asset or of the remaining useful life on a subsequent review is shorter than that envisaged in the aforesaid schedule, depreciation is provided at the higher rate in line with the Management's estimates of the useful life / remaining useful life.



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2 Significant accounting policies (Continued)

2.4.1 (Continued)

Class of Asset	Useful Life
Plant and Machinery	15 yrs
Furniture and fixtures	10 yrs
Vehicles	8-10 yrs
Office Equipments	5 yrs
Electrical Installation	10 yrs
Computers	3-6 yrs

2.4.2 Intangible assets

Application softwares, which are not an integral part of the related hardware, are recorded as intangible assets and amortised on straight line method over a period of 3 years, which in Managements opinion reflects the estimated useful life of the software.

2.4.3 Impairment of assets

The Company assesses at each balance sheet date whether there is any indication that an asset or a group of assets (cash generating unit) may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset or a group of assets. If such recoverable amount of the asset or the cash generating unit is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the Statement of Profit and Loss. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is restated at the recoverable amount subject to a maximum of depreciable historical cost.

2.4.4 Capital work-in-progress

Capital work-in-progress includes the cost of Plant, property and equipments that are not ready to use at the balance sheet date.

2.4.5 Capital advance

Advance paid for acquisition/ construction of Plant, Property & Equipments which are not ready for their intended use at each balance sheet date are disclosed under Long-term loans and advances as advances on capital account

2.5 Investments

Investments are classified into current and long-term investments. Investments that are readily realizable and intended to be held for not more than a year from the date of acquisition are classified as current investments. All other investments classified as long-term investments. However, that part of long term investments which are expected to be realized within twelve months from Balance Sheet date is also presented under "Current Investments" under "Current portion of long term investments" in consonance with the current / non-current classification of Schedule III of the Act.

Long-term investments are carried at cost. Provision for diminution is made to recognise a decline, other than temporary in value of long-term investments and is determined separately for each individual investment. Current investments are carried at lower of cost and fair value, computed separately in respect of each investment.

2.6 Revenue recognition

Revenue from sale of goods in the ordinary activities is recognised when the property in the goods or all significant risks and reward of their ownership are transferred to the customer and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of the goods and regarding its collection. The amount recognised as revenue is exclusive of sales tax, value added tax (VAT), goods and service tax and is net of returns, trade discount and quantity discounts.

Job work charges is recognised as and when the service is rendered.

Interest income is recognised on time proportion basis taking into account the amount outstanding and the interest rate applicable.

2.7 Inventories

Inventories which comprises raw materials, work in progress, finished goods and stock in trade are carried at lower of cost or net realisable value.

Cost of inventories comprises all costs of purchases and, other than duties and taxes (other than those subsequently recoverable from tax authorities), cost of conversion and other costs incurred in bringing the inventories to their present location and condition.

In determining the cost, weighted average method is used. In case of manufactured inventories fixed production overheads are allocated on the basis of actual

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion and the estimated costs necessary to make the sale.

Raw materials and other supplies held for use in the production of finished goods 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.

The comparison of cost and net realisable value is made on an item by item basis.



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Notes to the standalone financial statements (Continued)
for the year ended 31 March 2022
(₹ in Lakhs)

2 Significant accounting policies (Continued)

2.8 Leases

Assets acquired under leases other than finance leases are classified as operating leases. The total lease rentals (including scheduled rental increases) in respect of an asset taken on operating lease are charged to the Statement of Profit and Loss on a straight line basis over the lease term unless another systematic basis is more representative of the time pattern of the benefit. Initial direct costs incurred specifically for an operating lease are deferred and charged to the Statement of Profit and Loss over the lease term.

Where any assets are acquired on finance lease, the lease is recognised as an asset and a liability at inception is recorded at an amount equal to the lower of fair value of the leased asset and the present value of future minimum lease payments. Such leased assets are depreciated over the lease term or its estimated useful life, whichever is shorter. Further, the payment of minimum lease payments are apportioned between finance charges, which is debited to the profit and loss account and reduction in lease obligations recorded at the inception of the lease.

Lease payments under an operating lease, are recognised as an expense in the Statement of Profit and Loss on a straight line basis over the lease term.

Where any assets are acquired on finance lease, the lease is recognised as an asset and a liability at inception is recorded at an amount equal to the lower of fair value of the leased asset and the present value of future minimum lease payments. Such leased assets are depreciated over the lease term or its estimated useful life, whichever is shorter. Further, the payment of minimum lease payments are apportioned between finance charges, which is debited to the Statement of Profit and Loss and reduction in lease obligations recorded at the inception of the lease.

2.9 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 year are recognised in the Statement of Profit and Loss of the year.

Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated at the closing exchange rates. The resultant exchange differences are recognised in the Statement of Profit and Loss.

Forward exchange contracts taken to hedge existing assets or liabilities are translated at the closing exchange rates and resultant exchange differences are recognised in the same manner as those on the underlying foreign currency asset or liability.

Apart from forward exchange contracts taken to hedge existing assets or liabilities, the Company also uses derivatives to hedge its foreign currency risk exposure relating to firm commitments and highly probable transactions. In accordance with the relevant announcement of the Institute of Chartered Accountants of India, the Company provides for losses in respect of such outstanding derivative contract at the balance sheet date by marking them to market. Net gain, if any is not recognised, The contracts are aggregated category-wise, to determine the net gain/loss.

2.10 Employee benefits

Short-term employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. These benefits include salaries, wages, bonus and ex-gratia. The undiscounted amount of short-term employee benefits to be paid in exchange for the services rendered by employees is recognised as an expense during the period.

Long-term employment benefits

Defined contribution plans:

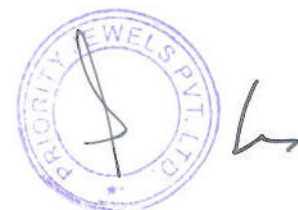
A defined contribution plan is a post-employment benefit plan under which an entity pays specified contributions to a separate entity and has no obligation to pay any further amounts. Defined contribution plan comprise of contributions to superannuation scheme, provident fund scheme and labour welfare fund. The Company's contribution paid/payable under these schemes are recognised as expense in the Statement of Profit and Loss in the period in which the employee renders the related service.

Defined benefit plans:

The Company's gratuity benefit scheme and compensated absences are defined benefit plans. The Company's net obligation in respect of the gratuity benefit scheme and leave encashment is calculated by estimating the amount of future benefit that employees have earned in return for their services till date; that benefit is discounted to determine its present value. Any unrecognised past service costs and the fair value of any plan assets are deducted.

The present value of the obligation under such defined benefit plans is determined based on actuarial valuation at each balance sheet date by an independent actuary using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The Company recognises all actuarial gains and losses arising from defined benefit plans immediately in the Statement of Profit and Loss. All expenses related to defined benefit plans are recognised in employee benefits expense in the Statement of Profit and Loss. When the benefits of a plan are improved, the portion of the increased benefit related to past service by employees is recognised in Statement of Profit and Loss on a straight-line basis over the average period until the benefits become vested. The Company recognises gains and losses on the curtailment of a defined benefit plan when the curtailment or settlement occurs.



Notes to the standalone financial statements (Continued)
for the year ended 31 March 2022
(₹ in Lakhs)

2 Significant accounting policies (Continued)

2.10 Employee benefits (Continued)

The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plans, are based on the market yields on Government securities as at the balance sheet date.

Actuarial gains and losses are recognised immediately in the Statement of Profit and Loss.

Compensated absences :

The employees can carry forward a portion of the unutilised accrued compensated absences and utilise in the future service periods. Since the compensated absences are not expected to occur within twelve months after the end of the period in which the employee renders the related services, a liability is recognised at the present value of the defined benefit obligation at the Balance Sheet date. The discount rates used for determining the present value of the obligation under defined benefit plan are based on the market yields on Government securities as at the Balance Sheet date. Company's liabilities towards compensated absences to employees are determined on the basis of valuations, as at balance sheet date, carried out by an independent actuary using Projected Unit Credit Method. Actuarial gains and losses comprise experience adjustments and the effects of changes in actuarial assumptions and are recognised immediately in the Statement of Profit and Loss.

2.11 Income Tax

Income-tax expense comprises current tax (i.e. amount of tax for the period determined in accordance with the income-tax law) and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the period). Income tax expense is recognised in Statement of Profit or Loss except that tax expense related to items recognised directly in reserves is also recognised in those reserves.

Current tax is measured at the amount expected to be paid to (recovered from) the taxation authorities, using the applicable tax rates and tax laws.

Deferred tax is recognised in respect of timing differences between taxable income and accounting income i.e. differences that originate in one period and are capable of reversal in one or more subsequent periods. The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realised in future; however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognised only if there is a virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realised. Deferred tax assets are reviewed as at each balance sheet date and written down or written-up to reflect the amount that is reasonably/virtually certain (as the case may be) to be realised.

Minimum Alternate Tax (MAT) paid as per Indian Income Tax Act, 1961 is in the nature of unused tax credit which can be carried forward and utilized when the Company will pay normal income tax during the specified period. Deferred tax assets on such tax credit is recognized to the extent that it is probable that the unused tax credit can be utilized in the specified future period.

2.12 Earnings per share (EPS)

The basic earnings per equity share are computed by dividing the net profit or loss attributable to the equity shareholders for the year by the weighted average number of equity shares outstanding during the reporting year. Diluted earnings per equity share is computed using the weighted average number of equity and diluted equity equivalent shares outstanding during the year.

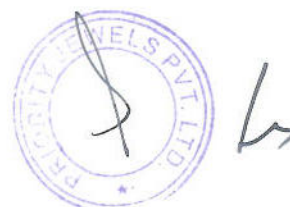
2.13 Provision and contingent liabilities

Provisions are recognised when the Company has a present obligation as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation and the amount can be reasonably estimated.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will 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.

2.14 Impact of Covid 19

In view of the severe health hazard associated with Covid'19 Pandemic, the Government of India declared a lockdown effective from March 25, 2020. Due to the lockdown, no production or any other activity had taken place for next 2 months. After the Government approval and as per their guidelines, the company had started its production in a phased manner in the month of June with limited staff and limited capacity and as a result, the production has declined due to Covid'19. The business activities have declined during the first half of the year 2020-2021.



Notes to the standalone financial statements (Continued)
for the year ended 31 March 2022
(₹ in Lakhs)

28 Capital commitments and Contingent liabilities

	31 March 2022	31 March 2021
Claims against the company not acknowledged as debt		
Income tax matters in dispute #	134.65	13.91
Sales tax matters in dispute	18.25	18.25
Customs \$	284.64	329.90

Vivad se Vishwas Scheme

The Vivad se Vishwas (VSV) Scheme was announced during the Union Budget, 2020, to provide for dispute resolution in respect of pending income tax litigation. The objective of Vivad se Vishwas is to inter alia reduce pending income tax litigation and benefit taxpayers by providing them peace of mind, certainty and savings on account of time and resources that would otherwise be spent on the long-drawn and vexatious litigation process. The Company has opted for Vivad se Vishwas scheme for its pending Income Tax case pertaining to AY 2009-10, AY 2010-11, AY 2013-14, AY 2015-16 & AY 2016-17 and the relevant taxes were paid during the year. Closure orders from income tax department are awaited.

\$ Custom duty on exported goods

During earlier years, Company has made exports of goods using Gold metal taken under Gold metal loan scheme. As foreign trade policy have prescribed certain norms for value addition on export of goods which is variably interpreted by custom authorities while releasing the duty bonds on export performance, thus it is more probable that certain outflow of money in lieu of fulfillment of value addition norms need to be provided by company. Accordingly, company has placed fixed deposits with banking institutions to compensate the duty portion whenever liability will arise in future.

Interest payable to MSME suppliers

There is a contingent liability for Interest payable to MSME suppliers as per section 16 of MSMED Act. The provision for the interest has not been made in the books of accounts

29 Disclosure pursuant to Accounting Standard - 15 'Employee Benefits'

a. Defined contribution plans

The Company makes contributions determined as a specific percentage of employee salaries, in respect of qualifying employees towards provident fund, employees state insurance scheme ("ESIS") and Contribution to maharashtra labour welfare fund which are defined contribution plans. The Company has no obligations other than to make the specified contributions. The contribution is charged to the statement of profit and loss as it accrues.

- i) Contribution to provident fund
- ii) Contribution to employees state insurance corporation
- iii) Contribution to maharashtra labour welfare fund

The Company has recognised the following amounts in the Statement of Profit and Loss for the year:	31 March 2022	31 March 2021
- Employers' Contribution to Provident Fund *	27.45	25.05
- Employers' Contribution to Employees State Insurance Corporation *	6.81	6.23
- Employers' Contribution to Maharashtra labour Welfare Fund *	0.12	0.12
	<u>34.39</u>	<u>31.41</u>

* Included in Contribution to Provident and Other Funds (Refer Note "25" Employee benefit expenses)

b. Defined benefit plans

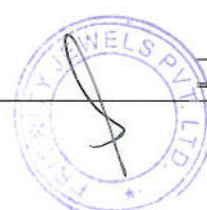
i) Gratuity (funded)

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on death or resignation or retirement at 15 days salary (last drawn salary) for each completed year of service.

The estimates of future salary increases, considered in an actuarial valuation, takes account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

In accordance with the Accounting Standard 15 (Revised 2005), actuarial valuation has been done in respect of defined benefit plan of gratuity based on the following assumptions:-

	31 March 2022	31 March 2021
Discount rate (p.a.)	Gratuity 6.33%	Gratuity 6.33%
Expected rate of return on plan assets (p.a.)	6.33%	6.33%
Salary escalation rate (p.a.)	5.00%	5.00%
Expected average remaining lives of the employees (years)	9	9
Attrition Rate	For service 4 years and below 17.00 % p.a & For service 5 years and above 7.00% p.a	For service 4 years and below 17.00 % p.a & For service 5 years and above 7.00% p.a
Mortality Rate	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)
(i) <u>Change in Present Value of Obligation</u>		
Present value of obligation as at 1 April 2021	101.81	95.23
Interest cost	6.44	6.25
Current service cost	13.00	14.52
Benefits paid directly by Employer	(19.16)	(6.83)
Benefits paid from the Fund	-	(14.07)
Actuarial losses / (gain)	4.38	6.72
Present value of obligation as at 31 March 2022	<u>106.48</u>	<u>101.81</u>



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Notes to the standalone financial statements (Continued)
for the year ended 31 March 2022
(₹ in Lakhs)

29 Disclosure pursuant to Accounting Standard - 15 'Employee Benefits' (Continued)

c. Defined benefit plans (Continued)

	31 March 2022	31 March 2021
	Gratuity	Gratuity
(i) Change in Fair Value of Plan Assets		
Fair value of plan Assets at the beginning of the year	2.46	16.06
Contributions by the Employer	-	-
Expected Return on Plan Asset	0.16	1.05
Benefits paid from the Fund	-	(14.07)
Actuarial Gains/(Losses) on Plan Assets - Due to Experience	(0.04)	(0.57)
Fair value of plan Assets at the end of the year	2.58	2.46
(ii) Amount recognised in the Balance Sheet		
Present value of obligation as at 31 March	106.48	101.81
Net liability recognised as on 31 March	106.48	101.81
Classification into Current / non-current		
The asset/liability in respect of each of the two plans comprises of the following non-current and current portions:		
Current	10.00	15.00
Non-current	93.90	84.35
	103.90	99.35
(iii) Expenses recognised in the Statement of Profit and Loss		
Current service cost	13.00	14.52
Interest on defined benefit obligation	6.29	5.19
Expected return on plan assets	-	-
Net actuarial losses / (gains) recognised in the current year	4.42	7.30
Total Expenses	23.71	27.01

Experience Adjustments:

Gratuity (funded)	31 March 2022	31 March 2021	31 March 2020	31 March 2019	31 March 2018
Defined benefit obligation	106.48	101.81	95.23	88.91	81.24
Plan assets	-	-	-	-	-
Surplus / (Deficit)	106.48	101.81	95.23	88.91	81.24
Experience adjustment on plan liabilities	4.38	6.72	(4.24)	0.39	4.12
Experience adjustment on plan assets	-	-	-	-	-

d. Other long-term employee benefits

Other long term employee benefits include compensatory absences. Provision for compensatory absences is made on actuarial basis based on the following actuarial assumptions:

Classification into current/ non- current

The asset / liability in respect of compensated absences comprises of the following non current and current portions	31 March 2022	31 March 2021
Current	2.69	7.65
Non-current	13.24	40.42
	15.93	48.07

30 Expenditure in foreign currency

Particulars	31 March 2022	31 March 2021
Designing charges	149.33	64.15
Travelling and conveyance expenses	5.26	0.25
Total	154.59	64.40



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Priority Jewels Private Limited

Notes to the standalone financial statements (Continued)
for the year ended 31 March 2022
(₹ in Lakhs)

31 Earnings in foreign currency

Particulars	31 March 2022	31 March 2021
F.O.B of export	21,798	12,770

32 Details of imported and indigenous of raw materials consumed and percentage of each to total consumption during the financial year

Raw material	Percentage		Value	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
Imported	1.49%	1.76%	536	411
Indigenous	98.51%	98.24%	35,399	22,899
	100.00%	100.00%	35,935	23,310
Stores & Spares				
Imported	19.45%	0.39%	45.56	0.44
Indigenous	80.55%	99.61%	188.61	112.47
Total	100.00%	100%	234.17	112.90

33 Value of Imports calculated on CIF basis (on accrual basis)

Particulars	31 March 2022	31 March 2021
Raw materials	535.98	410.71
Finished Goods	-	-
Stores and spares	45.56	0.44
Total	581.53	411.14

34 Earnings per share (EPS)

Particulars	31 March 2022	31 March 2021
Profit after tax attributable to equity shareholders (₹ in Lakhs)	534	205
Number of equity shares outstanding at the end of the year	4,150,000	4,150,000
Basic earnings per share (Rs)	0.00	4.93
Weighted average number of equity shares outstanding during the year.	4,150,000	4,150,000
Add: Weighted average number of 0% Compulsory convertible preference shares outstanding at the end of the year (based on date of issue of shares).	-	-
Add: Weighted average number of 0% Compulsory convertible debentures outstanding at the end of the year.	-	-
Weighted average number of dilutive equity shares outstanding at the end of the year.	4,150,000	4,150,000
Diluted earnings per share (Rs)	12.86	4.93

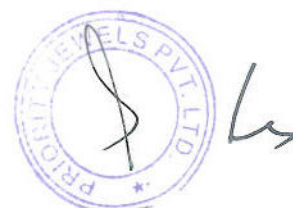
35 Derivative instruments

The Company uses forward exchange contracts to hedge its exposure to movement in foreign exchange rates.

I Hedged foreign currency exposures

Foreign currency exposure on account of trade receivables hedged by derivative instruments is as follows:

Foreign currency exposure on account of trade receivables hedged by derivative instruments is as follows:					
		31 March 2022		31 March 2021	
	Foreign currency	Amount in foreign currency	Rupees	Amount in foreign currency	Rupees
Trade receivables	USD	8,380,000	6,312	6,745,000	4,939
Total		8,380,000	6,312	6,745,000	4,939



Notes to the standalone financial statements (Continued)

for the year ended 31 March 2022

(₹ in Lakhs)

II Unhedged foreign currency exposures

Foreign currency exposure on account of trade receivables not hedged by derivative instruments is as follows:					
Foreign currency	31 March 2022 Amount in foreign currency	Rupees	31 March 2021 Amount in foreign currency	Rupees	
Trade receivables	USD	1,776,595	1,342	1,694,244	1,241
Total		1,776,595	1,342	1,694,244	1,241
Foreign currency exposure on account of trade payables and working capital borrowings not hedged by derivative instruments is as follows:					
Foreign currency	Amount in Foreign Currency	Rupees	Amount in Foreign Currency	Rupees	
Trade payables	USD	99,531	75.50	94,928	69.64
Total		99,531	75.50	94,928	69.64

36 Segment information

The Company is engaged in manufacturing and selling of jewellery which is the primary business segment based on the nature of products manufactured and sold. There are no other primary reportable segments. Thus the segment revenue, segment asset, segment result, total carrying amount of segment assets and total carrying amount of segment liabilities during the year are as reflected in financial statements for the year ended 31 March 2022 and 31 March 2021. Accordingly, the segment information as required by Accounting Standard 17 on "Segment Reporting" is disclosed and given below:

The above business segment has been identified considering :

- The nature of the product
- The differing risk and returns
- The internal financial reporting systems

Secondary segment information

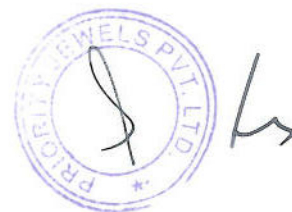
The Company's operations are managed from India. The principal geographical areas in which the Company operates are India and Europe, Middle East, Asia, USA & Other Countries. Segment assets do not include income tax assets.

Geographical Segments	Composition
Domestic	All over India
International	Primarily to Middle East Countries, Hongkong, USA

Secondary segment information with respect to geographical location

Sales revenue by geographical market		
	31 March 2022	31 March 2021
Sales India	17,858	13,406
Sales to SEZ India	-	111
Sales to Middle East Countries	2,860	1,136
Sales to Countries other than Middle East	18,982	11,560
	39,701	26,212
Carrying amount of segment assets *		
India	(7,703.24)	17,722.05
SEZ India	48.68	41.42
Middle East Countries	2,232.72	946.42
Other than Middle East Countries	5,422.06	5,155.66
	23,051.89	23,865.55
Capital expenditure		
India	(24.44)	38.35
SEZ India	24.44	-
Middle East	-	-
Other than India	-	-
	0.00	38.35

* Segment assets excludes Tax assets



Priority Jewels Private Limited

Notes to the standalone financial statements (Continued)

for the year ended 31 March 2022

(₹ in Lakhs)

- 37 Disclosures as required by the Accounting Standard - 18 on 'Related Party Disclosures' are given below (Continued):

Subsidiary companies	Priority Creations Private Limited Priority Gold & Jewellery DMCC
Key managerial personnel	Mr. Shailesh Sangani Mrs. Manisha Sangani Mr. Tushar Mehta
Relatives of key managerial personnel	Mrs. Aditi Karan Motla, daughter of Shailesh and Manisha Sangani Mrs. Aashna Parikh, daughter of Shailesh and Manisha Sangani
Entities over which key managerial personnel and / or their relatives exercise significant influence	VM Jewellery

Transactions with related parties and outstanding balances as on the year end.

Nature of transaction	Key Managerial Personnel		Relatives of Key Managerial Personnel		Entities over which Key Managerial personnel and/or their relatives exercise significant influence		Subsidiaries	
	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21
Transaction for the year								
Sales								
Priority Gold Private Ltd	-	-	-	-	-	-	-	-
Managerial Remuneration								
Shailesh Sangani	48.00	48.00	-	-	-	-	-	-
Tushar Mehta	21.00	15.75	-	-	-	-	-	-
Aditi Karan Motla	-	-	2.80	2.11	-	-	-	-
Aashna Parikh Sangani	-	-	3.00	1.50	-	-	-	-
Loans taken (non interest bearing)								
Shailesh Sangani	48.74	109.64	-	-	-	-	-	-
Manisha Sangani	-	-	-	-	-	-	-	-
Loan repaid (non interest bearing)								
Shailesh Sangani	69.69	88.60	-	-	-	-	-	-
Manisha Sangani	0.28	-	-	-	-	-	-	-
Closing balance								
Loans payable								
Manisha Sangani	0.00	0.28	-	-	-	-	-	-
Shailesh Sangani	0.09	21.04	-	-	-	-	-	-
Employee benefits payable								
Shailesh Sangani	0.52	0.45	-	-	-	-	-	-
Tushar Mehta	0.44	15.26	-	-	-	-	-	-
Trade payables								
Priority Marketing Private Limited	-	-	-	-	-	-	-	-
Efficient Laser Technology Private Limited	-	-	-	-	-	-	-	-
Trade receivables								
Priority Gold Private Ltd	-	-	-	-	-	-	-	-
V.M Jewellery	-	-	-	-	-	-	-	-
Investment								
Priority Creations Private Limited	-	-	-	-	-	-	-	-
Priority Gold & Jewellery DMCC	-	-	-	-	-	-	-	109.32



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Priority Jewels Private Limited

Notes to the standalone financial statements (Continued)
for the year ended 31 March 2022
(₹ in Lakhs)

38 Corporate Social Responsibility

As per Section 135 of Companies Act Current year Network/Turnover/Net Profit is below the prescribed threshold Limit. Hence no CSR expenditure incurred by company during the year.

39 Disclosure under section 186 of the Companies Act, 2013

The details of loans, guarantees and investments under section 186 of the Act read with the Companies (Meetings of Board and its Powers) Rules, 2014 are as follows

	31 March 2022	31 March 2021
Investments in Equity Shares		
Balance as at the beginning of the year (Priority Gold Private Limited & Priority Creations Private Limited)	-	0.60
Less: Priority Creations pvt ltd. Strike off application made during the year	-	0.60
Balance as at the year end	-	-
Investments in Equity Shares		
Balance as at the beginning of the year (Priority Gold & Jewellery DMCC)	109.32	109.32
Add: Investments made during the year (Priority Gold & Jewellery DMCC)	-	-
Less: Disinvestment during the year	109.32	-
Balance as at the year end	-	109.32

40 Disclosures relating to provisions

Provision in respect of Value added tax matters

The Company has made provisions for Value Added Tax related matters, which will be settled on completion of the assessment
Summary of the movement in the provisions is given below

Particulars	Amount
Opening Balance as on 01 April	5.21
Additions during the year	-
Utilisations	-
Reversals	-
Closing Balance as on 31 March	5.21

41 Debtors and Creditors are subject to confirmation

42 Other Statutory Information

- The Company does not have any Benami Property and there are no proceeding against the Company for holding any benami property under the Benami Transactions Prohibition Act, 1988(45 of 1988) and the rules made thereunder
- The Company has not traded or invested in crypto currency or virtual currency during the current year and previous year
- There Company does not have any transactions which are not recorded in the books of account that have been surrendered or disclosed as income in the tax assessments under the Income Tax Act 1961 during the current year and previous year.
- There are no Schemes of Arrangements which are either pending or have been approved by the competent Authority in terms of sections 230 to 237 of the Companies Act, 2013 during the current year and previous year.

43 Previous year's figures


Previous year's figures have been regrouped / reclassified wherever necessary to correspond with current year's classification / presentation.

44 An Amount of Subsidy received from government of Maharashtra is reduced from the block of Vehicle in Fixed Assets.

45 Investment in Priority Gold & Jewellery DMCC has been repatriated during the Financial Year 2021-22, on account of closure of Company.

As per our report of even date attached

For MB NAYAK & CO
Chartered Accountants
Firm's Registration No: 107014W


Sanket Narolkar
Partner
Membership No: 140724



Date: 8th September 2022
Place: Mumbai

For and on behalf of Board of Directors of
PRIORITY JEWELS PRIVATE LIMITED
CIN: U52393MH2007PTC174977


Shailesh H Sangani
Managing Director
DIN: 00187474


Manisha Sangani
Director
DIN: 00187398

Date: 8th September 2022
Place: Mumbai

Priority Jewels Private Limited

Notes forming part of the financial statements for the year ended March 31,2022

Note 46: Ratios

No.	Particulars	Numerator	Denominator	Ratio		% Change as at 31.03.2022
				As at 31.03.2022	As at 31.03.2021	
1	Current Ratio	Current Assets	Current Liabilities	1.71	1.60	6.49%
2	Debt Equity Ratio	Total Debt (Long term Borrowings & Short Term Borrowings)	Shareholders Equity (i.e. Share Capital + Reserve & Surplus)	1.05	1.15	-8.59%
3	Debt Service Coverage Ratio	PAT + Depreciation + Interest	Interest + Installment due within 1 year	1.26	1.34	-5.45%
4	Return on Equity Ratio	Net Profit after Tax	Shareholders Equity (i.e. Share Capital + Reserve & Surplus)	5.60%	2.27%	146.30%
5	Inventory Turnover Ratio	Sales	Average Inventory	5.11	3.00	70.31%
6	Trade Receivable Turnover Ratio	Sales (Total Op Income)	Average Receivable	3.37	2.16	55.82%
7	Trade Payable Turnover Ratio	Purchases on Credit	Average Payables	8.20	3.48	135.69%
8	Net Capital Turnover Ratio	Sales (Total Op Income)	Working Capital	4.46	3.12	42.74%
9	Net Profit Ratio	Net Profit after Tax	Sales (Total Op Income)	1.34%	0.78%	72.26%
10	Return on Capital Employed	Net Profit after Tax + Finance Cost	Total Assets - Current Liabilities	12.62%	9.81%	28.57%
11	Return on Investment	Net profit after Tax	Cost of Investment	N.A.	N.A.	N.A.

Note: Explanation for change in ratio by more than 25%

- 1 Return on Equity has Improved due to Increase in Profit after Tax.
- 2 Inventory Turnover Ratio has been Improved as Compared to previous year due to Increase in Sales.
- 3 Trade Receivable Turnover Ratio has been Improved as Compared to previous year due to Increase in Sales.
- 4 Increase in Purchase of raw material lead to chnages in trade payable turnover ratio.
- 5 Increase in sales as compared to last year resulted in to improved Net capital turnover ratio
- 6 Increase in Net profit after tax resulting increase in Net Profit ratio.
- 7 As Compared to Last year, Sales has been increased as a result Return on Capital Employed is Improved.

For MB NAYAK & CO

Chartered Accountants

Firm's Registration No: 107014W

Sanket Narolkar
Sanket Narolkar
Partner
Membership No: 140724



Date: 8th September 2022
Place: Mumbai

For and on behalf of Board of Directors of

PRIORITY JEWELS PRIVATE LIMITED

CIN: U52393MH2007PTC174977

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