



The original since 1864

TRIBHOVANDAS BHIMJI ZAVERI  
SHRIKANT ZAVERI GROUP

**FUTURE  
FOCUSSED  
FUTURE  
READY**

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# CORPORATE INFORMATION

## Board of Directors

**Shrikant Zaveri**  
Chairman & Managing Director

**Binaisha Zaveri**  
Whole-time Director

**Raashi Zaveri**  
Whole-time Director

**Kamlesh Vikamsey**  
Independent Director

**Ajay Mehta**  
Independent Director

**Sanjay Asher**  
Independent Director

**Sudha Navandar**  
Independent Director

## Auditors

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

## Chief Financial Officer

CA Mukesh Sharma

## Head - Legal & Company Secretary

Niraj Oza

## Bankers

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

## Registrar & Share Transfer Agent

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

## Registered Office

241/43, Zaveri Bazar,  
Mumbai – 400 002.  
CIN No.: L27205MH2007PLC172598  
Tel. No. (022) 40465000 / 01  
Email: [investors@tbzoriginal.com](mailto:investors@tbzoriginal.com)  
Website: [www.tbztheoriginal.com](http://www.tbztheoriginal.com)

## Corporate Office

1106 to 1121, 11<sup>th</sup> Floor,  
West Wing, Tulsiani Chambers,  
212, Backbay Reclamation,  
Free Press Journal Road,  
Nariman Point, Mumbai – 400 021.  
Tel. No. (022) 49255000

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

Day & Date: Monday,  
29<sup>th</sup> August, 2022  
Time: 11.30 a.m.  
Through Video Conferencing (VC) /  
Other Audio Visual Means (OAVM)

Despite the myriad challenges, FY 2021-22 was a year of prioritising and gearing up for the future, and accordingly crafting prudent strategies in the present. As we power ahead, we shall continue to actively invest in improving market positioning and enhancing business growth while maintaining stringent cost control and operational efficiency.

From expanding our footprint to increasing touchpoints of customer engagement to fortifying our physical presence to augmenting our customer outreach, we have scaled up our future-centric focus and embraced the power of the digital in a much bigger way than before.

Today, as we see the world marching towards recovery and new opportunities opening up, we are optimistic that our strategic actions will provide a platform and springboard for our future growth and expansion.

We are -

**FUTURE  
FOCUSSED  
FUTURE  
READY**



# CORPORATE ENTITY

Tribhovandas Bhimji Zaveri ('TBZ')/ ('Company') is one of the leading brands in the Indian jewellery landscape. Trusted by millions since 1864, we stand out for our iconic designs, exclusive styles, and meticulous craftsmanship. Tailor-made to meet the aspirations of people from all age groups and different walks of life, our collections exude timeless elegance, innovation, purity and quality, bringing boundless joy to our growing clientele and creating a strong and enduring brand value.

## A powerful legacy

Exemplary artistry, uncompromising quality and deep-rooted trust spanning 157 years makes us a jeweller with a difference. With a unique business model and many firsts to our credits, we have earned the name for being the trendsetters in the industry, setting benchmarks of excellence in all that we do.

## Premium handcrafted masterpieces

Powered by innovation and an extraordinary team, we design, manufacture and sell a diverse collection of intricate gold, diamond, jadau and platinum jewellery, each piece handcrafted to perfection. Aligned with the evolving market trends, our designs match the changing aspiration of our consumers, spreading delight amongst millions of Indian households since many generations.

## Jewellery for every occasion

Our bespoke collection features an astonishing range of traditional jewellery to grace the rich Indian traditions, weddings and festivities as well as lightweight, contemporary and affordable designs suited for daily wear. Representing grandeur and simplicity through a diverse collection, we are an intrinsic part of our customer's precious moment – both big and small.



# TRUSTED BY MILLIONS

Inspired by a strong legacy and driven by a visionary leadership, TBZ has redefined old patterns and set new benchmarks to revolutionise the Indian jewellery landscape. Maintaining the highest standard for transparency and ethics, we uphold our promise for purity and quality, thus imbining trust and delivering value to millions of customers and our stakeholders.

## TBZ is the first in India to

Promote the concept of lightweight precious jewellery

Offer lifetime buyback on gold and diamond jewellery

Provide certified solitaire diamonds

Introduce 100% BIS hallmarked 22 karat gold jewellery



# STRONG GEOGRAPHICAL FOOTPRINT

The Company's strategic presence across 25 cities and 12 states has enabled us to reach out to an increasing consumer base and enjoy heightened popularity amongst Indian households.

31

Retail Stores

100,000+ Sq. Ft.

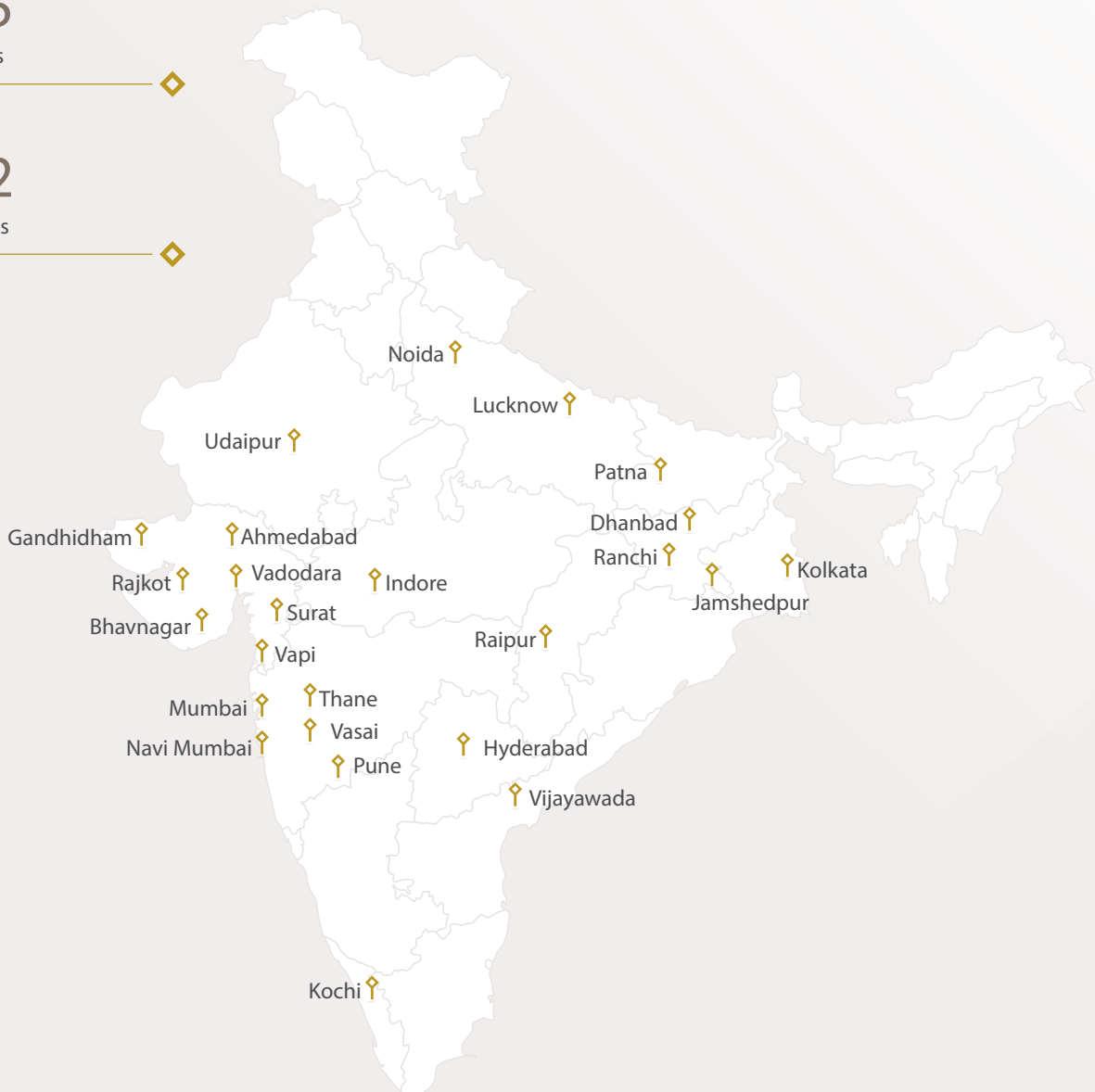
Retail Space

25

Cities

12

States



# OUR MANUFACTURING PROWESS

Our futuristic manufacturing facility in Kandivali, Mumbai is equipped with state-of-the-art equipment and latest technology to manufacture a diverse range of lightweight and traditional jewellery curated to the dynamic needs of our customers. In-house manufacturing of diamond jewellery adds further to our edge enabling us to optimise cost and launch exclusive designs at premium prices.



# THE DIFFERENTIATING EDGE

A superior in-store experience led by well-trained personnel, design exclusivity, diverse collection and skilled craftsmanship defines our competitive advantage, helping us serve the dynamic aspirations of customers across all stages of their life.

## Growing presence & scalability

**31 stores**  
(100,000+ sq. ft.)

Presence across **25 cities in 12 states**

## Premium Wedding Collection

**60% of total sales** contributed by wedding & related purchases

**Compulsion buying**

**Consistent fixed budget** purchases by customers

## Rich legacy

**157 years** in jewellery industry

Spearheaded by **5<sup>th</sup> generation of the family**

**First jeweller** to offer buyback guarantee in 1938

## Exclusive design & style

**Top-notch designers**

Excellent product mix of **traditional & contemporary jewellery**

**8-10 new & exclusive jewellery lines/year**

**Premium pricing**

**Customer loyalty** spanning many generations

## Diverse styles



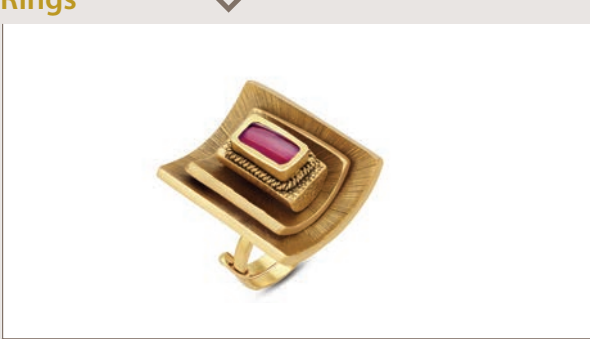
- ◆ Plain gold
- ◆ Diamond studded
- ◆ Precious and semi-precious stone studded
- ◆ Lightweight & contemporary
- ◆ Jadau
- ◆ Temple jewellery
- ◆ Plain and diamond studded platinum
- ◆ Coloured stone studded in gold
- ◆ Loose diamond
- ◆ Solitaires
- ◆ Loose precious and semi-precious stones





# PRODUCT PORTFOLIO

Rings



Earrings



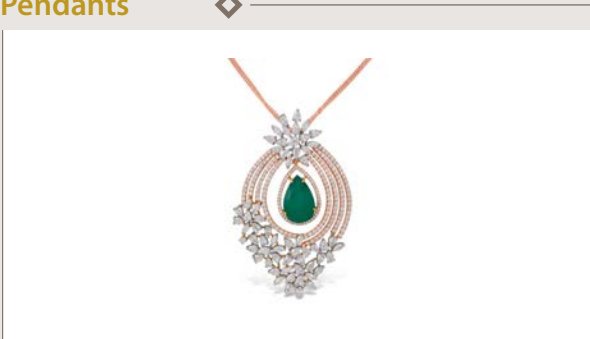
Necklaces



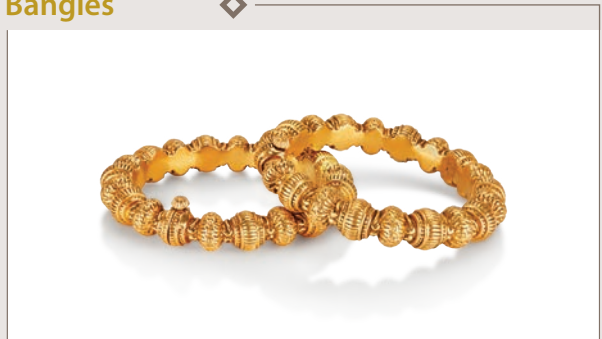
Necklaces



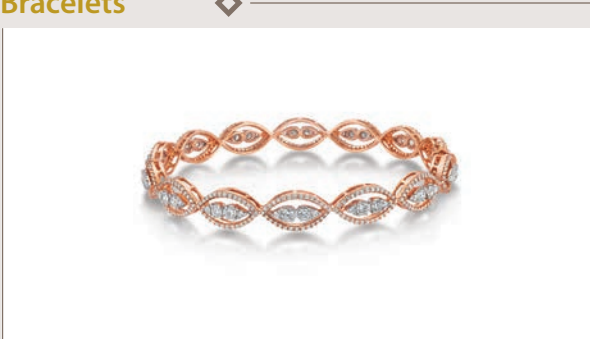
Pendants



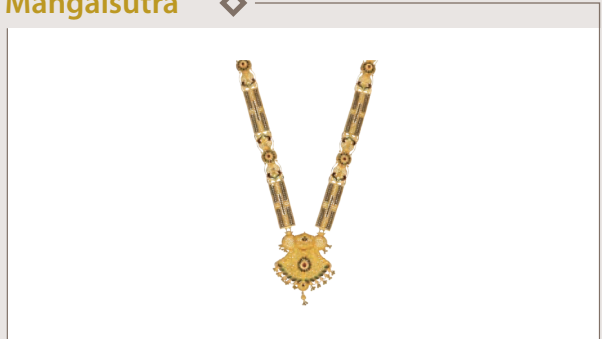
Bangles



Bracelets



Mangalsutra



# CHAIRMAN'S MESSAGE



**Shrikant Zaveri**



I am pleased to announce that after two years of business slowdown caused by the COVID-19 pandemic, we are about to launch our new store in Mumbai in the current fiscal.



## Dear Shareholders,

Hope you are safe!

FY 2022 started on a challenging note as the second wave of the pandemic had a catastrophic impact on society and the economy. As the world was gradually putting the pangs of the COVID-19 pandemic behind with the recovery in economic activities and consumer sentiments, another shock struck – the Russia-Ukraine conflict. The war has become a humanitarian crisis and severely plunged the economic recovery. Commodity prices remain volatile at elevated levels, and supply chain disruptions have worsened.

The Indian economy has demonstrated its powerful fundamentals in the world. The way India has handled the COVID-19 pandemic with the help of aggressive vaccination programmes and policy interventions is commendable. Backed by these efforts, the economy is seen heading towards accelerated growth, led by a strong rebound in business and consumer sentiments. Notwithstanding the short-term challenges, the long-term outlook seems promising. The increasing government spending on public infrastructure along with growth-enhancing policies and schemes is expected to attract private investment and encourage growth.

Following turbulent conditions in 2020, the Indian gems and jewellery industry proved to be resilient and delivered an outstanding performance in FY 2022. Every sector of the industry performed well and was seen emerging from the COVID-19-induced crisis.

## Financial Performance

Notwithstanding the challenging operating environment, we registered a strong revenue growth while curtailing operating expenses. With the easing of restrictions and successful vaccination drives, there was a gradual return to normalcy and pick-up in consumer sentiments. Pent-up demand for diamond jewellery, led by wedding and festival buying resulted in healthy conversions and increased footfalls.

Total income from operations grew by 37% to Rs. 1,844 crores in FY 2022 as compared to Rs. 1,342 crores in

FY 2021. EBITDA for the year declined to Rs. 72 crores as against Rs. 121 crores in the previous year. PAT stood at Rs. 17 crores vis-à-vis Rs. 43 crores recorded in FY 2021.

The inventory levels as of 31<sup>st</sup> March, 2022 were strategically kept at adequate levels to cater to the anticipated high demand during festivities like Gudi Padwa and Akshaya Tritiya in the month of April and May. Borrowings were in line with the higher utilisation of bank limits to maintain high inventory levels.

### Operational Highlights

During the year, we implemented several strategic brand-centric campaigns including discounts and special offers and strengthened our brand visibility across social media and digital channels. I am quite confident that these initiatives will maintain our brand positioning and drive higher store footfalls. New customer walk-ins increased by more than 10% compared to the previous year, led by our steadfast investments in product innovation, launch of newer collections, and online customer engagements.

We launched several special promotions and targeted marketing activities within the primary and secondary catchment areas of the stores once business resumed. Influencer marketing strategies and tactical offers on gold and diamond jewellery collections also helped enhance customer confidence. At the same time, we are also looking at increasing the number of win-back customers by way of aggressive branding and marketing spends.

### Strategic Priorities

What truly enabled us to expeditiously revive customer interest and boost footfalls at our stores post the pandemic-induced slowdown were our deep customer insights, dynamic retail sales strategy, and inventory management approach, coupled with tactical branding and marketing initiatives.

With the onset of FY 2023, TBZ is once again in an expansion mode and fully geared up to reap the benefits of the emerging opportunities and drive high growth. I am pleased

to announce that after two years of business slowdown caused by the COVID-19 pandemic, we are about to launch our new store in Mumbai in the current fiscal. This expansion strategy will expand our reach and help us penetrate deeper into newer markets. We also foresee opportunities to open more stores in existing cities and increase our customer base in those areas.

Our proactive efforts have positively impacted our balance sheet to reach our planned levels. Going forward, we shall continue to remain vigilant in ensuring that our balance sheet remains strong and maintaining a robust retail sales strategy to drive higher store footfalls. We also intend to improve our margins further and acquire customers while maintaining our discipline on cost control measures.

With jewellery demand witnessing steady growth and the world fast moving ahead on the road to recovery, organised players have re-initiated their expansion plans. The sentiment in the industry is incredibly positive with markets opening up and demand gradually returning to normal. We are well-positioned to capitalise on the growing demand for diamond and studded jewellery, supported by our inherent strengths and continual investments in design innovations, customer-centric initiatives and targeted marketing campaigns. Our retail sales strategy remains firmly focussed on higher store footfalls, as well as greater online customer engagements to enhance revenues and generate healthy profits. We intend to augment our market positioning and make the TBZ brand more relevant and engaging for customers.

### Conclusion

Finally, I would like to take this opportunity to express my gratitude to all our stakeholders, including our customers, shareholders, employees, vendors & suppliers and franchisee partners for their unstinted trust and support in these testing times.

**Best Regards,**

**Shrikant Zaveri**

Chairman & Managing Director

# BOARD OF DIRECTORS

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

## Mr. Shrikant Zaveri

Chairman & Managing Director

Mr. Shrikant Zaveri is a doyen of the Indian Gems and Jewellery industry and is one of the most respected personalities of the Gems and Jewellery industry in India. He has a rich experience of more than 40 years in the industry. He has completed his education up to matriculation. He took over as the managing partner of the business in 2001. He continued his forefather's business with one flagship store at Zaveri Bazar, and given his immense efforts, your Company as on 31<sup>st</sup> March, 2022 has 31 stores, of which 28 are Company's own stores and 3 are franchisee stores, in 25 cities and 12 states across India.

He is discharging the additional responsibility of Chief Executive Officer of your Company. Mr. Zaveri was the Founding Member and Chairman of the Gems and Jewellery Trade Federation. He has been awarded the Retail Jewellery Award for lifetime achievement in the year 2007. He also won the Retail Leadership Award from the Asia Retail Congress in the year 2013. With his considerable wealth of experience, Mr. Shrikant Zaveri brings great value and insight to the Board of TBZ.

## Ms. Raashi Zaveri

Whole-time Director

Ms. Raashi Zaveri holds a bachelor's degree in finance and entrepreneurship from the Kelly School of Business, Indiana University and is a graduate gemologist from the Gemological Institute of America. She joined the business in 2008 and has an experience of more than 14 years. She is involved in the management of your Company's marketing, enterprise resource planning systems and is actively engaged in accounting, designing, merchandising, and general corporate management.

## Ms. Binaisha Zaveri

Whole-time Director

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

## Mr. Kamlesh Vikamsey

Independent Director

Mr. Kamlesh Vikamsey has a bachelor's degree in commerce from the University of Mumbai and is a qualified Chartered Accountant. He has more than 39 years of experience in Accounting, Finance, Taxation, Corporate and Advisory services. He is Chairperson of the Audit Advisory Committee of United Nations Children's Fund (UNICEF) and the Independent Management Advisory Committee (IMAC) of International Telecommunication Union (ITU) and member of the Audit Committee of World Meteorological Organization (WMO).

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

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

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

### Mr. Ajay Mehta

Independent Director

Mr. Ajay Mehta has a bachelor's degree in science from the University of Mumbai and a master's degree in chemical engineering from the University of Texas, USA. He has over 37 years of experience with chemical, petrochemical, fertiliser, manufacturing and investment companies. He is presently a non-Executive Director in Deepak Nitrite Limited and a Managing Director of Deepak Novochem Technologies Limited. He is a member of the executive Committee of Maharashtra Chamber of Commerce, Industries and Agriculture and various other developmental institutions and social organisations.

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

### Mr. Sanjay Asher

Independent Director

Mr. Sanjay Asher has a bachelor's degree in commerce and a bachelor's degree in law from the University of Bombay. He has been a practising advocate since 1991, and was admitted as a solicitor in 1993. He is also a qualified Chartered Accountant. He has over thirty one years of experience in the field of law and corporate matters. He is presently a senior partner with M/s. Crawford Bayley and Co. He specialises in the fields of corporate law and commercial law, crossborder mergers and acquisitions, joint ventures, mergers and acquisitions and capital markets. Mr. Asher joined the TBZ Board on 14<sup>th</sup> December, 2010. He is a member of the Nomination and Remuneration Committee.

### Mrs. Sudha Navandar

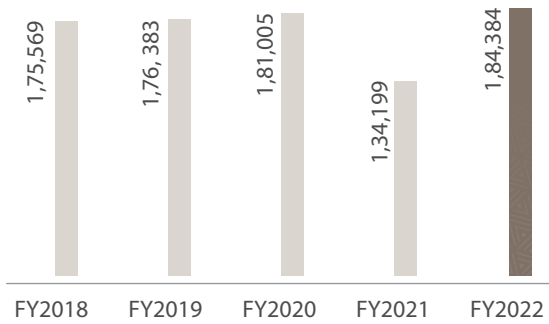
Independent Director

Mrs. Sudha Pravin Navandar is a qualified Chartered Accountant registered with the Institute of Chartered Accountants of India and a Certified Public Accountant, USA. She has done post qualification course on Information System Audit (DISA) and is also an insolvency professional. She is currently a partner in M/s. Pravin R. Navandar & Co. Chartered Accountants, with main focusses on corporate advisory services, income leakage and IBC matters. She is also an independent director on the board of various companies prominent amongst those are Route Mobile Limited, Anand Rathi Wealth Limited and Kolte-Patil Developers Limited.

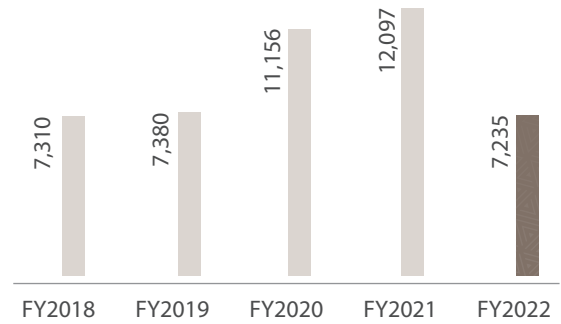
Mrs. Navandar joined the TBZ Board on 1<sup>st</sup> April, 2021 and has given valued contribution to the Board of Directors. The Members has approved the appointment of Mrs. Navandar as an Independent Director (Non-Executive) for the first term of consecutive five years from 1<sup>st</sup> April, 2021 to 31<sup>st</sup> March, 2026 at the fourteenth Annual General Meeting held on 16<sup>th</sup> September, 2021. She has been appointed by the Board at the meeting held on 5<sup>th</sup> May, 2022 as the member of the Audit Committee and the Nomination and Remuneration Committee.

# FINANCIAL SCORECARD

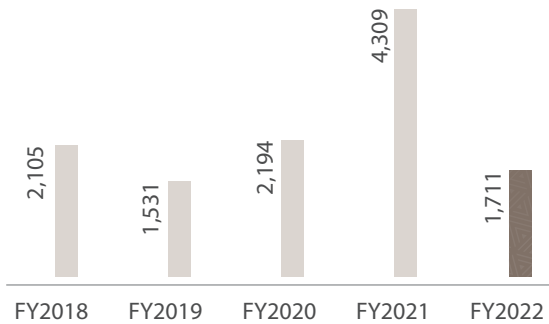
## Operating Income (Rs. in Lakhs)



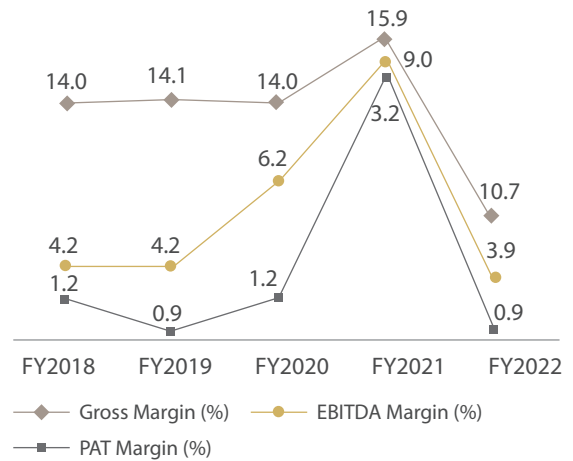
## EBITDA (Rs. in Lakhs)



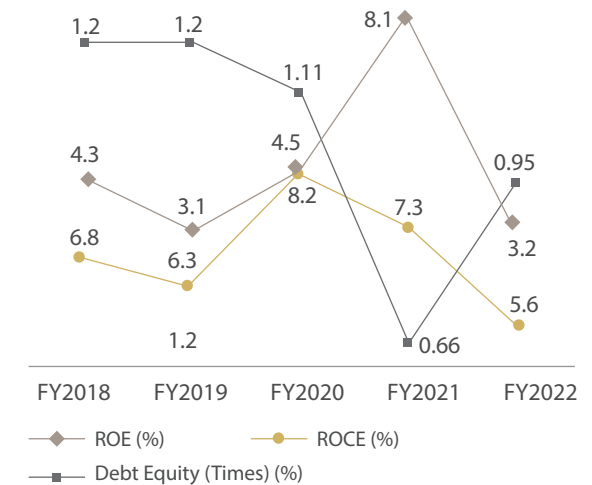
## PAT (Rs. in Lakhs)



## Margins (%)



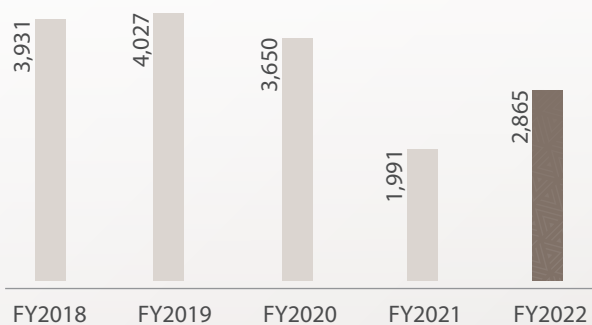
## Leverage and Returns (%)



# OPERATIONAL HIGHLIGHTS

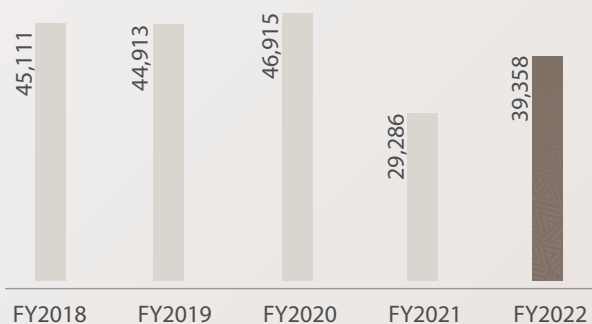
## Gold Volumes

(Kgs)



## Diamond Volumes

(Cts)



# EMPOWERING COMMUNITIES

As a responsible corporate, we strive to achieve holistic development and improve livelihoods of the marginalised sections of the communities and society. We remain focussed on fostering mutually beneficial relationships with our employees, customers, shareholders, the government, as well as the communities around which we operate.

Our commitment to Corporate Social Responsibility (CSR) is driven by our inclusive growth strategy. Our powerful interventions encompass diverse areas of progress and development of the most marginalised and vulnerable masses.

We are focussed on leveraging our assets and expertise to implement sustainable solutions to women empowerment challenges, expand access for women who are in distress and require rehabilitative services and strengthen the communities.

## Project Pankhi

This project aims at providing counselling and rehabilitation to the women who are victims of domestic violence through a central helpline (PANKHI) counselling and face-to-face counselling services in accordance with The Protection of Women from Domestic Violence Act, 2005.

During the year, we extended support by engaging counsellors in 15 cities viz. Mumbai, Vadodara, Ahmedabad, Pune, Kochi, Patna, Hyderabad, and Delhi.



43,431

No. of people impacted

2,806

No. of women counselled

7,082

Individual sessions conducted

51.27%

Increase in reporting of cases since last year

37

No. of women who received support through telephonic counselling

## Pankhi Helpline

A total of 1,944 calls were received during the year, and the assistance provided differed in the case of each survivor from telephonic counselling to police and legal help, rehabilitation, and more. Our partner NGOs conducted follow-up sessions with the victims of domestic violence.



### Running Community Centres

This project was implemented at 15 locations during the year, benefiting 2,806 people. Of this, 63% cases were registered directly to the community organisations, while the remaining 37% unregistered cases were referred by the NGO staff, former clients, helpline, and through campaigns. A total of 108 unregistered cases were converted to registered ones in FY 2021-22.



### Awareness-Raising Events and Campaigns

During the year, awareness programmes were conducted through offline and online portals with communities, offices, community centres, on gender-based violence and assistance that is available through these sessions. Awareness sessions were conducted with police officials, anganwadi workers, hospital staff, community women, corporates, college students and other stakeholders who directly work with the survivors.



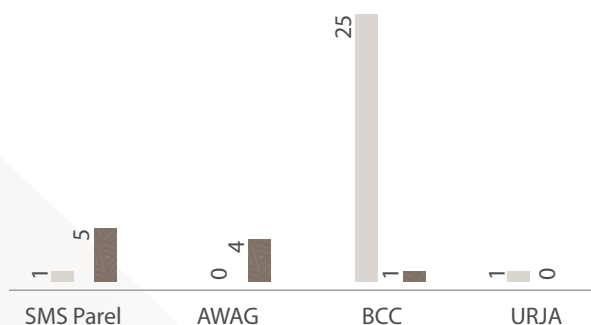
### Skill Development

With the objective of empowering the women survivors of domestic violence, Project Pankhi initiated a Skill Development project in March 2021. This initiative was operational with 9 organisations in 5 different regions. The programme supported 596 women through exciting courses like Retail Management, Data Entry Operator, Tailoring and Beautician courses to train them to become self-sufficient and make their own lives. A total of 184 candidate sufficients were placed with different organisations.

### Cases Reported Through Helpline

■ Total reg cases ■ Total unreg cases

Intervention (n) = 37



### Pankhi Social Media

Our reach through the Facebook platform consists of 55% women and 44% men. This space helps create visibility on the issues of domestic violence through articles, photos and posters as well as to display TBZ's programmes and outcomes.

**534**

No. of followers on Facebook

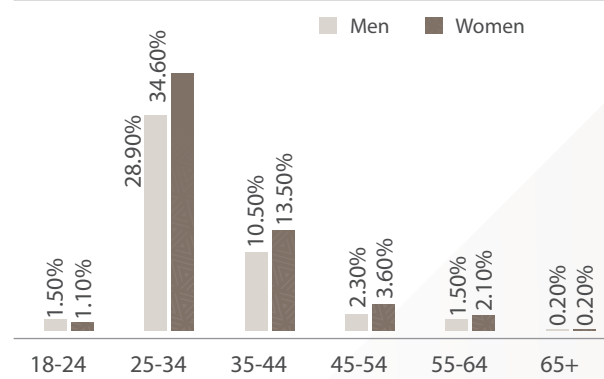
**160**

No. of followers on Instagram

**525**

No. of people who liked Project Pankhi page

### Age Distribution on Facebook



## Cancer Awareness and Aid

During the year, we collaborated with Cancer Patients Aid Association - Pune & Cancer Aid and Research Foundation - Mumbai, which work on the concept of Total Management, from the time the cancer is diagnosed through treatment and family support and finally rehabilitation. As part of this intervention, we adopted Breast Cancer Awareness and Aid Program aimed at financial assistance towards medical treatment.

We also interpret and impart education about the illness to the patients and their family members. We extend our guidance, counselling, and emotional support to the patients to help them understand their diseases and infuse hope and optimism among them.

So far, we have conducted four HPV & Breast Cancer Detection camps in underprivileged areas of Pune and Mumbai district and arranged for prosthesis, ambulances, etc. Social rehabilitation of the patient is also handled by the partner organisations.



# 410

No. of women and children impacted directly through the project



## Employee Giving and Other Initiatives

In view of the COVID-19 pandemic, the employees of TBZ were engaged virtually to encourage and adopt healthy lifestyles. Below is the list of activities conducted:

PANKHI awareness sessions were conducted with our employees during the month of April

Employees donated to the Child Help Foundation to support the needs of underprivileged students

Dental health and Oral webinars were conducted under the theme of Wellness

# Management Discussion & Analysis

## Global Economic Review

After a strong rebound in 2021, the economic indicators suggest that global activity has slowed owing to the geopolitical tensions and massive disruptions caused by the Russia-Ukraine crisis. The war has led to extensive loss of lives, triggered the biggest refugee crisis in Europe, and severely set back the global recovery. The global growth is projected to decline from 6.1% in 2021 to 3.6% in 2022 and 2023, as estimated by IMF. This comes just as the threat from the Omicron variant appeared to be fading, with major economies of the world moving past the acute phase of the pandemic. The risk of newer variants in China has led to mobility restrictions and localised lockdowns, which has slowed private consumption. At the end of 2021, inflation in several regions surged to multi-decadal highs, driven by the rising energy, food, and commodity prices. Central banks across the world have started tightening their stances and others are expected to follow in response to domestic macroeconomic conditions, including rising inflationary pressures.

Growth across Advanced Economies (AEs) is expected to moderate to 3.3% in 2022 from 5.2% clocked in 2021. The United States (US) economic expansion has been facing headwinds from surging inflation and gradual withdrawal of fiscal and monetary policy support. The rebound that was underway in Europe has suffered a setback due to the Russia-Ukraine conflict with inflation at unpredictable levels. Emerging Markets and Developing Economies (EMDEs) are expected to grow at 3.8% as against the 6.8% growth recorded in 2021. The risk of new Covid-19 variants in China has led to mobility restrictions and plummeted private consumption. Emerging and Developing Europe, including Russia and Ukraine will see Gross Domestic Product (GDP) contract significantly owing to higher energy prices and disruption of trade.

(Source: IMF World Economic Outlook, April 2022)

## Outlook

Beyond 2023, global growth is forecasted to decline to about 3.3% over the medium term. The adverse consequences from the current geopolitical conflict are a reminder of the importance of global cooperation. As countries grapple with higher volatility, spending pressures, and tighter financial market conditions, the likelihood that some countries will become financially constrained increases. Notwithstanding the immediate challenges, policymakers need to focus on longer-term goals. Where liquidity support

is insufficient, progress toward orderly debt restructuring is essential. On climate change, world economies must make steady progress to meet the COP26 climate summit pledges. Finally, as the pandemic is not yet over, governments must use all tools at their disposal to combat the virus, both by meeting vaccination targets and ensuring equitable access to tests and treatment.

(Source: IMF World Economic Outlook, April 2022)

## Indian Economic Review

India's underlying economic fundamentals remain strong and despite the short-term turbulences caused by the emergence of newer Covid variants, supply-chain disruptions, and rising inflation, the impact on the long-term outlook will be marginal. The results of growth-enhancing policies and schemes such as production-linked incentives and increased infrastructure spending will start kicking in from 2023, leading to a stronger multiplier effect on jobs and income, higher productivity, and efficiency—all leading to accelerated economic growth.

India's Gross Domestic Product (GDP) has grown by 8.7% in FY 2021-22 as against a contraction of 6.6% in the previous fiscal, and growth is expected at 8.2% in FY 2022-23. Growth has surpassed the pre-pandemic levels on the back of improved performance in the manufacturing and construction sectors. With this, India continues to remain the fastest-growing economy in the world in FY 2021-22 despite the marginal slowdown in the fourth quarter of the year due to the omicron variant of Covid-19.

The government expanded infrastructure spending to restore medium-term demand thereby assisting in overall economic growth. On the strength of several efforts on the fronts like promoting technology-enabled development, energy transition, and climate action taken by the government in the Union Budget 2022-23, the Indian economy is poised to grow at the fastest rate among the league of large nations. The availability of budgetary space to ramp up capital spending, advantages from supply-side reforms, and continued export growth will stimulate development. However, continued geopolitical conflicts, high inflationary pressures, and renewed coronavirus variants pose significant risks to future growth prospects. Experts believe that though taming inflationary pressures will be the primary target, growth trajectory will continue to be the topmost priority of policymakers, especially as recovery post-pandemic has been gradual and uneven.

## Industry Review

### Indian Gems & Jewellery Industry

The Indian Gems and Jewellery sector, being one of the largest in the world, contributes around 29% to the global jewellery consumption and 7% to the country's GDP. The sector employs over 4.64 million employees and is home to over 3,00,000 gems and jewellery players. India is the world's second-largest gold consumer and the world's largest diamond cutting and polishing centre. Keeping in sync with global market trends, India has been deploying modern techniques to its traditional know-how and processes.

Nine out of every 10 diamonds in the world are processed in India making it the world's largest exporter of diamonds. The industry employs one million people, accounting for nearly 95% of the global workforce in the diamond industry. Led by strong support from the government, the industry is growing by leaps and bounds.

After severe lockdowns and trade restrictions in 2020, India's gems and jewellery players re-opened to replenish inventories and meet the growing demand. The second wave of the Covid-19 pandemic lockdowns temporarily decreased labour availability from April to June 2021. However, the shortage was mitigated by successful vaccinations, migrants returning to work, and social distancing measures.

The jewellery retail sector is estimated to have grown at a record 26% in FY 2021-22, driven by the strong demand recovery witnessed post the second wave of Covid-19 in the first quarter of the year. This was despite a sharp increase in gold prices, which resulted in some postponement of purchases for weddings and other occasions towards the end of the fiscal. Consumption was also spurred by robust pent-up demand and healthy festive and wedding purchases in the second half of the year.

### Gems and Jewellery Exports

In FY 2021-22, India's overall gross exports of gems and jewellery stood at USD 39.15 billion, up nearly 55% from USD 25.40 billion in FY 2020-21, demonstrating the agility of the gems and jewellery pipeline in adjusting quickly to an uncertain business environment marked by temporary lockdowns and unprecedented demand surges. With annual exports of USD 40 billion, India's gems and jewellery sector maintained its target of contributing a tenth to the country's overall exports. India's top export destinations for gems and jewellery are the US, Europe, Japan, and China. US accounts for nearly one-fourth of the country's total gems and jewellery export. The government of India is aiming at USD 100 billion in gems and jewellery exports by 2025.

Gross exports of cut and polished diamonds grew by 50% to USD 24.24 billion in FY 2021-22 from USD 16.29 billion

in FY 2020-21. Gold jewellery exports increased by 86% to USD 9.13 billion in FY 2021-22 as against USD 4.95 billion recorded in the previous year.

### Imports

Gross imports of gems and jewellery grew by 64% to USD 26.76 billion in FY 2021-22 from USD 16.34 billion registered in FY 2020-21. Imports of rough diamonds stood at USD 18.9 billion as against USD 10.9 billion recorded in the previous year. Cut and polished diamonds saw a decline in imports to USD 1.3 billion from USD 2.1 billion achieved in FY 2020-21.

(Source: GJEPC)

### Gold Jewellery

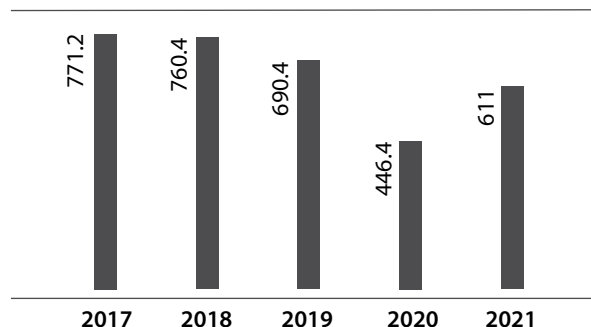
Indian gold jewellery demand almost doubled in the year 2021, surging past the pre-pandemic levels to reach a six-year high of 611 tonnes as against 446.4 tonnes recorded in CY 2020, according to the World Gold Council (WGC). Record quarterly demand of 265 tonnes in Q4 of CY 2021 set the seal on this remarkable performance.

With the easing of lockdown restrictions from June onwards and the successful rollout of the vaccination programmes, India's economy recovered in H2 2021. This boosted consumer sentiment, particularly in urban India, which lifted the demand for jewellery. Rural demand was also supported by normal monsoon rainfall although crop loss due to floods in the states of Kerala and Tamil Nadu had a marginal impact on the demand. Further, gold jewellery demand remained strong in the festive and wedding seasons with retailers reporting sales volumes above those of pre-pandemic levels.

The gold market saw a strong start to CY 2022 with demand in Q1 rising by 34% YoY to 1,234 tonnes. The Ukraine invasion and surging inflation are the key factors driving both the gold prices and demand. Further, gold ETFs saw their strongest quarterly inflows fuelled by safe-haven demand.

### India's Gold Demand

(in tonnes)



(Source: WGC)

## Organised Jewellery Industry - India

India's gems and jewellery industry is seeing increased penetration of branded and organised players due to rising brand consciousness and adoption of western lifestyles by consumers. Growing international as well as Indian jewellery brands implies a wider collection of innovative and exquisite designs and products. Organised players are leveraging their superior brand positioning and quality in addition to aggressive branding and marketing spends to enhance their market share and compete against the highly fragmented unorganised jewellers.

Growing urbanisation, pioneering product launches, and technological advancements in product development are further propelling the growth of the organised jewellery market. Further, the pandemic-related disruptions and growing work-from-home trends have led to a huge spurt in digital mediums and online purchases of jewellery.

## Growth Drivers and Opportunities

### India emerging as partner of choice globally

Being amongst the fastest-growing economies in the world, India is emerging as the preferred destination for the gems and jewellery industry as China faces the brunt of new waves of Covid-19 infections and lockdowns. The ready availability of highly skilled labour and strong support by the government will aid the growth of the Indian gems and jewellery sector.

### Increasing demand for fashion jewellery

Rapid urbanisation, higher disposable incomes, growing affluence, evolving consumer choices and increased penetration of social media have been contributing to the increase in popularity of affordable fashion jewellery in a country which otherwise preferred only gold jewellery. Further, millennial and tech-savvy customers, especially in Tier I and II cities, who are more brand conscious are boosting the demand for innovative and exquisite jewellery.

### High value and stable asset class

In India, gold jewellery personifies a deep emotional quotient and is considered much auspicious. Across the world, people buy gold for varied reasons, driven by national and socio-cultural factors and macro-economic conditions. Gold is also considered to be a safe and secure investment and a stable asset class in India, providing high returns over a long period of time.

### Spurt in online sales of jewellery

Though the contained Covid-19 spread has brought customers back to brick and mortar, they continue to use online mediums for shopping. Online jewellery buying has gained immense popularity, particularly in the post-Covid work-from-home era, supported by the use of technology, flexible payment methods, and easy returns and delivery.

## Threats and Concerns

### Geopolitical tensions and sanctions on Russia

Russia supplies around 35-40% of the world's rough diamonds and the US consumes 50% of the world's polished diamonds. The breakout of war in Ukraine and the resulting economic sanctions on Russia may disrupt the near-term supply of rough diamonds and lead to job losses, thus impacting the diamond industry in India.

### Slowdown in consumer demand

Consumer demand for jewellery may falter amid rising inflation, surging prices of gold and precious metals, and subdued demand following the economic slowdown, insecurity over jobs, and pandemic-related lockdowns.

### Dependence on imports

Raw materials play a major role in the gems and jewellery industry. India imports almost 90% of the raw materials, especially, raw diamonds and gold bars. As a result, the gems and jewellery industry is vulnerable to any adverse regulations that may limit the raw material supply of diamond and gold jewellery.

## Industry Outlook

The future growth of the gems and jewellery industry is expected to be driven by the development of large retailers and brands which support in increasing the share of the organised market. Increasing penetration of organised players implies greater availability of variety in terms of products and designs. According to TechSci Research, the Indian gems and jewellery market is anticipated to witness robust growth at 8.34% CAGR over FY 2021-22 to FY 2026-27. Growth will primarily be driven by changing lifestyles and consumer preferences, rising disposable incomes, growing urbanisation, and strong government support. Other major factors such as e-commerce boom, product innovation and technological advancements, and introduction of newer and aesthetic jewellery segments will augment market growth.

Considering its tremendous contribution and growth potential, the government has declared the gems and jewellery sector as a focus area for export promotion. Various reforms have been undertaken to promote investment and upgrade technology and skills to promote 'Brand India' in the international market. Notable initiatives include 100% FDI in the sector under the automatic route; reduction in customs duty on cut and polished diamonds and coloured gemstones; and import duty cuts on gold and silver jewellery. Having recently signed trade agreements with the UAE and Australia, India is poised to gain preferential access to gems and jewellery products in these high-growth markets.

(Source: IBEF)

## Company Overview

Tribhovandas Bhimji Zaveri Ltd (TBZ-The Original, hereinafter also referred to as the Company) is a leading jewellery brand in India engaged in the manufacturing and selling of exquisite, fine, and precious jewellery. Exuding quality, innovation, originality, purity, and craftsmanship across its business, the Company has found way to the hearts and homes of millions of Indian consumers with a legacy spanning 157 years.

A trendsetter in the Indian jewellery space, the Company is popular for its intricate designs and exclusive styles. The Company continually adds new jewellery lines to its vibrant collection, tailor-made in gold, diamond, jadau, and platinum to meet the dynamic needs of its patrons. From breath-taking jewellery collection to grace weddings, special occasions and festivities to lightweight and contemporary designs suited for daily wear, every piece of jewellery is crafted to meet the aspirations and expectations of customers from all walks of life. The Company has a strong and enduring brand value that enables it to create cherished precious memories to last an eternity.

A brand that stands out for its elegant artistry while being affordable at the same time, the Company has a legacy of setting new benchmarks of excellence in all that it does and has many firsts to its credit. TBZ-The Original was the first in India to introduce 100% BIS hallmarked 22 karat gold jewellery and provide certified solitaire diamonds. The Company was also the first jeweller to

offer lifetime buyback on gold and diamond jewellery and initiate the concept of lightweight precious jewellery.

A professional organisation led by a strong pedigree, TBZ- The Original has carved a niche for itself and has been serving the evolving needs of consumers through a competent team of designers and cutting-edge manufacturing capability in Mumbai. A nationwide network of vendors and store footprint in 25 cities and 12 states supported by well-trained and knowledgeable personnel deliver patron experience par-excellence, winning consumer loyalty and enhancing business performance.

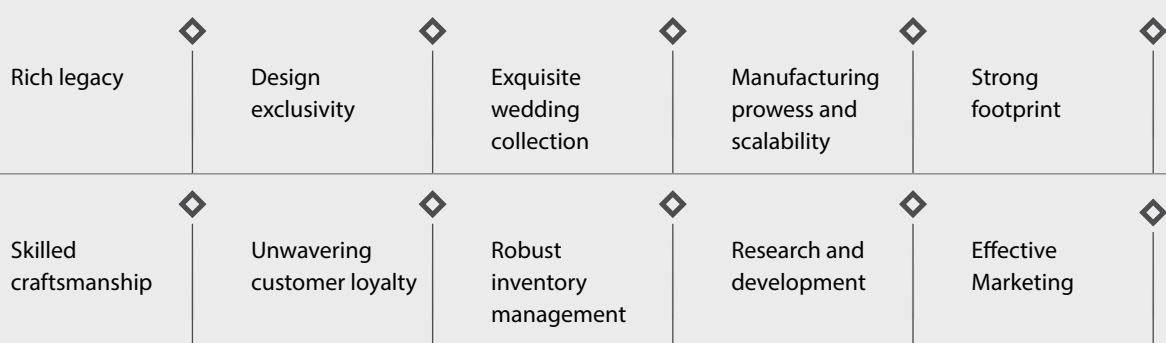
## Product Portfolio

A vast and diverse product portfolio featuring an excellent blend of traditional and modern designs at varied price points makes the Company a jeweller with a difference, attracting millions of patrons from different age groups and cultures. Notwithstanding the item, design, material or price, every product in the portfolio develops a strong emotional connect with the patrons and delivers unmatched value to them.

The Company's product portfolio is designed in-house by a competent team of designers who add a wide range of new jewellery lines to the existing collection each year thereby meeting the rising aspirations and adapting to the changing industry trends.

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

## Key Strengths



### Rich legacy

The Company's brand value is backed by its rich legacy of 157 years spearheaded by the fifth generation of the family. Recognised for its excellence in quality, craftsmanship, design, and originality, TBZ- The Original is a popular name amongst diverse Indian households and a part of their daily lives and joyous celebrations. Continuous investments in digital and traditional marketing coupled with a delightful in-store experience and an exquisite collection has made it a trusted go-to jewellery brand amongst young and older generations.

### Design exclusivity

TBZ- The Original has been successfully alluring and satisfying its patrons, year after year, through its design exclusivity. Supported by the exemplary skills and impressive craftsmanship of its talented team, innovation capabilities, and a state-of-the-art manufacturing facility, every piece of jewellery tells a story of its own. Suited to the liking, occasion, aura and personality of every individual, the designs range from traditional to contemporary, classic to vibrant, subtle to bold, and plain to intricate. Each masterpiece is a treat to the eyes exuding sheer brilliance and bringing boundless joy to its patrons.

### Exquisite wedding collection

The magnificent Indian weddings are popular around the world for their traditions and celebrations, jewellery being an integral part of them. TBZ – The Original has, over the years, created a niche in this segment with its exclusive and premium wedding jewellery collections. With new product lines added to the wedding jewellery every season, the brand has graced Indian weddings for many generations.

### Manufacturing prowess and scalability

The Company's manufacturing capabilities and scale of operations strengthened by avant-garde technologies provide it a competitive edge in crafting jewellery as per the evolving trends and for every occasion- from everyday wear to special events. The state-of-art manufacturing facilities in Kandivali, Mumbai. Further, in-house manufacturing of diamond jewellery enables exclusive designs, lower costs, and higher margins.

### Strong footprint

The Company caters to millions of customers through its strategic pan-India network of 31 stores in 25 cities across 12 states. The stores are further divided into small and big stores, with the small ones located across the city whereas the larger ones are located in standalone high streets right in the heart of the city. The jewellery collection and price point vary across the two types of stores with the objective

to target a diverse consumer base and reach out to a maximum number of people.

### Skilled craftsmanship

The Company has maintained lasting relationships with skilled artisans and craftsmen who have mastered the art of jewellery making. Their craftsmanship is supported by continuous research and innovation and a team of world-class designers utilising latest technologies to develop an inspiring range of jewellery. This is further strengthened by the Company's vendor network with expertise in handmade regional jewellery-making, who is entrusted with crafting most of the gold jewellery for the Company for generations.

### Unwavering customer loyalty

There is much more behind a strong brand value than breath-taking jewellery designs with exclusive quality, originality, and buy-back value. Customer loyalty and a strong emotional connect with patrons underpins TBZ- The Original's success and contributes to its brand equity. The Company facilitates this by enabling a memorable shopping experience to its customers. From magnificent shops and showrooms exhibiting the jewellery in its full grace and splendour to polite and well-trained representatives capable of understanding and attending to the needs of every customer; the Company makes the shopping journey truly satisfying and exemplary.

### Robust inventory management

Balancing market demand and available inventories is critical for a jeweller. TBZ – The Original, with its deep knowledge and market insights, is well-poised to make tactical assessments and maintain prudent inventories for its gold and diamond collections. This ensures a continuous sales flow while eliminating unnecessary pressure on cash flows.

### Research and development

Research and Development (R&D) is crucial for any jeweller to remain on top of the latest trends and understand the emerging and changing dynamics of the industry. The Company's continuous focus and investments in R&D help in product innovation and leveraging best-in-class technologies for manufacturing and refining jewellery, responding to the trends with speed and agility, and maintaining its edge.

### Operational Highlights

- Launched bridal jewellery collection starting at just ₹ 1.5 lakhs.
- Conducted pan-India campaigns on trust, legacy, and best price to showcase the competitive prices of jewellery at TBZ.



- Promoted Kalpavriksha scheme as a gifting option for Valentine's Day, Women's Day, and other special occasions like festivals, birthdays, and anniversaries.
- Conducted campaigns such as Month of Gifting, Valentine's Day, KP Promotion in digital media and regional-specific campaigns.
- Adopted influencer marketing strategies to achieve greater footfall.
- Strengthened visibility across social media and digital channels with more than XX impressions.

### Financial Overview

The Company's total revenue in FY 2021-22 increased by 37.40 % to ₹ 1,84,383.95 lakhs as against ₹ 1,34,199.39 lakhs in FY 2020-21.

(₹ in Lakhs)

Particulars	FY 2021-22	FY 2020-21
Net Sales	1,84,367.96	1,34,188.19
Total Income from Operations	1,84,383.95	1,34,199.39
Gross Profit	19,727.49	21,371.67
EBITDA	7,235.36	12,096.77
Depreciation	2,225.50	2,632.79
Finance Costs	3,559.90	4,784.19
PBT	2,287.58	5,969.12
Tax	576.46	1,660.08
PAT	1,711.12	4,309.04
Gross Margin	10.70%	15.93%
EBITDA Margin	3.92%	9.01%
Basic Earnings Per Share (EPS) (₹)	2.56	6.46
Dividend Per Share (₹)	2.50	NIL
Net Worth	53,496.82	53,368.34
Short-term borrowings (including working capital loans)	50,891.87	37,319.49
Inventory	1,20,581.30	99,575.18
Debtors	161.29	339.86
Net Block	14,897.47	13,716.71
Cash and Bank balance	4,531.88	3,949.20

### Key Financial Highlights for FY 2021-22

#### Gross Profit

The Company's Gross Profit stood at ₹ 19,727.49 lakhs in FY 2021-22 as compared to ₹ 21,371.67 lakhs in FY 2020-21, marking a de-growth of 7.69%.

#### EBITDA

The EBITDA margin of the Company decrease by 40.19% to ₹ 7,235.36 lakhs in FY 2021-22 as against ₹ 12,096.77 lakhs in the previous year.

#### Profit After Tax (PAT)

Profit After Tax (PAT) in FY 2021-22 declined by 60.29 % to ₹ 1,711.12 lakhs compared to ₹ 4,309.04 lakhs in the previous year.

#### Net Worth

The Company's Net Worth stood at ₹ 53,496.82 lakhs as on 31<sup>st</sup> March 2022 as against ₹ 53,368.34 lakhs as on 31<sup>st</sup> March 2021.

#### Reserves

Total Reserves of the Company stood at ₹ 46,823.76 lakhs as on 31<sup>st</sup> March 2022 as against ₹ 46,695.28 lakhs as on 31<sup>st</sup> March 2021.

#### Borrowings

The Company's Total Debt stood at ₹ 50,901.17 lakhs as on 31<sup>st</sup> March 2022 as against ₹ 37,549.72 lakhs as on 31<sup>st</sup> March 2021.

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

	FY 2021-22	FY 2020-21	Remarks
Interest Coverage Ratio	1.64	2.25	Lower EBIT and increase in borrowing cost attributed to improvement in interest coverage ratio
Current Ratio	1.49	1.69	Increase in current liability attributed to decrease in current ratio.
Debt Equity Ratio	0.95	0.66	Increase in borrowing attributed to decrease in debt equity ratio.
Operating Profit Margin (%)	3.17%	8.01%	Lower EBIT attributed to higher profit margin in current year.
Net Profit Margin (%)	0.93%	3.21%	Decrease in net profit attributed to lower net profit margin in current year
Return on Net Worth (RONW) (%)	3.20%	8.07%	Lower PAT for the current year attributed to decrease in return on net worth.
Debtor Turnover Ratio	735.84	419.19	Increase in operating revenue in current year attributed to increase in Debtor turnover ratio.

**Management Outlook**

FY 2021-22 was an extraordinary year marked by unprecedented challenges due to pandemic-related disruptions and geopolitical disturbances. Yet, the gems and jewellery industry demonstrated resilience and adapted to the volatile business environment. With the easing of restrictions and successful vaccination drives, there was a gradual rebound in consumer sentiments. Every sector of the industry performed well and was seen emerging from the Covid-19-induced crisis.

The key to resilience in the industry has been its sustained investments in technology to drive efficiency, along with remarkable efforts in enhancing customer experience and accelerating digital reach. Strong pent-up demand for diamond jewellery and robust wedding and festival purchases led to a steady increase in footfalls and conversions at the stores. However, the sharp increase in gold prices and emergence of the Omicron variant led to consumers deferring their purchases for weddings and other occasions towards the end of the fiscal.

With jewellery demand witnessing healthy growth and the world fast moving ahead on the road to recovery, organised players have re-initiated their expansion plans. The sentiment in the industry is incredibly positive with markets opening up and demand gradually returning to normal.

The Company faced the challenging Covid-19 crisis with resilience and agility while maintaining discipline on cost control measures to sustain margins. Its strategy remains focused on generating higher store footfalls

and driving online customer engagements to enhance digital revenues and generate healthy profits. Towards this, the Company implemented strategic brand-centric campaigns, including discounts and special offers in specific products, and strengthened visibility across social media and digital channels. These initiatives also enabled the Company to maintain its strong brand pull. During the year, the inventory volumes were strategically kept at adequate levels to cater to the anticipated high demand and offer the customer a wide range of designs across the product categories.

With continuous efforts towards product innovation, launch of new collections, and aggressive brand promotional activities, the Company will be firmly positioned to gain further momentum in the market. As part of its expansion plans, the Company intends to launch its own store in Mumbai in the current fiscal to capture the upcoming opportunities as consumer demand and economic activity sees a steady revival. This expansion strategy will expand its reach and help the Company penetrate deeper into newer markets.

Further, the Company has been consistently investing in enhancing its technology prowess to open up new avenues for safe and experiential shopping for its customers. Complete online access to the EMI-based Kalpavruksha scheme is offered for quick and easy enrolment by customers. An increasing online presence, fostered by the Covid-19 pandemic, is also enabling the Company to make further inroads into e-commerce marketplaces. Going forward, it intends to create its own online platform to cater to the rising demand for online jewellery and cultivate a larger consumer base.

## Risk Management

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

Risk	Impact	Mitigation Strategy
<b>Macro-economic Risk</b>	Newer variants of the Covid-19 pandemic, ongoing geopolitical tensions, supply chain disruptions, rising inflationary pressures and monetary tightening may reduce consumer spending and impact the growth of the gems and jewellery industry.	Focus on increasing geographic presence, e-commerce penetration, and producing innovative and appealing products for customers will enable the Company to mitigate demand slowdown risk. Further, geographical diversification reduces the Company's dependence on a particular economy in case of adverse events and circumstances in that country.
<b>Margin Risk</b>	Fluctuations in commodity prices and exchange rates may impact the margins and profitability of the Company.	The Company has a judicious strategy in place to mitigate the risk of operational inefficiencies and margin pressure. Cost optimisation measures, network expansion through an asset-light franchisee model, inventory procurement through higher exposure to gold loan schemes, and establishing beneficial relationships with suppliers enable the Company to manage volatile markets and sustain margins.
<b>Competition Risk</b>	The gems and jewellery industry faces stiff competition from the growing presence of unorganised players. Inability to produce high-quality and aesthetic products may affect the market share and growth of organised players.	The Company enjoys a superior brand positioning and strong track record which has enabled it to establish its position as a leading and preferred jewellery brand in India. Enhanced investments in product innovation and brand-building activities further increase brand recall and customer connect.
<b>Raw Material Risk</b>	Failure to procure raw materials at competitive prices may adversely impact the Company's business operations.	The Company's dedicated and talented team along with a well-framed central procurement policy ensures prudent inventory management. Leveraging the gold loan scheme and strong relations with prominent suppliers of polished diamonds facilitates timely supply of raw materials at competitive rates.

## Human Resources

Employees are the most important asset of the Company. The HR policy of the Company aims to create a congenial, transparent, and inclusive work environment for the overall growth and development of its talented workforce. The Company strives hard to maintain high levels of engagement, consistent performance, and an innovative mindset to minimise attrition. Periodic interactive sessions and conversations between the management and employees are organised to foster a growth-oriented culture. In addition, regular skill development and training programmes are conducted to hone the skills and

performance capabilities of employees. As on 31<sup>st</sup> March 2022, the Company had a total of 897 employees.

## Internal Controls

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

These internal controls ensure the following:

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

The audit firm appointed by the Company closely monitors and oversees the internal controls, and any discrepancies are immediately reported to the management and Audit Committee for their corrective action.

### **Cautionary Statement**

This document contains forward-looking statements about expected future events, and financial and operating results of the Company. These forward-looking statements are based on assumptions and the Company does not guarantee the fulfilment of the same. These statements may be subject to risks and uncertainties. Readers are cautioned not to place undue reliance on forward-looking statements as several factors could cause assumptions, actual future results, and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications and risk factors referred to in the management's discussion and analysis of TBZ Limited's Annual Report 2021-22.

# Notice

**Notice is hereby given that the Fifteenth Annual General Meeting of the Members of Tribhovandas Bhimji Zaveri Limited will be held on Monday, 29<sup>th</sup> August, 2022 at 11.30 a.m. IST through Video Conferencing (VC) / Other Audio Visual Means (OAVM), to transact the following businesses**

## ORDINARY BUSINESS:

1. To receive, consider, approve and adopt:
  - (a) Audited Financial Statements of the Company for the Financial Year ended 31<sup>st</sup> March, 2022 together with the Reports of the Board of Directors and the Auditors thereon; and
  - (b) Audited Consolidated Financial Statements of the Company for the Financial Year ended 31<sup>st</sup> March, 2022 together with the Report of the Auditors thereon.
2. To declare dividend on Equity Shares for the financial year ended 31<sup>st</sup> March, 2022.

3. To appoint a Director in place of Ms. Raashi Zaveri (DIN: 00713688), who retires by rotation at this Annual General Meeting, in terms of Section 152(6) of the Companies Act, 2013 and, being eligible, offers herself for re-appointment.

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

**Shrikant Zaveri**

Date: 1<sup>st</sup> August, 2022  
Place: Mumbai

Chairman & Managing Director  
(DIN: 00263725)

## Registered Office:

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

## GENERAL NOTES:

1. Details under Regulation 36(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings (SS-2) of Institute of Company Secretaries of India, in respect to the Director retiring by rotation and seeking re-appointment at the ensuing Annual General Meeting as set out in item no. 3 of the Notice, are also annexed.
2. In view of continuing outbreak of the COVID-19 pandemic, social distancing norm to be followed and the continuing lockdown restrictions on the movement of people at several places in the country, the Ministry of Corporate Affairs (MCA), vide its General Circular No. 20/2020 dated 5<sup>th</sup> May, 2020, General Circulation no. 02/2021 dated 13<sup>th</sup> January, 2021 and vide its new General Circular No. 3/2022 dated 5<sup>th</sup> May, 2022; in relation to "Clarification on holding of annual general meeting (AGM) through video conferencing (VC) or other audio visual means (OAVM)" read with General Circular No. 14/2020 dated 8<sup>th</sup> April, 2020 and General Circular No. 17/2020 dated 13<sup>th</sup> April, 2020, in relation to "Clarification on passing of ordinary and special resolutions by companies under the Companies Act, 2013 and the rules made thereunder on account of the threat posed by Covid-19" (collectively referred

to as "MCA Circulars") and other Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12<sup>th</sup> May, 2020 issued by the Securities and Exchange Board of India (SEBI) in relation to "Additional relaxation in relation to compliance with certain provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 – Covid-19 pandemic" and circular no. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated 15<sup>th</sup> January, 2021 and vide its new Circular No. SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated 13<sup>th</sup> May, 2022 in relation to "Relaxation from compliance with certain provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 due to the COVID-19 pandemic" (collectively referred to as "SEBI Circulars") permitted the holding of the Annual General Meeting ("AGM") through Video Conferencing (VC) / Other Audio Visual Means (OAVM), without the physical presence of the Members at a common venue during the calendar year 2022. In compliance with the MCA Circulars and applicable provisions of Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the 15<sup>th</sup> AGM of the Company shall be convened and conducted through VC / OAVM. The deemed venue for the AGM shall be the Registered Office of the Company.

3. The Company has enabled the Members to participate at the 15<sup>th</sup> AGM through VC / OAVM facility provided

- by KFin Technologies Limited, Registrar and Share Transfer Agents of the Company. The instructions for participations by Members are given in the Notice. Participation at AGM through VC / OAVM shall be allowed on first-come-first-served basis.
4. In terms of the MCA Circulars, the physical attendance of Members has been dispensed with and there is no requirement of appointment of proxies. Accordingly, the facility for appointment of Proxy by the Members under Section 105 of the Companies Act, 2013 will not be available for this AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice. Since the AGM of the Company will be held through VC / OAVM, the Route Map for AGM venue is not annexed to this Notice.
  5. Corporate Members intending their authorized representative to attend the Meeting through VC / OAVM, pursuant to Section 113 of the Companies Act, 2013, are requested to access the link <https://evoting.kfintech.com> and upload a certified copy of the relevant Board Resolution together with specimen signatures of their authorized representatives to attend and vote at the Meeting through VC / OAVM.
  6. The documents referred to in the proposed resolution(s) are available for inspection through electronic mode. Members are requested to write to the Company on [investors@tbzoriginal.com](mailto:investors@tbzoriginal.com). The documents referred to in the proposed resolution(s) are available for inspection by the Members of the Company on the website of the Company [www.tbztheoriginal.com](http://www.tbztheoriginal.com) till the conclusion of 15<sup>th</sup> Annual General Meeting.
  7. The Register of Members and Share Transfer Books of the Company will remain closed from **Tuesday, 23<sup>rd</sup> August, 2022 to Monday, 29<sup>th</sup> August, 2022** (both days inclusive) for the purpose of payment of dividend. If the dividend on Equity Shares, as recommended by the Board of ₹ 1 per equity share of ₹ 10 each (i.e. 10%), if approved at the AGM, will be paid subject to deduction of income-tax at source ('TDS'), wherever applicable, on or after Friday, 2<sup>nd</sup> September, 2022.
  8. Share transfer documents and all other correspondence relating thereto, should be addressed to the Registrar and Share Transfer Agent (R & T Agent) of the Company, KFin Technologies Limited (previously known as KFin Technologies Private Limited) at Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad – 500 032. Tel No: +91 (040) 6716 2222 or a toll-free number 1800 309 4001. E-Mail: [inward.ris@kfintech.com](mailto:inward.ris@kfintech.com). Website Add.: <https://www.kfintech.com> // <https://ris.kfintech.com>.
  9. Members holding shares in dematerialized form are requested to intimate all changes pertaining to their bank details such as bank account number, name of the bank and branch details, MICR code and IFSC code, mandates, nominations, power of attorney, changes of address, change of name, email address, contact numbers etc., to their depository participant (DP). Changes intimated to the DP will then be automatically reflected in the Company's records which will help the Company and the Company's Registrars and Share Transfer Agents, KFin Technologies Limited (KFinTech) to provide efficient and better services. Members holding shares in physical form are requested to intimate such changes to KFinTech, Registrar and Share Transfer Agent in prescribed Form ISR-1 and other forms pursuant to SEBI Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2021/655 dated 3<sup>rd</sup> November, 2021. The Company has sent communication to shareholders in this regard.
  10. Members may please to note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/8 dated 25<sup>th</sup> January, 2022, has mandated the listed companies to issue securities in dematerialized form only while processing service requests viz. Issue of duplicate securities certificate; claim from unclaimed dividend account; exchange of securities certificate; sub-division of securities certificate; consolidation of securities certificates/folios; transmission and transposition. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR – 4, on the website of the Company's Registrar and Share Transfer Agent, KFin Technologies Limited (KFinTech) at <https://www.kfintech.com> // <https://ris.kfintech.com>. It may be noted that any service request can be processed only after the folio is KYC Compliant.
  11. SEBI vide its notification dated 24<sup>th</sup> January, 2022 has mandated that all requests for transfer of securities including transmission and transposition requests shall be processed only in dematerialized form. In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialisation, Members are advised to dematerialise the shares held by them in physical form. Members can contact the Company or KFin Technologies Limited (KFinTech), for assistance in this regard.
  12. Members can avail of the facility of nomination in respect of shares held by them in physical form pursuant to the provisions of Section 72 of the Companies Act, 2013. Members desired to avail of this facility may send their nomination in the prescribed Form No. SH.13 duly filled in to the office of KFin Technologies Limited,

Registrar and Share Transfer Agent of the Company. Members holding shares in electronic mode may contact their respective Depository Participants for availing this facility.

13. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN), KYC details by every participant in securities market by 31<sup>st</sup> March, 2023, and linking PAN with Aadhar by 31<sup>st</sup> March, 2022 vide its circular dated 3<sup>rd</sup> November, 2021 and 15<sup>th</sup> December, 2021. Members holding shares in electronic form are therefore, required to submit the PAN to their Depository Participant with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company.
  14. The Equity Shares of the Company are listed on the following Stock Exchanges in India w.e.f. 9<sup>th</sup> May, 2012:
 

BSE Limited  
25, Phiroze Jeejeebhoy Towers, Dalal Street,  
Mumbai – 400 001.

National Stock Exchange of India Ltd.  
Exchange Plaza, Bandra Kurla Complex, Bandra (East),  
Mumbai – 400 051.

The Company has paid the applicable annual listing fees to each of the above Stock Exchanges for the Financial Years 2021–22 and 2022-23.

The Company has also paid Annual Custodial Fees to Central Depositories Services Limited (CDSL) and National Securities Depositories Limited (NSDL) for the Financial Years 2021–22 and 2022-23.
  15. Non-Resident Members are requested to inform the Company immediately about:
    - (a) The Change in the Residential Status on return to India for permanent settlement.
    - (b) The Particulars of NRE Bank Account maintained in India with complete name and address of the bank, if not furnished earlier.
  16. The Company has designated an exclusive e-mail ID called [investors@tbzoriginal.com](mailto:investors@tbzoriginal.com) for redressal of Members' complaint/ grievances. In case you have any queries/ complaints or grievances, then please write to us at [investors@tbzoriginal.com](mailto:investors@tbzoriginal.com).
  17. Members are requested to intimate to the Company, queries if any, regarding the accounts at least 10 days before the Annual General Meeting to enable the Management to keep the information ready at the Meeting. The queries may be sent through email at [investors@tbzoriginal.com](mailto:investors@tbzoriginal.com) or addressed to: Company Secretary, Tribhovandas Bhimji Zaveri Limited, 1106 to 1121, 11<sup>th</sup> Floor, West Wing, Tulsiani Chambers, 212, Backbay Reclamation, Free Press Journal Road, Nariman Point, Mumbai - 400 021. (Email: [investors@tbzoriginal.com](mailto:investors@tbzoriginal.com)).
  18. Pursuant to MCA Circulars and SEBI Circular, Section 101 of the Companies Act, 2013 read with Rule 18 of the Companies (Management and Administration) Rules, 2014, Notice of the 15<sup>th</sup> AGM and the Annual Report for 2021-22 is being sent through electronic mode to all the Members whose E-mail IDs are registered with the Company / Depository Participants for communication purposes. For Members who have not registered their E-mail IDs with the Company/ Depository Participants, are requested to register their email ids with their respective Depository Participant on immediate basis for receiving Annual Report 2021-22 in electronic mode only. Members holding shares in physical mode and wishing to register / update their E-mail ID to receive the Annual Report and other documents in electronic mode are requested to fill the form "Consent for Receiving Documents in Electronic Form" {which is forming part of this Annual Report and is also available on the website of the Company ([www.tbztheoriginal.com](http://www.tbztheoriginal.com))} or send an e-mail request at the email id [inward.ris@kfinotech.com](mailto:inward.ris@kfinotech.com) along with scanned copy of the signed request letter providing the email address, mobile number, self –attested PAN copy and Client Master copy in case of electronic folio and copy of share certificate in case of physical folio for sending the Annual Report, Notice of AGM and the e-voting instructions and send the same to our Registrar and Share Transfer Agents viz., KFin Technologies Limited, Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad – 500 032.
- To support the 'Green Initiative' Members who have not registered their e-mail addresses are requested to register the same with KFin Technologies Limited/ their respective Depository Participants.
19. In case of joint holders, attending the meeting, only such joint holder, who is higher in the order of names, will be entitled to vote at the meeting.
  20. The Register of Directors and Key Managerial Personnel and their Shareholding maintained under Section 170 of the Companies Act, 2013, the Register of Contracts or arrangements in which Directors are interested under Section 189 of the Companies Act, 2013, and the relevant documents referred to in the Notice will be available electronically for inspection by the Members during the AGM.

21. In terms of the provisions of Section 124 and other applicable provisions of the Companies Act, 2013, the amount of dividend not encashed or claimed within seven years from the date of its transfer to the unpaid dividend account, will be transferred to the Investor Education and Protection Fund ("IEPF") established by the Central Government. Accordingly, the unclaimed dividend in respect of Financial Year 2014-15 is due for transfer to the said Fund in October, 2022. Members who have not yet encashed their dividend warrant(s) pertaining to the dividend for the Financial Year 2014-15 onwards, are requested to lodge their claims with the Company for the same.

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

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

A Resident individual shareholder with PAN and who is not liable to pay income tax can submit a yearly declaration in Form No. 15G/15H, to avail the benefit of non-deduction of tax at source by sending an email to [investors@tbzoriginal.com](mailto:investors@tbzoriginal.com) latest by 11:59 p.m. (IST) on 5<sup>th</sup> August, 2022. Shareholders are requested to note that in case their PAN is not registered or having invalid PAN or Specified Person as defined under section 206AB of the Income Tax Act, the tax will be deducted at a higher rate prescribed under section 206AA or 206AB of the Act, as applicable.

Non-resident shareholders can avail beneficial rates under tax treaty between India and their country of

residence, subject to providing necessary documents i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, any other documents which may be required to avail the tax treaty benefits by sending an email to [investors@tbzoriginal.com](mailto:investors@tbzoriginal.com). The aforesaid declarations and documents need to be submitted by the shareholders latest by 11:59 p.m. (IST) on 5<sup>th</sup> August, 2022.

22. Members are requested to contact M/s. KFin Technologies Limited / Secretarial Department of the Company for encashing the unclaimed dividends standing to the credit of their account. The detailed dividend history and due dates for transfer to IEPF are available on 'Investor Folder' on the website of the Company at [www.tbztheoriginal.com](http://www.tbztheoriginal.com).

23. Members may utilize the facility extended by the Registrar and Share Transfer Agent for redressal of queries. Members may visit <https://evoting.kfintech.com> and click on Members option for query registration through free identity registration process.

24. Electronic copy of the Notice of the 15<sup>th</sup> Annual General Meeting along with Annual Report 2021-22 of the Company inter alia indicating the process and manner of e-voting is being send to all the Members whose email IDs are registered with the Company/ Depository Participant(s) for communication purposes. For Members who have not registered their email address, are requested to register their email addresses with their respective Depository Participant on immediate basis to get the Notice of the 15<sup>th</sup> Annual General Meeting of the Company along with the Annual Report 2021-22 in electronic mode only.

25. In compliance with the MCA General Circular No. 20/2020 dated 5<sup>th</sup> May, 2020, General Circulation no. 02/2021 dated 13<sup>th</sup> January, 2021 and vide its new General Circular No. 3/2022 dated 5<sup>th</sup> May, 2022; as well as SEBI Circular No SEBI/HO/CFD/CMD1/ CIR/P/2020/79 dated 12<sup>th</sup> May, 2020, Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated 15<sup>th</sup> January, 2021 and vide its new Circular No. SEBI/HO/CFD/ CMD2/CIR/P/2022/62 dated 13<sup>th</sup> May, 2022 relaxation / permission are extended to the AGM of the Companies due in year 2022, till 31<sup>st</sup> December, 2022, Notice of the AGM along with the Annual Report 2021-22 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may also note that the Notice of the 15<sup>th</sup> Annual General Meeting and the Annual Report 2021-22 will also be available on the Company's website at [www.tbztheoriginal.com](http://www.tbztheoriginal.com),



the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com), respectively and on the website of Company's Registrar and Share Transfer Agent, KFin Technologies Limited ("KFinTech") at <https://evoting.kfintech.com>, for their download. For any communication, the Members may also send request to the Company's investor email id: [investors@tbzoriginal.com](mailto:investors@tbzoriginal.com).

## 26. Procedure for joining the 15<sup>th</sup> AGM through VC / OAVM:

- (i) KFin Technologies Limited (KFinTech) will be providing facility for voting through remote e-Voting, for participation in the 15<sup>th</sup> AGM through VC/OAVM facility and e-Voting during the 15<sup>th</sup> AGM.
- (ii) Members may note that the VC/OAVM facility, allows participation of at least 1,000 Members on a first-come-first-served basis
- (iii) Members will be able to attend the AGM through VC/OAVM or view the live webcast of AGM provided by KFin Technologies Limited at <https://emeetings.kfintech.com> by using their remote e-voting login credentials. The link for the AGM will be available in the shareholders'/members' login where the "Event" and the "Name of the Company" can be selected.

Members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned below in the Notice.

- (iv) Members are encouraged to join the Meeting using Google Chrome (preferred browser), Safari, Internet Explorer, Microsoft Edge or Mozilla Firefox 22.
- (v) Members will be required to grant access to the web-cam to enable two-way video conferencing.
- (vi) Members are advised to use stable Wi-Fi or LAN connection to participate at the AGM through VC in a smooth manner. Participants may experience audio/video loss due to fluctuation in their respective networks.
- (vii) Members who would like to express their views or ask questions during the AGM may register themselves by logging on to <https://emeetings.kfintech.com> and click on the 'Speaker Registration' option available on the screen after log in. The Speaker option would be open during Tuesday, 23<sup>rd</sup> August, 2022 (at 9.00 a.m. IST) to Thursday, 25<sup>th</sup> August, 2022 (at 5.00 p.m.

IST). Only those members who are registered will be allowed to express their views or ask questions. The Company reserves the right to restrict the number of questions and number of speakers, depending upon availability of time as appropriate for smooth conduct of the AGM.

- (viii) The facility for joining the AGM shall open 15 minutes before the scheduled time for commencement of the AGM and shall be closed after the expiry of 15 minutes after such schedule time.
- (ix) Members who need assistance before or during the AGM, can contact KFinTech on <https://emeetings.kfintech.com> or call on 1800-309-4001. Kindly quote your name, DP ID-Client ID / Folio no. and E-voting Event Number in all your communications.
- (x) Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

## 27. Voting Instruction:

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

The Company has opted to provide the same electronic voting system at the Meeting, as used during remote e-voting, and the said facility shall be operational till all the resolutions proposed in the Notice are considered and voted upon at the Meeting and may be used for voting only by the members holding shares as on the cutoff date who are attending the Meeting and who have not already cast their vote(s) through remote e-voting.

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

The Members who have cast their vote by remote e-voting prior to the AGM shall not be entitled to cast their vote again at the 15<sup>th</sup> AGM, however, such Members will be entitled to attend/ participate in the AGM through VC / OAVM.

Pursuant to Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and

Administration) Rules, 2014 [(including any statutory modification(s) or re-enactment thereof for the time being in force), as amended by the Companies (Management and Administration) Amendment Rules, 2015] and Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Members can exercise right to vote at the 15<sup>th</sup> AGM by electronic means and the business may be transacted through remote e-voting facility made available by Company's Registrar and Share Transfer Agent, KFin Technologies Limited ('KFinTech'). The remote e-voting facility is available at the link <https://evoting.kfintech.com>.

**E-Voting Instructions:**

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

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

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

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with NSDL.	<p><b>A. Users registered for NSDL IDeAS facility:</b></p> <ol style="list-style-type: none"> <li>Open web browser by typing the following URL: <a href="https://eservices.nsd.com/">https://eservices.nsd.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the <b>"Beneficial Owner"</b> icon under "Login" which is available under <b>"IDeAS"</b> section.</li> <li>A new screen will open. Enter your User ID and Password. After successful authentication, you will be able to see e-voting services. Click on "Access to e-voting" under e-voting services and you will be able to see e-voting page.</li> <li>Click on options available against Company name or e-voting service provider and you will be re-directed to e-voting website for casting your vote during the remote e-voting period or joining virtual meeting &amp; voting during the meeting.</li> </ol> <p><b>B. Users not registered for IDeAS e-Services:</b></p> <p>Option to register is available at <a href="https://eservices.nsd.com">https://eservices.nsd.com</a>. Select "Register Online for IDeAS" Portal or click at <a href="https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</a></p> <p><b>C. Visit the e-voting website of NSDL</b></p> <ol style="list-style-type: none"> <li>After successfully registering on IDeAS, visit the e-voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsd.com/">https://www.evoting.nsd.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.</li> <li>A new screen will open. Enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-voting page.</li> <li>Click on Company name or select e-voting service provider name and you will be redirected to e-voting service provider "KFinTech" and you will be re-directed to the e-voting page of KFinTech to cast your vote without any further authentication.</li> </ol> <p>D. Shareholders/Members can also download NSDL Mobile App <b>"NSDL Speede"</b> facility by scanning the QR code mentioned below for seamless voting experience.</p>

**NSDL Mobile App is available on**



Type of shareholders	Login Method
Shareholders holding securities in demat mode with CDSL	<p><b>A. Users who have opted for Easi/Easiest:</b></p> <ol style="list-style-type: none"> <li>Shareholders can login through their user ID and password. Option will be made available to reach e-voting page without any further authentication. The URL for users to login to Easi/Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on New System Myeasi.</li> <li>After successful login of Easi/Easiest the user will be also able to see the e-voting Menu. The Menu will have links of e-voting service provider. Click on e-voting service provider name to cast your vote.</li> </ol> <p><b>B. Users who have not opted for Easi/Easiest:</b></p> <p>Option to register for Easi/Easiest is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></p> <p><b>C. Visit the e-voting website of NSDL</b></p> <ol style="list-style-type: none"> <li>Alternatively, the user can directly access e-voting page by providing demat Account Number and PAN No. from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; e-mail as recorded in the demat Account.</li> <li>After successful authentication, user will be provided links for the respective ESP where the e-voting is in progress.</li> </ol>
Shareholders (holding securities in demat mode) login through their depository participants	<ol style="list-style-type: none"> <li>Shareholders can also login using the login credentials of their demat account through their Depository Participant registered with NSDL/CDSL for e-voting facility. After logging, you will be able to see e-voting option.</li> <li>Once you click on e-voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-voting feature.</li> <li>Click on options available against Company name or e-voting service provider "KFintech" and you will be redirected to e-voting page of "KFintech" for casting your vote during the remote e-voting period or joining virtual meeting &amp; voting during the meeting.</li> </ol>

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

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

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

**The instructions for Shareholders other than individuals holding Shares of the Company in**

#### Demat Mode and all Shareholders Holding Shares in Physical Mode

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

- Click on the PDF file sent to you in the e-mail by the Company's Registrar and Share Transfer Agent, KFin Technologies Limited (KFintech). The file will prompt for a password. Kindly input your Client ID or Folio No. as may be applicable in the box prompted for password. The said PDF file contains your user ID and password/PIN for e-voting. Please note that this password is an initial password and for security purpose needs to be changed while doing first time login.
- Launch internet browser by typing the following URL: <https://evoting.kfintech.com>.
- Click on Member – Login.
- Enter user ID and password as initial password/ PIN noted in step (I) above. Click login.

- (V) The Password Change Menu will appear on your screen. Change the password/ PIN with new password of your choice with minimum 8 digits/ characters or combination thereof. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (VI) Home page of e-voting opens. Click on e-voting: Active Voting Cycles.
- (VII) Select the "EVEN" (e-voting Event Number) of Tribhovandas Bhimji Zaveri Limited.
- (VIII) Now you are ready for e-voting as Cast Vote page opens.
- (IX) Cast your vote by selecting an appropriate option and click on "Submit" and also "Confirm" when prompted.
- (X) Upon confirmation, the message "Vote cast successfully" will be displayed.
- (XI) Once you have voted on the resolution, you will not be allowed to modify your vote.
- (XII) Corporate/ Institutional Members (i.e. other than individuals, HUFs, NRIs etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/Authority Letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to [pramodshah361@gmail.com](mailto:pramodshah361@gmail.com), with a copy marked to [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com).
- (XIII) In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and e-voting user manual for Members available at the Downloads section of <https://evoting.kfintech.com>. Alternatively, you can also contact on [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com) for any queries or grievances connected with remote e-voting service.

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

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

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

Please follow all steps from Sr. No. (II) to Sr. No. (XIII) of note 27(B) above, to cast vote.

### Voting at the Annual General Meeting:

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

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

### Other Instructions:

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

- (i) You can also update your mobile number and e-mail ID in the user profile details of the folio which may be used for sending future communication(s).
- (ii) A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date i.e. **Monday, 22<sup>nd</sup> August, 2022** only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through e-voting.
- (iii) The Company has fixed **Monday, 22<sup>nd</sup> August, 2022** as the 'Record Date' for determining entitlement of members to final dividend for the financial year ended 31<sup>st</sup> March, 2022, if approved at the AGM.
- (iv) The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of the Scrutinizer, by use of e-voting for all those Members who are present at the AGM but have not cast their votes by availing remote e-voting facility.
- (v) In case of any query and/or grievance, in respect of voting by electronic means, Members may refer to the Help & Frequently Asked Questions (FAQs) and E-voting user manual available at the download section of <https://evoting.kfintech.com> (KFintech Website) or at [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com) and [evoting@kfintech.com](mailto:evoting@kfintech.com) or phone no. 040-6716 2222 or call KFin's toll free No. 1-800-3094-001 for any further clarifications.
- (vi) The remote e-voting period shall commence on **Wednesday, 24<sup>th</sup> August, 2022 (9.00 a.m. IST) and ends on Sunday, 28<sup>th</sup> August, 2022 (5.00 p.m. IST)**. During this period, Members of the Company holding

shares either in physical form or in dematerialized form, as on the cut-off date of **Monday, 22<sup>nd</sup> August, 2022**, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by KFin Technologies Limited for voting thereafter. Once the vote on a resolution is cast by the Member, Member shall not be allowed to change it subsequently. Electronic voting shall not be allowed beyond the aforesaid date and time.

(vii) The voting rights of the Members shall be in proportion to their shares of the paid-up Equity Shares capital of the Company as on the cut-off date of **Monday, 22<sup>nd</sup> August, 2022**.

(viii) In case a person has become a Member of the Company after dispatch of the AGM Notice but on or before the cut-off date for e-voting i.e., **Monday, 22<sup>nd</sup> August, 2022**, or has registered his/her/its e-mail address after dispatch of the AGM Notice, he/she/it may obtain the User ID and Password in the manner as mentioned below:

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

Example for NSDL - MYEPWD <SPACE>  
IN12345612345678

Example for CDSL - MYEPWD <SPACE>  
1402345612345678

Example for Physical - MYEPWD <SPACE>  
XXXX1234567890

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

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

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

(ix) Mr. Pramod Shah, Partner of M/s. Pramod S. Shah & Associates, Practicing Company Secretaries

(Membership No. FCS 334) has been appointed as the Scrutinizer to scrutinize the remote e-voting and e-voting process is conducted in a fair and transparent manner.

(x) The scrutinizer shall, immediately after the conclusion of e-voting at the 15<sup>th</sup> AGM, unblock the votes cast through remote e-voting and e-voting in presence of at least two (2) witnesses not in the employment of the Company and make within a period not exceeding three (3) days from conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favor or against, if any, to the Chairman & Managing Director of the Company or person authorized by him of the Company.

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

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

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

**Shrikant Zaveri**

Date: 1<sup>st</sup> August, 2022

Chairman & Managing Director

Place: Mumbai

(DIN: 00263725)

**Registered Office:**

241 / 43, Zaveri Bazar,

Mumbai - 400 002, India.

CIN: L27205MH2007PLC172598

Tel. No. 022 - 40465000 / 01

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

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

## Annexure – I to the Notice

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

Details of Directors retiring by rotation, seeking re-appointment/appointment at 15<sup>th</sup> Annual General Meeting pursuant to Regulation 36(3) of SEBI(LODR), Regulations, 2015 and Secretarial Standard 2 (SS 2) on General Meeting and for change in term of appointment at the 15<sup>th</sup> Annual General Meeting:

Name of the Director	Ms. Raashi Zaveri
DIN	00713688
Category	Whole-time Director
Date of Birth / Age	26.12.1986 / 35 Years
Nationality	Indian
Date of First Appointment on the Board	01.07.2008
Qualification	Bachelor's degree in Finance and entrepreneurship from Kelly School of Business, Indiana University and is a Graduate Gemologist from Gemological Institute of America.
Expertise in specific functional area	Company's Enterprise Resource Planning Systems and actively engaged in accounting, designing, merchandising & general corporate management.
No. of Meeting of the Board attended during the year	4 of 5
Directorships held in other Public Companies as on 31 <sup>st</sup> March, 2022 (excluding foreign Companies and Section 8 companies)	Tribhovandas Bhimji Zaveri (Bombay) Limited (wholly owned subsidiary of the Company)
Chairmanships/ Memberships of the Committees of the Board of Directors of the Company as on 31 <sup>st</sup> March, 2022	Stakeholders Relationship Committee - Member
Chairmanships/ Memberships of the Committees of other Public Companies as on 31 <sup>st</sup> March, 2022	
a) Audit Committee	NIL
b) Stakeholders Relationship Committee	NIL
Disclosure of Relationship between Directors inter-se	Mr. Shrikant Zaveri is father and Ms. Binaisha Zaveri is sister.
Terms of Appointment / re-appointment along with details of remuneration sought to be paid and the remuneration last drawn by such person, if applicable.	Director liable to retire by rotation. Total Remuneration paid/payable for financial year 2021-22 is ₹ 24,000,000/-
Nos. of Shares held in the Company	4,572,500

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

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

Date: 1<sup>st</sup> August, 2022

Place: Mumbai

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

#### Registered Office:

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

CIN: L27205MH2007PLC172598

Tel. No. 022 – 4046 5000 / 01

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

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

# Directors' Report

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

Your Directors are pleased to present the Fifteenth Annual Report on the business and operations of your Company together with the audited financial statements and Auditor's Report for the financial year ended 31<sup>st</sup> March, 2022:

## Financial Results:

The financial performance of your Company for the financial year ended 31<sup>st</sup> March, 2022 is summarized below:

Particulars	Standalone Financials		Consolidated Financials	
	31-Mar-22	31-Mar-21	31-Mar-22	31-Mar-21
	(₹ in Lacs)	(₹ in Lacs)	(₹ in Lacs)	(₹ in Lacs)
Revenue from operations	1,84,383.95	1,34,199.39	1,84,383.95	1,34,199.39
Earnings before Finance Cost, Depreciation and Amortization	7,235.36	12,096.77	7,626.33	12,184.78
Add: Other Income	837.62	1,289.33	777.75	1,232.32
Less: Finance Cost	3,559.90	4,784.19	3,557.99	4,779.02
Less: Depreciation and Amortization expenses	2,225.50	2,632.79	2,251.40	2,661.19
<b>Net Profit before Exceptional items &amp; Taxes</b>	<b>2,287.58</b>	<b>5,969.12</b>	<b>2,594.70</b>	<b>5,976.89</b>
Add: Exceptional items				
<b>Net Profit for the year before Taxes</b>	<b>2,287.58</b>	<b>5,969.12</b>	<b>2,594.70</b>	<b>5,976.89</b>
<b>Less: Provision for Taxes</b>				
Current Tax / MAT	517.00	1,406.00	517.00	1,406.00
MAT Credit				
Deferred Tax charge	59.46	254.08	59.46	244.17
Provision pertaining to earlier years				
<b>Profit for the year</b>	<b>1,711.12</b>	<b>4,309.04</b>	<b>2,018.24</b>	<b>4,326.72</b>
Add/(less): Other Comprehensive income	85.62	(125.70)	119.55	(112.02)
<b>Total Comprehensive income for the year</b>	<b>1,796.74</b>	<b>4,183.34</b>	<b>2,137.79</b>	<b>4,214.70</b>
Add/(less): Balance Brought Forward from Previous Year	28,502.47	24,319.12	27,422.86	23,208.16
Add/(less): Dividend for the year ended 31 <sup>st</sup> March, 2021	(1,668.27)	-	(1,668.27)	-
<b>Surplus Available for Appropriation</b>	<b>28,630.94</b>	<b>28,502.47</b>	<b>27,892.38</b>	<b>27,422.86</b>
<b>Appropriations:</b>				
Transfer to General Reserve	-	-	-	-
<b>Total Appropriations</b>				
<b>Surplus Available after Appropriation</b>	<b>28,630.94</b>	<b>28,502.47</b>	<b>27,892.38</b>	<b>27,422.86</b>
Add: Balance in Security Premium Account	16,791.35	16,791.35	16,791.35	16,791.35
Add: Balance General Reserve	1,401.47	1,401.47	1,401.47	1,401.47
Add: Balance Capital Reserve				
<b>Balance carried forward to Balance Sheet</b>	<b>46,823.76</b>	<b>46,695.28</b>	<b>46,085.20</b>	<b>45,615.29</b>

### Financial Performance:

Your Company has reported revenue profit during the financial year 2021-22. Revenue from operations increased by 37.40% to ₹ 184,383.95 Lacs from ₹ 134,199.39 Lacs in the previous financial year. The profit before tax decreased by 61.68% to ₹ 2,287.58 Lacs, while net profit after tax decreased by 60.29% to ₹ 1,711.12 Lacs.

The Gross Profit Margin for the financial year 2021-22 has decreased to 7.69% as compared to increase by 15.93% in the previous financial year. In the absolute term the Gross Profit has decreased to ₹ 19,727.49 Lacs as compared to ₹ 21,371.67 Lacs during the previous financial year.

The EBITDA for the financial year 2021-22 has decreased to 3.92% as compared to 9.01% in the previous financial year.

### Impact of Covid-19:

The COVID-19 pandemic, continued to be a global challenge, creating disruption across the world. Your Directors have been periodically reviewing the impact of COVID-19 on the Company. Safety of employees has been of utmost importance and highest priority and therefore the Company adopted a "Work from Home" policy for all its employees right from the 3<sup>rd</sup> week of March, 2020 till 1<sup>st</sup> week of October, 2021. Technology has been fully leveraged and all critical back-end operations were successfully managed remotely. Your Company have sponsored vaccination for employees.

In these unprecedented circumstances, your Company has continued to focus on providing the safest, best & most convenient retail shopping experience to every customer by taking various initiatives during the lockdown as well as after the lockdown restrictions have been lifted. Your Company is following the directives of the local authorities with complete adherence to all safety precautions as prescribed by them. During the lockdown period, your Company invested in and leveraged technology to counter the changes in consumer behaviour due to Covid 19 with focus on providing them with Shopping at the Home video, social media based communication and One on One consultations with customers. Your Company has also made its jewellery purchasing offer called Kalpavruksha completely online to ensure higher conversion and increased access during this period. The focus was on ensuring that customers had online access to the brand. Currently customers are encouraged to visit stores by booking appointment online to ensure that they do not have to wait too long due to social distancing protocols and also to ensure focused attention to their requirements.

Standing by its core commitment, your Company is navigating through these unprecedented times by building stronger and deeper relationships with consumers. Your

Company is supporting various Government Initiatives and helping communities around to fight the pandemic.

Detailed information on the same has been included under the Management Discussion & Analysis report forming part of this Annual Report.

### Dividend:

Your Directors are pleased to recommend the Dividend of ₹ 1 (One Rupee only) per Equity Share of face value of ₹ 10 each, i.e. 10% Dividend on Equity Capital for the financial year ended 31<sup>st</sup> March, 2022, will involve total cash outflow of ₹ 66,730,620 (Rupees Six Crores Sixty Seven Lacs Thirty Thousand Six Hundred Twenty only), subject to the approval of Members at the ensuing Annual General Meeting, against an Dividend of ₹ 2.50 (Two Rupees Fifty Paise only) per Equity Share of face value of ₹ 10 (Rupees Ten only) each, i.e. 25% Dividend on Equity Capital of your Company for the financial year ended 31<sup>st</sup> March, 2021. In view of the changes made under the Income-tax Act, 1961, by the Finance Act, 2020, dividends paid or distributed by the Company shall be taxable in the hands of the Shareholders. Your Company shall, accordingly, make the payment of the final dividend after deduction of tax at source. The dividend, if approved at the ensuing Annual General Meeting (AGM), will be paid to all eligible members.

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

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

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

During the financial year 2021-22, there was no change in nature of business of your Company.

### Material Changes and Commitments:

There have been no material changes and commitments since the close of the financial year i.e. 31<sup>st</sup> March, 2022 till the date of signing of this Directors' Report, affecting the financial position of your Company.

### Changes in Authorised Share Capital:

During the financial year 2021-22 there was no change in the Authorised Share Capital of your Company.



### Changes in Paid-up Share Capital:

During the financial year 2021-22 there was no change in the Paid-up Share Capital of your Company.

### Wholly Owned Subsidiary Company:

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

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

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

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

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

For the year under review, i.e. as on 31<sup>st</sup> March, 2022, your Company has one wholly owned subsidiary company namely; Tribhovandas Bhimji Zaveri (Bombay) Limited.

### Tribhovandas Bhimji Zaveri (Bombay) Limited

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

Tribhovandas Bhimji Zaveri (Bombay) Limited, during the financial year 2021-22, has reported a total revenue of ₹ 1,945.50 Lacs and has incurred profit of ₹ 171.47 Lacs.

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

Post completion to the financial year 2021–22 and before signing of this Directors Report, your Company have been allotted 9,93,960 7% Non-Cumulative Optionally Convertible Preference Shares (OCPS) on Rights Basis total amounting to Rs. 9,93,96,000/- (Rupees Nine Crores Ninety Three Lakhs Ninety Six Thousand only).

### Performance of wholly owned subsidiary company:

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

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

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

As on 31<sup>st</sup> March, 2022, your Company was operating from thirty one stores in twenty five cities and twelve states, out of which your Company has twenty eight owned stores and three franchise stores and your Company has one Corporate Office at Tulsiani Chambers, Nariman Point.

### New Products Launch & new initiatives:

During the financial year 2021-22 and till the date of signing of this report your Company has launched following product as well as started new initiatives as follows:

#### (1) AABHA Bridal Jewellery:

AABHA Bridal Jewellery, The New Bridal Jewellery collection launched post financial year 2021-22 and

before signing of this report is exclusively designed for today's Indian bride & all the special occasions. The Bridal Gold & Diamond Jewellery collection starts from ₹ 1.50 Lakhs only and caters to all the brides of India & the unique cultures that form an integral part of the entire wedding.

**(2) Whatsapp for Business Launch:**

Your Company has launched its whatsapp for business channel post financial year 2021-22 and before signing of this report. This initiative will help us reach out to our customers via a personal, more engaging channel & is a step in the digitally forward direction for the brand.

**(3) Chatbot on the TBZ Website:**

Your Company has launched the chatbot on the official TBZ corporate Website to engage with customers who land on the website & help them with enquiry details captured, that can be redirected to stores for better discussion & follow up.

**(4) Jewellery making starting from ₹ 299/gm:**

Your Company has launched a lucrative making from ₹ 299/gm initiative to answer customer feedback & cater to growing customer needs.

**(5) Tie ups with major banks:**

Your Company has tied up with major banks like ICICI for AKT in which the bank sponsored cashback to TBZ customers. Your company has also done corporate tie ups with HDFC bank post AKT for special offers to their customers from TBZ-The Original.

**(6) TVC Shoot & Launch on Digital:**

Your Company had an extensive shoot with Sara Ali Khan Pataudi & the theme revolved around friends of bride shopping for jewellery at TBZ-The Original as their favourite and most trusted jeweller. This was released across OTT channels in 2021 & both OTT & Cinemas in Akshaya Tritiya in 2022 as the nation imbibed OTT during lockdown as its primary source of entertainment.

**(7) Best Price Campaign:**

Your Company launched a best price campaign (Pan India) to cater to customer feedback on pricing & strengthening the TBZ promise & trust positioning in the market.

**(8) Digital Reels:**

Your Company shot and launched innovative digital reels with Sara Ali Khan on social media in an endeavor

to be more digitally present. The reels comprised of Kalpavruksha Plans & benefits along with TBZ promises showcasing exclusive Jewellery designs.

**Credit Rating**

During the year under review your Company has carried out one Credit Ratings from CRISIL. CRISIL has reviewed the Credit Rating on the bank facilities of your Company at 'CRISIL BBB+/ Stable' (Reaffirmed) vide CRISIL Rating Rationale Letter dated 1<sup>st</sup> March, 2022 bearing Letter No. RL/TBZPL/288817/BLR/0322/26973 which is stated as follows:

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

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

[https://www.tbztheoriginal.com/storage/TBZ\\_Credit\\_Ratings\\_CRISIL\\_010322.pdf](https://www.tbztheoriginal.com/storage/TBZ_Credit_Ratings_CRISIL_010322.pdf)

**Increase in Inventories:**

The inventory of your Company as on 31<sup>st</sup> March, 2022 has increased by ₹ 21,006.12 Lacs as compared to the inventory on 31<sup>st</sup> March, 2021. The increase in inventory is due to upcoming festival season.

**Operations:**

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

**Hedge Accounting / Derivative Financial Instruments:**

**Embedded Derivative:**

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

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

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

Commodity forward contract of NIL lots (NIL Kgs) outstanding as on 31<sup>st</sup> March, 2022 (31<sup>st</sup> March, 2021: 12 lots (12 Kgs) was outstanding). Hedging profit / loss is NIL as on 31<sup>st</sup> March, 2022 (31<sup>st</sup> March, 2021: NIL).

#### **Related Party Transactions:**

All contracts/ arrangements/ transactions entered by your Company during the financial year under review with related parties were in the ordinary course of business and on an arm's length basis and is in compliance with the applicable provisions of the Act and the Listing Regulations. During the year, there are no materially significant related party transactions entered by your Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of your Company at large. There were no materially significant Related Party Transactions made by your Company during the year that required shareholders' approval under Regulation 23 of the Listing Regulations.

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

There are no material related party transactions which are not in ordinary course of business or which are not

on arm's length basis and hence there is no information to be provided as required under Section 134(3)(h) of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014. The details of transactions with related parties as required are provided in Form AOC-2 is annexed as '**Annexure – B**'.

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

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

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

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

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

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

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

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

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

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

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

#### **Insurance:**

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

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

As part of its initiatives under Corporate Social Responsibility (CSR), the Corporate Social Responsibility Committee (CSR Committee) has formulated and recommended to

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

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

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

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

As part of initiatives under "Corporate Social Responsibility (CSR)", for the financial year 2021-22, your Company has shortlisted the specific activities/ projects in the area of (a) 'Promoting Healthcare including Preventive Healthcare', which is falling under item (i) of Schedule VII of the Act; (b) 'Promoting Education' which is falling under item (ii) of Schedule VII of the Act and (c) 'Promoting gender equality and women's empowerment which is falling under item (iii) of Schedule VII of the Act. Your Company will also undertake other need based initiatives in compliance with Schedule VII to the Act.

Your Company is required to spend a total amount of ₹ **7,907,106 (Rupees Seventy Nine Lakhs Seven Thousand One Hundred Six only)** towards CSR activities for the financial year 2021-22 as per the requirement of Section 135 of the Companies Act, 2013. Your Company has made the required contribution in full to the various NGO's associated with the Company for the CSR activities for the financial year 2021-22. However, one of the NGO namely, 'Urja', Mumbai was not able to utilize the full amount contributed to them by your Company and they were not able to spend ₹ **312,112/- (Rupees Three Lakhs Twelve Thousand One Hundred Twelve only)** towards the CSR spent for financial year 2021-22 due to COVID-19 pandemic situation. Your Company has actually spent ₹ **7,594,994 (Rupees Seventy Five Lakhs Ninety Four Thousand Nine Hundred Ninety Four only)** towards CSR activities of your Company for the financial year 2021-22. As on 31<sup>st</sup> March, 2022 the amount of ₹ **312,112/- (Rupees Three Lakhs Twelve Thousand One Hundred Twelve only)** remains unspent towards the CSR activities of your Company for the financial year 2021-22. In accordance with Section 135 of the Companies Act, 2013 read with the CSR Amendment Rules, your Company required to transfer the unspent amount of ₹ **312,112/- (Rupees Three Lakhs Twelve Thousand One Hundred Twelve only)** to Prime Minister's National Relief Fund (PMNRF) within 6 months from the end of the financial year.

Your Company has transferred the required contribution of ₹ 312,112/- (Rupees Three Lakhs Twelve Thousand One Hundred Twelve only) to Prime Minister's National Relief Fund (PMNRF) on 26<sup>th</sup> May, 2022 (as per Receipt No. 1078/2022 dated 27<sup>th</sup> May, 2022 issued by PMNRF).

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

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

### **Business Risk Management:**

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

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

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

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

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

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

Prices of gold keep on fluctuating and in last one year there were huge fluctuations observed in gold prices due to various international factors and stringent

domestic government policies. To mitigate this risk of gold price fluctuation your Company has started doing hedging in domestic market to protect your Company from the gold price fluctuation. Your Company's endure is to maximize procurement of inventory on gold loan as well as procurement of gold bar under gold loan scheme from various banks which will also help to reduce risk of your Company due to gold price fluctuation and takes care of natural hedging.

## (ii) Competition Risks:

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

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

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

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

## Directors:

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

In accordance with the provision of Section 152 and all other applicable provisions of the Companies Act, 2013, Independent Directors are not liable to retire by rotation and for the purpose of calculation of 'total number of Directors'

who are liable to retire by rotation this shall not include Independent Directors. Mr. Shrikant Zaveri (DIN: 00263725), Chairman & Managing Director of your Company, is the Director not liable to retire by rotation. Ms. Binaisha Zaveri (DIN: 00263657) and Ms. Raashi Zaveri (DIN: 00713688), Whole-time Directors of your Company are the Directors who are liable to retire by rotation.

Ms. Raashi Zaveri (DIN: 00713688), Whole-time Director of your Company, retires by rotation at the 15<sup>th</sup> Annual General Meeting of your Company, and being eligible, offers herself for re-appointment.

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

## Familiarization / Orientation Program of Independent Directors:

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

[https://www.tbztheoriginal.com/storage/TBZ-Fami-Program-ID\(21-22\).pdf](https://www.tbztheoriginal.com/storage/TBZ-Fami-Program-ID(21-22).pdf)

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

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

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

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

**Key Managerial Personnel:**

Pursuant to provisions of Sections 2(51) and 203 of the Companies Act, 2013 read with Rule 8 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 following persons are acting as Key Managerial Personnel of your Company as on 31<sup>st</sup> March, 2022:

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

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

There was no change in the Key Managerial Personnel of your Company, during the financial year 2021-22.

However, post completion of the financial year ended as on 31<sup>st</sup> March, 2022 and before signing of this Report of your Company, Mr. Saurav Banerjee, Chief Financial Officer (CFO)

of the Company resigned from the position of the Chief Financial Officer (CFO) and Key Managerial Personnel (KMP) of your Company w.e.f. end of day of 13<sup>th</sup> May, 2022. The Board based on the approval and recommendations of the Nomination and Remuneration Committee has appointed Mr. Mukesh Sharma as Chief Financial Officer (CFO) and the Key Managerial Personnel (KMP) of the Company w.e.f. 16<sup>th</sup> May, 2022.

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

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

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

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

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

As required under Regulation 25 of the Listing Regulations, a separate meeting of the Independent Directors of your Company was also held on 3<sup>rd</sup> February, 2022 to evaluate the performance of the Chairman, Non-Independent Directors and the Board as a whole and also to assess the quality, quantity and timeliness of flow of information between the management of your Company and the Board.

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

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

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

Your Directors have expressed satisfaction to the evaluation process.

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

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

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

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

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

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

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

The Board of Directors met for five times during the year and members of the Audit Committee met four times during the year by Video Conferencing (VC) / Other Audio Visual Means (OAVM).

During the financial year 2021-22, five Board Meetings were convened and held on 3<sup>rd</sup> May, 2021, 10<sup>th</sup> August, 2021, 14<sup>th</sup> October, 2021, 11<sup>th</sup> November, 2021 and 3<sup>rd</sup> February, 2022. Total four Audit Committee Meetings were convened and held on 3<sup>rd</sup> May, 2021, 10<sup>th</sup> August, 2021, 10<sup>th</sup> November, 2021 and 3<sup>rd</sup> February, 2022. The details of the meetings held and attended by Directors are shown in the Corporate Governance Report. The intervening gap between the two Meetings was less than one hundred and twenty days in compliance with the provisions of Section 173(1) of the Companies Act, 2013 and Regulation 17(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The required quorum as prescribed under Section 174(1) of the Companies Act, 2013, was present in all the Board and Committee meetings. During the year, a separate meeting of the Independent Directors was held on 3<sup>rd</sup> February, 2022 without the attendance of non-independent directors and members of the management as per Regulation 25(3) of SEBI (Listing Obligation and Disclosure Requirements), 2015. All Independent Directors were present at the said meeting.

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

Based on the framework of Internal Financial Controls and compliance systems established and maintained by the Company, the work performed by the Internal Auditors, Statutory Auditors and Secretarial Auditors, including the Audit of Internal Financial Controls over financial reporting by the Statutory Auditors and the reviews performed by Management and the relevant Board Committees, including the Audit Committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during Financial Year 2021-22.

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

- (a) that in preparation of the annual accounts for the Financial Year ended 31<sup>st</sup> March, 2022, the applicable Indian Accounting Standards (Ind AS) have been followed and there are no material departures;
- (b) that they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of your Company at the end of the Financial Year ended 31<sup>st</sup> March, 2022 and of the profit of your Company for that date;

- (c) that they have taken proper and sufficient care, to the best of their knowledge and ability, for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013. They confirm that there are adequate systems and controls for safeguarding the assets of your Company and for preventing and detecting fraud and other irregularities;
- (d) that they have prepared the Annual Accounts on a going concern basis;
- (e) that they have laid down the proper internal financial controls to be followed by your Company and that such internal financial controls were adequate and were operating effectively;
- (f) that they have devised proper systems to ensure the compliance with all applicable laws and that such systems were adequate and operating effectively.

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

Financials of your Company for the financial year ended 31<sup>st</sup> March, 2022 were reviewed by the Audit Committee before being placed before the Board.

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

The information as required under Section 134(3)(m) of the Companies Act, 2013 Rule 8 of the Companies (Accounts) Rules, 2014, for the financial year ended as on 31<sup>st</sup> March, 2022, are as under:

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

Earnings	-	₹ NIL
Outflow	-	₹ NIL

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

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

#### **Audit Committee:**

The Audit Committee comprises of two Independent Directors namely Mr. Kamlesh Vikamsey as Chairman of the Committee and Mr. Ajay Mehta as member of the

Committee and Mr. Shrikant Zaveri, Chairman & Managing Director of your Company as member of the Committee. All the recommendations made by the Audit Committee were accepted by the Board.

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

Mrs. Sudha Navandar (DIN: 02804964) Independent Director, was appointed as member of the Audit Committee by the Board of Directors at its meeting held on 5<sup>th</sup> May, 2022.

#### **Vigil Mechanism / Whistle Blower Policy:**

Your Company has adopted and established a vigil mechanism named "Whistle Blower Policy (WBP)" for directors and employees to report genuine concerns and to deal with instance of fraud and mismanagement, if any {in compliance with the provisions of Section 177 (10) of the Companies Act, 2013 ('the Act') and Regulation 22 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015}. The Policy provides for adequate safeguards against victimization of employees, who avail of the mechanism and provides to employees' direct access to the Chairman of the Audit Committee. It is affirmed that no personnel of the Company have been denied access to the Audit Committee. The details of the Whistle Blower Policy are explained in the Corporate Governance Report and also available on your Company's website ([www.tbztheoriginal.com](http://www.tbztheoriginal.com)) at the below link:

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

#### **Human Resources and Employee Relations:**

Attracting, retaining and developing talent continued to be a focus area for your Company. The increased focus on capability enhancement and employee engagement had a positive impact on talent retention as reflected in the lower attrition levels. Your Company has total employee strength of 897 as on 31<sup>st</sup> March, 2022. Employee Relations continued to be cordial at all levels.

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

Your Company has always believed in providing a safe and harassment free workplace for every individual working in its premises through various policies and practices.



Your Company always endeavors to create and provide an environment that is free from discrimination and harassment including sexual harassment. Your Company has adopted a policy on Prevention of Sexual Harassment at Workplace which is in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The policy aims at prevention of harassment of employees and lays down the guidelines for identification, reporting and prevention of undesired behavior. An Internal Complaints Committee ("ICC") has been set up from the senior management (with women employees constituting the majority) which is responsible for redressal of complaints related to sexual harassment and follows the guidelines provided in the

Policy. All employees (permanent, contractual, temporary, trainees) are covered under the policy.

Your Directors further state that during the year under review, there were no complaint /cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. {There was no complaint received from any employee during the financial year 2021-22 and hence no complaint is outstanding as on 31<sup>st</sup> March, 2022 for redressal}.

The status of cases/ complaint filed, disposed of and pending in respect of Sexual Harassment of Women at Workplace for the financial year ended as on 31<sup>st</sup> March, 2022 (i.e. from 1<sup>st</sup> April, 2021 to 31<sup>st</sup> March, 2022) as given below:

Opening Cases/ complaint as on 1 <sup>st</sup> April, 2021	Cases/ complaint filed during the year ended 31 <sup>st</sup> March, 2022	Cases/ complaint disposed of during the year ended 31 <sup>st</sup> March, 2022	Cases/ complaint pending as on 31 <sup>st</sup> March, 2022
NIL	NIL	NIL	NIL

### Particulars of Employees:

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

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

### Extract of Annual Return:

In accordance with Sections 134(3)(a) & 92(3) of the Companies Act, 2013 read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014, an extract of the Annual Return for financial year 2021-22 is uploaded on the website of your Company and the same is available at [https://www.tbztheoriginal.com/storage/TBZ-F\\_MGT-7\(31.03.22\).pdf](https://www.tbztheoriginal.com/storage/TBZ-F_MGT-7(31.03.22).pdf)

### Management Discussion and Analysis:

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

### Corporate Governance:

In compliance with Regulation 34 of the Listing Regulations, a separate report on Corporate Governance along with

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

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

### Business Responsibility Report:

A Business Responsibility Report in compliance with requirement of Regulation 34(2)(f) of the Listing Regulations, detailing the various initiatives taken by the Company on the environmental, social and governance front forms part of this Annual Report in a separate section.

The concept of Business Responsibility Report lays down 9 (nine) core principles which a listed company shall follow while undertaking its business operations.

### **General Shareholder Information:**

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

### **Listing Fees:**

The Equity Shares of your Company are listed on the BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE). Your Company has paid the applicable listing fees to the above Stock Exchanges for the financial years 2021-22 and 2022-23. Your Company's shares are traded in dematerialized segment for all investors compulsorily and your Company had entered into agreements with the Central Depository Services (India) Limited (CDSL) and National Securities Depository Limited (NSDL) for custodial services. Your Company has paid Annual Custodial Fees to both Central Depository Services (India) Limited (CDSL) and National Securities Depository Limited (NSDL) for the financial years 2021-22 and 2022-23.

### **Listing Agreement:**

The Securities and Exchange Board of India (SEBI), on 2<sup>nd</sup> September, 2015, issued Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the aim to consolidate and streamline the provisions of the Listing Agreement for different segments of capital market to ensure better enforceability. The said regulations were effective from 1<sup>st</sup> December, 2015. Accordingly, all listed entities were required to enter into the Listing Agreement within six months from the effective date. Your Company entered into Listing Agreement with BSE Limited and the National Stock Exchange of India Limited during November, 2015.

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

Based on the framework of internal financial controls and compliance systems established and maintained by your Company, work performed by the internal, statutory and secretarial auditors and external consultants and the reviews performed by management and the Audit Committee, the Board is of the opinion that your Company's internal financial controls were adequate and effective with reference to the financial statements for the financial year ended 31<sup>st</sup> March, 2022.

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

The management continuously reviews the internal control systems and procedures for the efficient conduct of your Company's business. Your Company adheres to good

practices with respect to transactions and financial reporting and ensures that all its assets are appropriately safeguarded and protected against losses. The Internal Auditor of your Company conducts the audit on regular basis and the Audit Committee actively reviews internal audit reports and effectiveness of internal control systems periodically.

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

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

### **Stakeholders Relationship:**

Stakeholders' relations have been cordial during the year. As a part of compliance, your Company has constituted Stakeholders Relationship Committee in compliance with the provisions of Section 178 of the Companies Act, 2013 and as per Regulation 20 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 to consider and resolve the grievances of security holders of your Company. There were no investors' grievances pending as on 31<sup>st</sup> March, 2022. A confirmation to this effect has been received from KFin Technologies Limited, Registrar and Share Transfer Agent of your Company.

### **Enhancing Shareholders Value:**

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

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

Your Company continues to wholeheartedly participate in the Green Initiative undertaken by the Ministry of Corporate Affairs (MCA) for correspondences by Corporate to its Members through electronic mode. All the Members

are requested to join the said program by sending their preferred e-mail addresses to their Depository Participant.

In commitment to keep in line with the Green Initiative and going beyond it to create new green initiatives, electronic copy of the Annual Report along with Notice of 15<sup>th</sup> Annual General Meeting of your Company will be sent to all Members whose email addresses are registered with your Company/ Depository Participant(s). For members who have not registered their e-mail addresses, are requested to register the same with their respective Depository Participants. This year physical copies of Annual Report 2021-22 will not be sent to any of the member.

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

For the current financial year 2021-22, your Company do not have any open Employee Stock Option Scheme (ESOP) nor granted any fresh stock option to its employees.

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

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

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

In accordance with the applicable provisions of Companies Act, 2013 read with Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016 ('IEPF Rules'), all unclaimed dividends are required to be transferred by your Company to the IEPF, after completion of seven (7) years. Further, according to IEPF Rules, the shares on which dividend has not been claimed by the shareholders for seven (7) consecutive years or more shall be transferred to the demat account of the IEPF Authority. The details relating to amount of dividend transferred to the IEPF during the financial year 2021-22 and corresponding shares on which dividends were unclaimed for seven (7) consecutive years, are provided in the General Shareholders Information section of Corporate Governance report forming part of this Annual Report.

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

Your Directors confirm that the Secretarial Standards issued by the Institute of Company Secretaries of India, have been complied with. Your Company has complied with the Secretarial Standards on Meetings of the Board of Directors

(SS-1) and General Meetings (SS-2) issued by the Institute of Company Secretaries of India and approved by the Central Government under Section 118(10) of the Companies Act, 2013.

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

The Secretarial Audit was carried out by M/s. Pramod S. Shah & Associates, (PCS Registration No. 3804) for the Financial Year ended as on 31<sup>st</sup> March, 2022.

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

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

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

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

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

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

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

The observations made in the Auditors' Report of M/s. Chaturvedi & Shah LLP, Chartered Accountants (ICAI Firm Registration No. 101720W/W100355), Chartered Accountants for the year ended 31<sup>st</sup> March, 2022, read together with the relevant notes thereon, are self-explanatory and hence do not call for any comment under Section 134 of the Companies Act, 2013.

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

#### **Statutory Auditors:**

At the 13<sup>th</sup> Annual General Meeting of your Company held on 30<sup>th</sup> September, 2020 the Members approved appointment of M/s. Chaturvedi & Shah LLP, Chartered Accountants (ICAI Firm Registration No. 101720W/W100355) as Statutory Auditors of the Company to hold office for a continuous

period of five years, i.e. from conclusion of 13<sup>th</sup> Annual General Meeting of the Company until the conclusion of 18<sup>th</sup> Annual General Meeting of the Company (i.e. for the FY 2020-21 until FY 2024-25).

The Statutory Auditors have issued a clean report on the financials of your Company and have not issued any qualifications for the financial year ended 31<sup>st</sup> March, 2022.

#### **Secretarial Auditors:**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, your Company has appointed M/s. Pramod S. Shah & Associates (PCS Registration No. 3804), a firm of Company Secretaries in Practice, Mumbai to undertake the Secretarial Audit of your Company for the year ended 31<sup>st</sup> March, 2022. The Board of Directors of your Company has appointed M/s. Pramod S. Shah & Associates, a firm of Company Secretaries in Practice, Mumbai to carry out Secretarial Audit of your Company for financial year 2022-23. The Secretarial Auditors have confirmed that, they are not disqualified to be appointed as the Secretarial Auditors of your Company for the financial year 2022-23.

#### **Internal Auditors:**

In compliance with the provisions of Section 138 of the Companies Act, 2013 read with rule 13 of Companies (Accounts) Rules, 2014 the Board of Directors on the recommendation of Audit Committee has appointed M/s. Deloitte Touche Tohmatsu India LLP (Firm Registration No. AAE-8458), Chartered Accountants as Internal Auditors of your Company for financial year 2022-23.

#### **General:**

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

- Details relating to deposits covered under Chapter V of the Act.

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

#### **Acknowledgement:**

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

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

#### **Cautionary Statement:**

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

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

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

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

Date: 1<sup>st</sup> August, 2022

Place: Mumbai

## Annexure - A

# Form No. AOC-1

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

## Statement containing salient features of the financial statement of Subsidiaries

### Part "A": Subsidiaries

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

1. Name of the subsidiary	Tribhovandas Bhimji Zaveri (Bombay) Limited
2. Date since when subsidiary was acquired / formed	24 <sup>th</sup> April, 1986
3. Reporting period	31.03.2022 (same as of holding Company)
4. Reporting currency	INR
5. Share capital	502,000
6. Reserves & Surplus	(5,35,49,599)
7. Share Application Money (Pending Allotment)	9,93,96,000
8. Total Assets	9,12,06,683
9. Total Liabilities	3,55,20,148
10. Investments	2,23,925
11. Turnover	19,35,39,122
12. Profit / (Loss) before taxation	1,71,47,288
13. Provision for taxation	-
14. Profit / (Loss) after taxation	1,71,47,288
15. Proposed Dividend	NIL
16. % of shareholding	100% Shareholding

#### Notes:

1. Reporting period for the subsidiaries is same as that of the holding company i.e. 1<sup>st</sup> April, 2021 to 31<sup>st</sup> March, 2022.
2. Names of subsidiaries which are yet to commence operations – NIL
3. Names of subsidiaries which have been liquidated or sold during the year – N.A.

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

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

#### **Shrikant Zaveri**

Chairman & Managing Director  
(DIN: 00263725)

#### **Raashi Zaveri**

Whole-time Director  
(DIN: 00713688)

#### **Mukesh Sharma**

Chief Financial Officer

#### **Niraj Oza**

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

Date: 1<sup>st</sup> August, 2022

Place: Mumbai

**Annexure - B**

## Form AOC-2

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

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

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

Tribhovandas Bhimji Zaveri Limited (the Company) has not entered into any contract/arrangement/transaction with its related parties which are not in ordinary course of business or at arm's length during the financial year 2021-22. The Company has laid down policies and processes / procedures so as to ensure compliance to the subject section in the Companies Act, 2013 and the corresponding Rules.

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

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

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

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

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

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

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

Date: 1<sup>st</sup> August, 2022  
Place: Mumbai

# Annexure 'C' to Directors' Report

## ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES

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

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

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

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

Your Company has made total CSR contribution of ₹ **7,907,106 (Rupees Seventy Nine Lakhs Seven Thousand One Hundred Six only)**. Your Company has made CSR Contribution to (1) Cancer Patient Aid Association (CPAA) of ₹ 550,000 for Promoting Healthcare including Preventive Healthcare; (2) Cancer Aid & Research Foundation' (CARF) of ₹ 66,306 for Promoting Healthcare including Preventive Healthcare; (3) West Wind Association of ₹ 100,000 for Promotion of Education Activities; (4) Under CSR Activity of your Company carries out CSR Activities for promoting gender equality and women's empowerment (by providing family counseling under domestic violence) as well as by providing skill development programme for the woman who are victim of domestic violence under its flagship project known as "**Pankhi Project**". Your Company has made total CSR Contribution of ₹ 7,190,800 for the financial year 2021-22 and out of which ₹ 42,000 was incurred towards administrative expenses and balance ₹ 7,148,800 made to various organisations such as: (a) Action for Self-Reliance+ Hope+ Awareness (ASHA) of ₹ 201,600 for providing family counseling under domestic violence; (b) Cultural Academy for Peace (CAP) of ₹ 201,600 for providing family counseling under domestic violence; (c) Shanti Sahyog (SS) of ₹ 168,000 for providing family counseling under domestic violence; (d) Bihar Voluntary Health Association (BVHA) of ₹ 168,000 for providing family counseling under domestic violence; (e) Society for Participatory Integrated Development (SPID) of ₹ 168,000 for providing family counseling under domestic violence; (f) Baroda Citizen Council (BCC) of ₹ 335,000 for providing skill development programme for the woman who are victim of domestic violence; (g) Baroda Citizen Council (BCC) of ₹ 168,000 for providing family counseling under domestic violence; (h) Ahmedabad Women's Action Group (AWAG) of ₹ 300,400 for providing skill development programme for the woman who are victim of domestic violence; (i) Ahmedabad Women's Action Group (AWAG) of ₹ 168,000 for providing family counseling under domestic violence; (j) Stree Mukti Sangathana (SMS) of ₹ 504,000 for providing family counseling under domestic violence; (k) Her Choices Trust [My Choice Foundation (MCF)] of ₹ 168,000 for providing family counseling under domestic violence; (l) Urja of ₹ 925,000 for providing skill development programme for the woman who are victim of domestic violence; (m) Urja of ₹ 401,600 for providing family counseling under domestic violence; (n) Sambhav Foundation ('Labour Net') of ₹ 1,538,000 for providing skill development programme for the woman who are victim of domestic violence; (o) Lok Bharti of ₹ 1,100,000 for providing skill development programme for the woman who are victim of domestic violence; (p) Srujna of ₹ 600,000 for skill development programme for the woman who are victim of domestic violence and (q) SAKHYA-Women's Guidance Cell (Nirmala Institute) of ₹ 33,600 for providing family counseling under domestic violence. However, one of the above NGO namely, 'Urja', Mumbai was not able to utilize the full amount contributed to them by your Company and they were not able to spend ₹ **312,112/- (Rupees Three Lakhs Twelve Thousand One Hundred Twelve only)** towards the CSR spent for financial year 2021-22 due to COVID-19 pandemic situation. Your Company has actually spent ₹ **7,594,994 (Rupees Seventy Five Lakhs Ninety Four Thousand Nine Hundred Ninety Four only)** towards CSR activities of your Company for the financial year 2021-22. These NGO'S/ organization carry out projects which are largely in accordance with Schedule VII of the Companies Act, 2013.

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

**2. Composition of CSR Committee:**

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

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

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

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

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

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

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

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

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

**5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any**

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in ₹)	Amount required to be set-off for the financial year, if any (in ₹)
1		NIL	NIL
	<b>TOTAL</b>	NIL	NIL

**6. Average net profit of the company as per section 135(5).**

Average net profit: ₹ 395,355,312

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

Your Company is required to spend ₹ 7,907,106 towards CSR activities.

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

NIL

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

NIL

**(d) Total CSR obligation for the financial year (7a+7b-7c).**

Your Company is required to spend ₹ 7,907,106 towards CSR activities.

**8. (a) CSR amount spent or unspent for the financial year:**

Total Amount Spent for the Financial Year (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount (in ₹)	Date of transfer
₹ 7,594,994	NIL	-	Prime Minister's National Relief Fund (PMNRF)	₹ 312,112	Refer to Note



Note: The unspent amount of ₹ 312,112/- (Rupees Three Lakhs Twelve Thousand One Hundred Twelve only) required to be transferred to Prime Minister's National Relief Fund (PMNRF) within 6 months from the end of the financial year, in accordance with the Companies Act, 2013 read with the CSR Amendment Rules. Your Company has transferred the required contribution of ₹ 312,112/- (Rupees Three Lakhs Twelve Thousand One Hundred Twelve only) to Prime Minister's National Relief Fund (PMNRF) on 26<sup>th</sup> May, 2022 (as per Receipt No. 1078/2022 dated 27<sup>th</sup> May, 2022 issued by PMNRF).

**(b) Details of CSR amount spent against ongoing projects for the financial year:**

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	State	District	Project Duration	Amount allocated for the project (in ₹)	Amount spent in the current financial Year (in ₹)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
											Name	CSR Registration Number
N.A.									N.A.			
<b>TOTAL</b>									N.A.			

**(c) Details of CSR amount spent against other than ongoing projects for the financial year:**

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes/No)	State	District	Amount spent for the project (in ₹)	Mode of implementation - Direct (Yes/No)	Mode of implementation - Through implementing Agency	
								Name	CSR registration number
1.	Cancer Patients Aid Association (CPAA)	Promoting Healthcare including Preventive Healthcare Clause (i)	Yes	Maharashtra	Pune	550,000	No	Cancer Patient Aid Association (CPAA)	CSR00000926
2.	Cancer Aid & Research Foundation' (CARF)	Promoting Healthcare including Preventive Healthcare Clause (i)	Yes	Maharashtra	Mumbai	66,306	No	Cancer Aid & Research Foundation' (CARF)	CSR00007764
3.	West Wind Association	Promoting Educational Activities including better infrastructure and amenities for the students Clause (ii)	Yes	Maharashtra	Mumbai	100,000	No	West Wind Association	CSR00012199
4.	Pankhi Project	Promoting gender equality and empowering women Clause (iii) Sch. VII (iii) & providing special education and employment enhancing vocational skills (skill development) Clause (ii) Sch. VII (ii)							
(a)	Action for Self-Reliance+Hope+Awareness (ASHA);	Sch. VII (iii)	Yes	Maharashtra	Pune	201,600	No	Action for Self-Reliance+Hope+Awareness (ASHA)	CSR00005704
(b)	Cultural Academy for Peace (CAP);	Sch. VII (iii)	Yes	Kerala	Cochin	201,600	No	Cultural Academy for Peace (CAP)	CSR00012994
(c)	Shanti Sahyog (SS);	Sch. VII (iii)	Yes	Delhi		168,000	No	Shanti Sahyog (SS)	CSR00008695
(d)	Bihar Voluntary Health Association (BVHA);	Sch. VII (iii)	Yes	Bihar	Patna	168,000	No	Bihar Voluntary Health Association (BVHA)	CSR00001047
(e)	Society for Participatory Integrated Development (SPID);	Sch. VII (iii)	Yes	Delhi		168,000	No	Society for Participatory Integrated Development (SPID)	CSR00010002
(f)	Baroda Citizen Council (BCC);	Sch. VII (ii)	Yes	Gujarat	Baroda	335,000	No	Baroda Citizen Council (BCC)	CSR00007015
(g)	Baroda Citizen Council (BCC);	Sch. VII (iii)	Yes	Gujarat	Baroda	168,000	No	Baroda Citizen Council (BCC)	CSR00007015
(h)	Ahmedabad Women's Action Group (AWAG);	Sch. VII (ii)	Yes	Gujarat	Ahmedabad	300,400	No	Ahmedabad Women's Action Group (AWAG)	CSR00000709
(i)	Ahmedabad Women's Action Group (AWAG);	Sch. VII (iii)	Yes	Gujarat	Ahmedabad	168,000	No	Ahmedabad Women's Action Group (AWAG)	CSR00000709
(j)	Stree Mukti Sangathana (SMS);	Sch. VII (iii)	Yes	Maharashtra	Mumbai	504,000	No	Stree Mukti Sangathana (SMS)	CSR00001126
(k)	Her Choices Trust [My Choice Foundation (MCF)];	Sch. VII (iii)	Yes	Telangana	Hyderabad	168,000	No	Her Choices Trust [My Choice Foundation (MCF)]	CSR00001306
(l)	Urja;	Sch. VII (ii)	Yes	Maharashtra	Mumbai	612,888	No	Urja	CSR00002422

(1) Sl. No.	(2) Name of the Project	(3) Item from the list of activities in schedule VII to the Act	(4) Local area (Yes/No)	(5) Location of the project		(6) Amount spent for the project (in ₹)	(7) Mode of implementation - Direct (Yes/No)	(8) Mode of implementation - Through implementing Agency	
				State	District			Name	CSR registration number
(m)	Urja;	Sch. VII (iii)	Yes	Maharashtra	Mumbai	401,600	No	Urja	CSR00002422
(n)	Sambhav Foundation ('Labour Net');	Sch. VII (ii)	Yes	Maharashtra	Mumbai	1,538,000	No	Sambhav Foundation ('Labour Net')	CSR00000475
(o)	Lok Bharti;	Sch. VII (ii)	Yes	Maharashtra	Mumbai	1,100,000	No	Lok Bharti	CSR00001361
(p)	Srujna;	Sch. VII (ii)	Yes	Maharashtra	Mumbai	600,000	No	Srujna	CSR00002690
(q)	SAKHYA-Women's Guidance Cell (Nirmala Institute)	Sch. VII (iii)	Yes	Maharashtra	Mumbai	33,600	No	SAKHYA-Women's Guidance Cell	CSR00003623
(r)	Administrative Expenses/Overheads;					42,000			
<b>TOTAL</b>						<b>7,594,994</b>			

**d. Amount spent in Administrative Overheads: ₹. 42,000**

**e. Amount spent on Impact Assessment, if applicable: NA**

**f. Total amount spent for the Financial Year (8b+8c+8d+8e): ₹ 7,594,994**

**g. Excess amount for set off, if any**

Sl. No.	Particulars	Amount (in ₹)
(i)	Two percent of average net profit of the company as per section 135(5)	<b>7,907,106</b>
(ii)	Total amount spent for the Financial Year	<b>7,594,994</b>
(iii)	Excess amount spent for the financial year [(ii)-(i)]	<b>NIL</b>
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	<b>NIL</b>
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	<b>NIL</b>

**9. a) Details of Unspent CSR amount for the preceding three financial years:**

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Amount spent in the reporting Financial Year (in ₹)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in ₹)
				Name of the Fund	Amount (in ₹)	Date of transfer	
1.	2018-19	NIL	NIL	-	NIL	-	NIL
2.	2019-20	NIL	NIL	-	NIL	-	NIL
3.	2020-21	NIL	NIL	-	NIL	-	NIL
<b>TOTAL</b>		<b>NIL</b>	<b>NIL</b>		<b>NIL</b>		<b>NIL</b>

**(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):**

(1) Sl. No.	(2) Project ID.	(3) Name of the Project	(4) Financial Year in which the project was commenced	(5) Project Duration	(6) Total amount allocated for the project (in ₹)	(7) Amount spent on the project in the reporting Financial Year (in ₹)	(8) Cumulative amount spent at the end of reporting Financial Year. (in ₹)	(9) Status of the project - Completed /Ongoing.
1.	<b>N.A.</b>						<b>N.A.</b>	
2.								
3.								
<b>TOTAL</b>							<b>N.A.</b>	

**10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details).**

	N.A.
1. Date of creation or acquisition of the capital asset(s).	N.A.
2. Amount of CSR spent for creation or acquisition of capital asset.	N.A.
3. Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.	N.A.
4. Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).	N.A.

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

Your Company is required to spend a total amount of ₹ **7,907,106 (Rupees Seventy Nine Lakhs Seven Thousand One Hundred Six only)** towards CSR activities for the financial year 2021-22 as per the requirement of Section 135 of the Companies Act, 2013. Your Company has made the required contribution in full to the various NGO's associated with the Company for the CSR activities for the financial year 2021-22. However, one of the NGO namely, 'Urja', Mumbai was not able to utilize the full amount contributed to them by your Company and they were not able to spend ₹ **312,112/- (Rupees Three Lakhs Twelve Thousand One Hundred Twelve only)** towards the CSR spent for financial year 2021-22 due to COVID-19 pandemic situation. Your Company has actually spent ₹ **7,594,994 (Rupees Seventy Five Lakhs Ninety Four Thousand Nine Hundred Ninety Four only)** towards CSR activities of your Company for the financial year 2021-22. As on 31<sup>st</sup> March, 2022 the amount of ₹ **312,112/- (Rupees Three Lakhs Twelve Thousand One Hundred Twelve only)** remains unspent towards the CSR activities of your Company for the financial year 2021-22. In accordance with Section 135 of the Companies Act, 2013 read with the CSR Amendment Rules, your Company required to transfer the unspent amount of ₹ **312,112/- (Rupees Three Lakhs Twelve Thousand One Hundred Twelve only)** to Prime Minister's National Relief Fund (PMNRF) within 6 months from the end of the financial year. Your Company has transferred the required contribution of ₹ 312,112/- (Rupees Three Lakhs Twelve Thousand One Hundred Twelve only) to Prime Minister's National Relief Fund (PMNRF) on 26<sup>th</sup> May, 2022 (as per Receipt No. 1078/2022 dated 27<sup>th</sup> May, 2022 issued by PMNRF).

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

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

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

Date: 1<sup>st</sup> August, 2022

Place: Mumbai

# Annexure 'D' to Directors' Report

## FORM NO. MR-3

### SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2022

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

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

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year from 01<sup>st</sup> April, 2021 to 31<sup>st</sup> March, 2022, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2022 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws Framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 as amended from time to time;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time;
  - (c) Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 and amendments from time to time;
  - (d) The Listing Agreements entered into by the Company with the BSE Limited and the National Stock Exchange of India Limited.

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

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

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

**We further report that**

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

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

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

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

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

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

**Pramod S. Shah-Partner**  
Pramod S. Shah & Associates  
FCS No.: 334  
C P No.: 3804  
UDIN.: F000334D000213800

Place: Mumbai

Date: 26<sup>th</sup> April, 2022

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

**Annexure A to MR-3**

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

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

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. As regard the books, papers, forms, reports and returns filed by the Company under the provisions referred to in our Secretarial Audit Report in Form MR-3 the adherence and compliance to the requirements of the said regulations is the responsibility of management. Our examination was limited to checking the execution and timeliness of the filing of various forms, reports, returns and documents that need to be filed by the Company with various authorities under the said regulations. We have not verified the correctness and coverage of the contents of such forms, reports, returns and documents.
7. The secretarial audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

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

**Pramod S. Shah-Partner**  
Pramod S. Shah & Associates  
FCS No.: 334  
C P No.: 3804  
UDIN.: F000334D000213800

Place: Mumbai  
Date: 26<sup>th</sup> April, 2022

# Annexure 'E' to Directors' Report

## Nomination, Remuneration and Evaluation Policy

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

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

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

### 1. DEFINITIONS

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

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

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

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

### 2. OBJECTIVES AND PURPOSE OF THIS POLICY

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

The Key Objectives of the Committee would be:

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

Personnel and Senior Management;

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

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

### 3. ROLE OF COMMITTEE

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

The Committee shall:

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

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

#### Senior Management:

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

- (a) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his/her appointment.
- (b) A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.
- (c) For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
  - i. use the services of an external agencies, if required;
  - ii. consider candidates from a wide range of backgrounds, having due regard to diversity; and
  - iii. consider the time commitments of the candidates.
- (d) The Company shall not appoint or continue the employment of any person as Whole-time Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a Special Resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.



### 3.2.2. Term / Tenure:

#### a) Managing Director / Whole-time Director:

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

#### b) Independent Director:

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

- No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

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

### 3.2.3. Evaluation:

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

### 3.2.4. Removal:

Due to reasons of any disqualification

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

### 3.2.5. Retirement:

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

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

### 3.3.1. General:

- (a) The remuneration / compensation / commission etc. to the Whole-time Director, Key Managerial Personnel (KMP) and Senior Management Personnel will be determined by the Committee and recommended to the Board for approval. The remuneration / compensation / commission etc. of the Directors shall be subject to the prior/post approval of the shareholders of the Company and Central Government, wherever required.
- (b) The remuneration and commission to be paid to the Whole-time Director shall be in accordance with the percentage / slabs / conditions laid down in the Articles of Association of the Company, if any, and as per the provisions of the Act and the Rules framed thereunder.
- (c) Increments to the existing remuneration/compensation structure may be recommended by the Committee to the Board which should be within the slabs approved by the Shareholders in the case of Whole-time Director.
- (d) Where any insurance is taken by the Company on behalf of its Whole-time

Director, Chief Executive Officer, Chief Financial Officer, the Company Secretary, Senior Management Personnel and any other employees for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel. Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.

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

**(a) Fixed pay:**

The Whole-time Director/ Key Managerial Personnel (KMP) and Senior Management Personnel shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee. The breakups of the pay scale as per the HR Policy of the Company and shall be decided and approved by the Board/ the Person authorized by the Board on the recommendation of the Committee and approved by the shareholders and Central Government (in case of Whole-time Directors), wherever required.

**(b) Minimum Remuneration:**

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

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

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

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

**(a) Remuneration / Commission:**

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

**(b) Sitting Fees:**

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

**(c) Commission:**

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

**(d) Stock Options:**

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

**4. MEMBERSHIP & QUORUM**

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

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

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

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

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

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

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

## 5. CHAIRPERSON

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

## 6. FREQUENCY OF MEETINGS

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

## 7. COMMITTEE MEMBERS' INTERESTS

- 7.1** A member of the Committee is not entitled to be present when his or her own remuneration is discussed at a meeting or when his or her performance is being evaluated.
- 7.2** The Committee may invite such executives, as it considers appropriate, to be present at the meetings of the Committee.

## 8. SECRETARY

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

## 9. VOTING

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

## 10. DUTIES OF COMMITTEE IN RELATION TO NOMINATION (NOMINATION DUTIES)

The duties of the Committee in relation to nomination matters include:

- 10.1** Ensuring that there is an appropriate induction in place for new Directors and members of Senior Management and reviewing its effectiveness;

- 10.2** Ensuring that on appointment to the Board, Non-Executive Directors receive a formal letter of appointment in accordance with the Guidelines provided under the Act;

- 10.3** Identifying and recommending Directors who are to be put forward for retirement by rotation.

- 10.4** Determining the appropriate size, diversity and composition of the Board;

- 10.5** Setting a formal and transparent procedure for selecting new Directors for appointment to the Board;

- 10.6** Developing a succession plan for the Board, Key Managerial Personnel (KMP) and Senior Management and regularly reviewing the plan;

- 10.7** Evaluating the performance of the Board members, Key Managerial Personnel (KMP) and Senior Management in the context of the Company's performance from business and compliance perspective;

- 10.8** Making recommendations to the Board concerning any matters relating to the continuation in office of any Director at any time including the suspension or termination of service of an Executive Director as an employee of the Company subject to the provision of the law and their service contract.

- 10.9** Delegating any of its powers to one or more of its members or the Secretary of the Committee;

- 10.10** Recommend any necessary changes to the Board; and

- 10.11** Considering any other matter, as decided by the Board.

## 11. DUTIES OF COMMITTEE IN RELATION TO REMUNERATION (REMUNERATION DUTIES)

The duties of the Committee in relation to remuneration matters include:

- 11.1** To consider and determine the Remuneration Policy, based on the performance and also bearing in mind that the remuneration is reasonable and sufficient to attract retain and motivate members of the Board and such other factors as the Committee shall deem appropriate all elements of the remuneration of the members of the Board.

- 11.2** To approve the remuneration of the Senior Management including Key Managerial Personnel (KMP) of the Company maintaining a balance between fixed and incentive pay reflecting short and long term performance

objectives appropriate to the working of the Company.

- 11.3** To delegate any of its powers to one or more of its members or the Secretary of the Committee.
- 11.4** To consider any other matter as decided by the Board.
- 11.5** Professional indemnity and liability insurance for Directors, Key Managerial Personnel (KMP) and Senior Management.

## **12. Evaluation / Assessment of Directors, Key Managerial Personnel (KMP) and Senior Management of the Company**

The evaluation / assessment of the Directors, Key Managerial Personnel (KMP) and the Senior Management of the Company are to be conducted on an annual basis and to satisfy the requirements of the Listing Agreement.

The following criteria may assist in determining how effective the performances of the Directors/KMPs/Senior Management have been:

- 12.1** Leadership & stewardship abilities.
- 12.2** Contributing to clearly define corporate objectives & plans.
- 12.3** Communication of expectations & concerns clearly with subordinates.
- 12.4** Obtain adequate, relevant & timely information from external sources.
- 12.5** Review & approval achievement of strategic and operational plans, objectives, budgets.
- 12.6** Regular monitoring of corporate results against projections.
- 12.7** Identify, monitor & mitigate significant corporate risks.
- 12.8** Assess policies, structures & procedures.
- 12.9** Direct, monitor & evaluate KMPs, Senior Management.
- 12.10** Review management's succession plan.
- 12.11** Effective meetings.

**12.12** Assuring appropriate board size, composition, independence, structure.

**12.13** Clearly defining roles & monitoring activities of committees.

**12.14** Review of corporation's ethical conduct.

Evaluation on the aforesaid parameters will be conducted by the Independent Directors for each of the Executive/Non-Independent Directors in a separate meeting of the Independent Directors.

The Executive Director/Non-Independent Directors along with the Independent Directors will evaluate/assess each of the Independent Directors on the aforesaid parameters. Only the Independent Director being evaluated will not participate in the said evaluation discussion.

## **13. MINUTES OF COMMITTEE MEETING**

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

## **14. POLICY REVIEW AND AMENDMENTS**

In case of subsequent changes / amendment / modification in the provisions of the Companies Act, 2013 or any other regulation which make provisions in the Policy inconsistent with the Act or Regulations, then the provisions of the Act or Regulations would prevail over the Policy and provisions in the Policy would be modified in due course to make it consistent with the changes in law.

**14.1** Statutory updates:

This Policy shall be considered as updated automatically, without any formal approval, to the extent it needs to be aligned with any change in law. An update thereon would be reported to NRC and Board of Directors.

**14.2** Other updates:

All major procedural updates, shall be effective only, if those are carried out after the review and approval of the Board of Directors through the Nomination and Remuneration Committee.

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

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

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

## Annexure 'F' to Directors' Report

**Details pertaining to remuneration as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 for the financial year 2021-22:**

- (i) The percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer and Company Secretary during the financial year 2021-22, ratio of the remuneration of each Director to the median remuneration of the employees of your Company for the financial year 2021-22 are as under:

Sr. No.	Name of Director / KMP and Designation	Remuneration of Directors/ KMP for Financial Year 2021-22 (₹ in Lacs)	% Increase/ (Decrease) in Remuneration in the Financial Year 2021-22	Ratio of Remuneration of each Director/ to median remuneration of employee
1	Mr. Shrikant Zaveri Executive Chairman & Managing Director	240.00	5.26%	68.47
2	Ms. Binaisha Zaveri Whole-time Director	240.00	12.68%	68.47
3	Ms. Raashi Zaveri Whole-time Director	240.00	12.68%	68.47
4	Mr. Kamlesh Vikamsey Independent Director	9.10	(3.19)%	2.60
5	Mr. Ajay Mehta Independent Director	9.60	(4.95)%	2.74
6	Mr. Sanjay Asher Independent Director	8.70	(2.25)%	2.48
7	Mrs. Sudha Navandar Independent Director	8.70	NA	2.45
8	Mr. Saurav Banerjee Chief Financial Officer	118.13	7.00%	Not Applicable
9	Mr. Niraj Oza Head - Legal & Company Secretary	39.14	4.00%	Not Applicable

Remuneration for the Executive Directors and Key Managerial Personnel (KMP) in the table above is based on Cost to Company (CTC).

- (ii) In the financial year, there was a increase of 24.89% in the median remuneration of employees.
- (iii) There were 897 permanent employees on the rolls of your Company as on 31<sup>st</sup> March, 2022.
- (iv) Average percentage increased made in the salaries of employees other than the managerial personnel in the last financial year i.e. 2021-22 was 8.86% whereas increase in the managerial remuneration for the same financial year was 6.24%. The managerial remuneration during the year 2021-22 was paid as per Sections 197, 198 and as per Schedule V of the Companies Act, 2013.

- (v) The key parameters for the variable component of remuneration availed in the form of Commission by the directors are considered by the Board of Directors based on the recommendations of the Nomination and Remuneration Committee as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees. (For the financial year 2021–22, none of the Executive Directors received any Commission).
- (vi) The ratio of remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year – Not Applicable; and
- (vii) It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

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

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

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

Date: 1<sup>st</sup> August, 2022  
Place: Mumbai

# Annexure 'G' to Directors' Report

**Statement of Particulars of employees pursuant to provisions of Section 197(12) of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 for the financial year 2021-22**

(A) **Name of Top Ten (10) employees in terms of remuneration drawn, employed throughout the Financial Year 2021-22 whose remuneration was falling under remuneration as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:**

Sr. No.	Name of Employee	Age (Years)	Date of commencement of employment	Gross Remuneration Received (in ₹)	Designation & (Nature of Employment)	Educational Qualification	Experience in Years	Previous Employment	% of Equity Shares Held
1	Shrikant Zaveri	62	24.07.2007	24,000,000	Executive Chairman & Managing Director (Permanent)	Matriculation	40	Worked as Partner in the erstwhile Partnership firm of M/s. Tribhovandas Bhimji Zaveri (joined in 1991)	50.06
2	Binaisha Zaveri	39	24.07.2007	24,000,000	Whole-time Director (Permanent)	Bachelor's degree in Marketing and Finance from Stern School of Business, New York	18	Worked as Partner in the erstwhile Partnership firm of M/s. Tribhovandas Bhimji Zaveri (Joined w.e.f. 01.01.2004)	7.92
3	Raashi Zaveri	35	01.07.2008	24,000,000	Whole-time Director (Permanent)	Bachelor's degree in Finance and Entrepreneurship from Kelly school of Business, Indiana University and is a graduate Gemologist from Gemological Institute of America	14	Worked as Partner in the erstwhile Partnership firm of M/s. Tribhovandas Bhimji Zaveri	6.85
4	Rajeev Sagar	44	24.07.2007	12,429,528	Head - Gold Operations (Permanent)	B. Com	22	Worked as employee in the erstwhile Partnership firm of M/s. Tribhovandas Bhimji Zaveri (Joined w.e.f. 01.09.2000)	0.04
5	Mayur Choksi	53	01.10.2011	12,429,528	Head - Diamond Operation (Permanent)	Matriculation	33	Worked as employee in Tribhovandas Bhimji Zaveri (Bombay) Limited (Joined w.e.f. 01.04.1997)	0.04
6	Saurav Banerjee	56	17.02.2014	11,836,295	Chief Financial Officer (Permanent)	B. Com (Hons), CA	32	Worked as CFO in Rosy Blue India Pvt. Ltd.	NIL
7	Sunil Gujarathi	58	05.04.2011	8,178,766	Head - MIS & Treasury (Permanent)	ICWA & M.Com., B.Com.	27	Worked as DGM in VIP Industries Ltd.	NIL
8	Sanjay Billimoria	48	22.03.2011	5,681,332	Senior Manager - Gold Operation (Permanent)	B.Com.	29	Worked as General Manager (Domestic Marketing) M/s. R. T. Star Solitaires	NIL
9	Puneet Malavia	47	07.04.2021	4,746,407	Head - Advertising & Marketing (Permanent)	PGDBM in Marketing from Chetna College	22	Worked as Deputy General Manager -Marketing with M/s Spencer's Retail Ltd.	NIL
10	Abhishek Mishra	41	13.06.2018	4,717,041	Executive Assistant - CMD (Permanent)	PG Diploma in Industrial Eng. From NITIE	16	Worked as Lead consultant with M/s Actuate Business Consulting, Gurgaon	NIL
11	Niraj Oza	51	17.11.2010	3,914,468	Head - Legal & Company Secretary (Permanent)	Company Secretary, LLB and B.Com.	30	Worked as Company Secretary with Talwalkar Better Value Fitness Limited	NIL

**(B) Name of employees employed throughout the Financial Year 2021–22 whose remuneration was falling under remuneration as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:**

Sr. No.	Name of Employee	Age (Years)	Date of commencement of employment	Gross Remuneration Received (in ₹)	Designation & (Nature of Employment)	Educational Qualification	Experience in Years	Previous Employment	% of Equity Shares Held
1	Shrikant Zaveri	62	24.07.2007	24,000,000	Executive Chairman & Managing Director (Permanent)	Matriculation	40	Worked as Partner in the erstwhile Partnership firm of M/s. Tribhovandas Bhimji Zaveri (joined in 1991)	50.06
2	Binaisha Zaveri	39	24.07.2007	24,000,000	Whole-time Director (Permanent)	Bachelor's degree in Marketing and Finance from Stern School of Business, New York	18	Worked as Partner in the erstwhile Partnership firm of M/s. Tribhovandas Bhimji Zaveri (Joined w.e.f. 01.01.2004)	7.92
3	Raashi Zaveri	35	01.07.2008	24,000,000	Whole-time Director (Permanent)	Bachelor's degree in Finance and Entrepreneurship from Kelly school of Business, Indiana University and is a graduate Gemologist from Gemological Institute of America	14	Worked as Partner in the erstwhile Partnership firm of M/s. Tribhovandas Bhimji Zaveri	6.85
4	Rajeev Sagar	44	24.07.2007	12,429,528	Head - Gold Operations (Permanent)	B. Com	22	Worked as employee in the erstwhile Partnership firm of M/s. Tribhovandas Bhimji Zaveri (Joined w.e.f. 01.09.2000)	0.04
5	Mayur Choksi	53	01.10.2011	12,429,528	Head – Diamond Operation (Permanent)	Matriculation	33	Worked as employee in Tribhovandas Bhimji Zaveri (Bombay) Limited (Joined w.e.f. 01.04.1997)	0.04
6	Saurav Banerjee	56	17.02.2014	11,836,295	Chief Financial Officer (Permanent)	B. Com (Hons), CA	32	Worked as CFO in Rosy Blue India Pvt. Ltd.	NIL

**(C) Details of employee was employed for part of the Financial Year 2021–22 whose remuneration was falling under remuneration as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:**

Sr. No.	Name of Employee	Age (Years)	Date of commencement of employment	Gross Remuneration Received (in ₹)	Designation & (Nature of Employment)	Educational Qualification	Experience in Years	Previous Employment	% of Equity Shares Held
1	Pooran (*) Jaiswal	42	03.03.2022	1,326,563	Chief Technical Officer (Permanent)	MCA FROM SMU, MBA IN IT SMU	22	Worked as Chief Technical Officer, M/s Entero Health Care PVT Ltd	NIL
2	Monica (***) Bhandari	47	18.08.2016	876,790	Chief Human Resource Officer (Permanent)	B. Com, PG in Business Management	26	Worked as CHRO with House of Anita Dongre Limited	NIL

(\*) Mr. Pooran Jaiswal joined w.e.f. 3<sup>rd</sup> March, 2022.

(\*\*) Ms. Monica Bhandari resigned and left organisation w.e.f. 30<sup>th</sup> April, 2021



- (D) **Details of employee who was employed throughout the financial year or part thereof, was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the managing director or whole-time director or manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the Company:**

Sr. No.	Name of Employee	Age (Years)	Date of commencement of employment	Gross Remuneration Received (in ₹)	Designation & (Nature of Employment)	Educational Qualification	Experience in Years	Previous Employment	% of Equity Shares Held
1	NIL	NA	NA	NA	NA	NA	NA	NA	NA

**Notes:**

- Gross Remuneration shown above is subject to tax.
- Remuneration includes:  
For Chairman & Managing Director and Whole-time Directors – Remuneration and commission. (Commission will be payable once accounts will be adopted by the members at the ensuing Annual General Meeting).  
For Chief Financial Officer - basic salary, perquisites, bonus, other allowances, variable pay, etc.  
For others – basic salary, perquisites, bonus, other allowances, variable pay, leave encashment, etc.
- In addition to the above remuneration the employees are entitled to Gratuity in accordance with your Company's rules.
- The nature of employment is contractual for all the employees.
- The date of commencement of employment have shown as 24<sup>th</sup> July, 2007, i.e. date of conversion of partnership firm into private limited company, even though the Directors/ Employee(s) who were with Company at the time of partnership firm.
- Designation denotes the nature of duties also.
- For Executive Director(s) the nature of Employment and terms and conditions are governed by the Board and Members Resolution.
- Experience includes number of years of service elsewhere, wherever applicable.
- Mr. Shrikant Zaveri, Chairman & Managing Director of your Company and Ms. Binaisha Zaveri and Ms. Raashi Zaveri, Whole-time Directors of your Company, being father and daughters respectively, are related to each other. Ms. Binaisha Zaveri and Ms. Raashi Zaveri, Whole-time Directors of your Company, being sisters are related to each other. None of the other employees is relative in the terms of provision of Section 2(77) of the Companies Act, 2013 of any Director of your Company.

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

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

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

Date: 1<sup>st</sup> August, 2022

Place: Mumbai

# Annexure 'H' to Directors' Report

Tribhovandas Bhimji Zaveri Limited

## Dividend Distribution Policy

### 1. INTRODUCTION

The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2021 came into force vide Notification dated 5<sup>th</sup> May, 2021 bearing No. SBEI/LAD-NRO/GN/2021-22, vide these Regulations, has amended Regulation 43A of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, which requires top one thousand (1,000) {earlier five hundred (500)} listed entities (based on market capitalization calculated as on March 31 of every financial year) to formulate a Dividend Distribution Policy, which shall be disclosed on the website of the listed entity and a web-link shall also be provided in their annual reports {which was earlier in the Annual Reports and on their website}.

Tribhovandas Bhimji Zaveri Limited ('the Company') being one of the One thousand (1,000) companies as on 31<sup>st</sup> March, 2021, the Board of Directors in compliance with amended Regulation 43A of the Listing Regulations, has approved and adopted this Dividend Distribution Policy which shall be effective with effect from 5<sup>th</sup> May, 2021 (from the date of Notification), being the effective date of the Policy.

### 2. PURPOSE

This Policy reflects the intent of the Company to reward to its shareholders by sharing the portion of its distributable profit after retaining sufficient fund for the future growth and maintaining the financial soundness of the Company. The purpose of this Policy is also to lay down criteria to be considered by the Board of Directors of the Company ('the Board') in taking decision for recommending dividend to its shareholders for any Financial Year.

### 3. OBJECTIVES AND SCOPE

This Policy lays down the broad framework which will act as a guiding principle for the purpose of declaring or recommending Dividend during or for any financial year, by the Company.

The intent of the Policy is to broadly specify the external and internal factors including financial parameters that shall be considered while declaring Dividend and

the circumstances under which shareholders of the Company may or may not expect Dividend and how the retained earnings shall be utilized etc.

The Policy, however, is not an alternative to the decision-making process of the Board for recommending Dividend and the Board may take into consideration other factors as well in addition to those numerated in this Policy.

### 4. APPLICABILITY

This Policy shall apply to the Dividend on the Equity Shares of the Company. Presently, the Company has only one class of Equity Shares.

This Policy shall not apply to determination and declaration of Dividend on preference shares, as and when issued by the Company, as the same will be as per the terms of issue of such preference shares, approved by the shareholders.

### 5. DEFINITIONS

**"Board of Director"** or **"Board"** shall mean the Board of Directors of the Company, as constituted from time to time.

**"Company"** shall have the same meaning as defined under Section 2(20) of the Companies Act, 2013 and any amendment thereto.

**"Dividend"** includes any interim dividend.

**"Profit"** shall mean profit after tax and deferred tax.

**"Financial Year"** shall have the same meaning defined under Section 2(41) of the Companies Act, 2013 and any amendment thereto.

**"Policy"** means this Dividend Distribution Policy.

**"Companies Act"** or **"Act"** shall mean the Companies Act, 2013 and Rules framed thereunder, including any amendments, modifications, clarifications or re-enactment thereof, for the time being in force.

**"Regulations"** shall mean SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, including

any amendments, modifications, clarifications, or re-enactment thereof, for the time being in force.

## 6. DECLARATION OF DIVIDEND

6.1 Subject to the provisions of the Act, Dividend may be declared and paid out of:

- (a) Profits of the Company for the financial year for which the Dividend is to be paid after setting off carried over losses of the previous financial year and depreciation not provided in the previous financial year(s);
- (b) Undistributed profits of the previous financial years remaining undistributed after providing for depreciation in accordance with the Act and/or Regulations; or
- (c) Out of (a) and (b) both.

6.2 Before declaration of Dividend, the Company may transfer a portion of its profits to reserves of the Company as may be considered appropriate by the Board at its discretion.

## 7. PARAMETERS FOR DECLARATION OF DIVIDEND

7.1 The Board of Directors may consider the following financial parameters, internal and external factors while recommending or declaration of the Dividend:

### A. Financial Parameters / Internal Factors

- Profits earned during the Financial Year and the retained profits of the previous years in accordance with the provision of Section 123 and other applicable provisions of the Companies Act, 2013 read with Rules framed thereunder;
- Operating cash flow of the Company and debt equity ratio;
- Retained earnings;
- Reserve and Surplus;
- Earnings Per Share (EPS);
- Gross Dividend payout ratios;
- Financial Ratios;
- Business expansion and growth;
- Funds required to finance capital expenditure;
- Projection with regard to performance of the Company;
- Company's liquidity position and future

cash flow need;

- Stipulation / covenants in loan Agreements;
- Dividend payout history;
- Such other factors as the Board may deem fit from time to time.

### B. External Factors

- Economic environment;
- Capital markets;
- Global conditions;
- Industry outlook and growth rate;
- Economic and regulatory framework;
- Governmental policies.

7.2 While recommending or declaring Dividend, the Board will consider adequacy of profit calculated in accordance with the applicable provisions of the Act and Indian Accounting Standards. The Board of Directors may, in exceptional circumstances, consider utilising retained earnings for declaration of Dividend subject to the provisions of the Act and/or Regulations.

## 8. CIRCUMSTANCES UNDER WHICH SHAREHOLDERS MAY OR MAY NOT EXPECT DIVIDEND

Dividend payout is a crucial decision as it determines the share of profit to be distributed amongst the shareholders and share of profit to be retained in the business. The decision seeks to balance the dual objectives of appropriately rewarding shareholders through Dividends and retaining profits in order to maintain a healthy capital adequacy ratio to support future growth. The shareholders of the Company may not normally expect Dividend in the following circumstances, subject to discretion of Board of Directors:

- In case the Company has incurred losses or inadequacy of profit;
- It would in the interest of the Company to re-invest / plough back the profits of the Company for major expansion / diversification requiring major funding;
- Any other unforeseen event which would restrict ability to recommend Dividend.

## 9. UTILISATION OF RETAINED EARNINGS

The Board of Directors may retain its earnings in order to make better use of the available funds and increase

the value of the stakeholders in the long run. The decision of utilisation of the retained earnings of the Company shall be based on the following:

- Market expansion plan by opening of new stores
- Product expansion plan
- Replacement of capital assets
- Diversification of business
- Long term strategic plans
- Dividend payment
- Such other criteria as the Board may deem fit from time to time
- Such purpose as may be permitted under the Act and/or Regulations

## 10. PROCEDURE

10.1 Pursuant to the provisions of the Act, the Regulations and the Policy, the Board of Directors may declare one or more interim dividends during the year, which will be confirmed by the shareholders at the ensuing Annual General Meeting of the Company and the final Dividend, if any, recommended by the Board of Directors, will be subject to shareholders' approval, at the ensuing Annual General Meeting of the Company.

10.2 The Members, whose name appears in the Register of Member as on Record Date / Book Closure, as may be decided by the Board of Directors, shall be entitled for Dividend.

10.3 The Dividend shall be paid to the Members within the limit prescribed under the Act and/or Regulations.

10.4 The Company shall ensure compliance of provisions of the Act and/or Regulations and this Policy in relation to Dividend declared by the Company.

## 11. PARAMETERS WITH REGARD TO VARIOUS CLASSES OF SHARES

Since the Company has issued only one class of Equity Shares with equal voting rights, all the members of the Company are entitled to receive the same amount of Dividend per share. The Policy shall be suitably revised at the time of issue of any new class of shares depending upon the nature and guidelines thereof.

## 12. DISCLOSURES

The Dividend Distribution Policy shall be disclosed in the Annual Report and on the website of the Company.

## 13. REVIEW AND AMENDMENTS

13.1 This Policy will be reviewed by the Board of Directors of the Company as they deem necessary.

13.2 The Board of Directors on its own can amend this Policy, as and when deem fit.

13.3 In case of any amendment(s), clarification(s), circular(s) etc. issued by the relevant authorities, not being consistent with the provisions laid down under this Policy, then such amendment(s), clarification(s), circular(s) etc. shall prevail upon the provisions hereunder and this Policy shall stand amended accordingly from the effective date as laid down under such amendment(s), clarification(s), circular(s) etc.

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

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

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

Date: 1<sup>st</sup> August, 2022

Place: Mumbai

# Report on Corporate Governance

The Directors present your Company's Report on Corporate Governance for the financial year ended 31<sup>st</sup> March, 2022 as stipulated in Para C of Schedule V and all other applicable Regulation(s) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the disclosure requirements of which are given below:

## COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:

Corporate Governance is the application of best management practices, compliance of laws and adherence to ethical standards to achieve your Company's objective of enhancing stakeholder value and discharge of social responsibility. The Corporate Governance framework includes corporate structures, culture, policies and the manner in which the corporate entity deals with various stakeholders, with transparency being the key word. Accordingly, timely, adequate and accurate disclosure of information on the performance and ownership forms the cornerstone of Corporate Governance. It is a journey for constantly improving sustainable value creation and an upward moving target.

At Tribhovandas Bhimji Zaveri Limited (TBZ), Corporate Governance is all about maintaining a valuable relationship and trust with all stakeholders. We consider stakeholders as partners in our success, and we remain committed to maximising stakeholders' value, be it shareholders, employees, suppliers, customers, investors, communities or policy makers. This approach to value creation emanates from our belief that sound governance system, based on relationship and trust, is integral to creating enduring value for all.

Your Company believes that good Corporate Governance is essential in achieving long-term corporate goals, enhancing shareholders' value and attaining the highest level of transparency. Your Company's philosophy on Corporate Governance is led by a strong emphasis on transparency, accountability and integrity and your Company has been practicing the principles of Corporate Governance since date of listing.

Your Company believes that all its operations and actions must serve the underlined goal of enhancing customers' satisfaction and stakeholders' value over a sustained period of time. All directors and employees are bound by a Code of Conduct that sets forth your Company's policy on important issues, including its relationship with customers, shareholders and Government.

## GOVERNANCE STRUCTURE:

Your Company's Governance structure broadly comprises the Board of Directors and the Committees of the Board at the apex level and the Management structure at the operational level. This layered structure brings about a harmonious blend in governance as the Board sets the overall corporate objectives and gives direction and freedom to the Management to achieve these corporate objectives within a given framework, thereby bringing about an enabling environment for value creation through sustainable growth.

### Board of Directors

TBZ's Board plays a pivotal role in ensuring that your Company runs on sound and ethical business practices and that its resources are utilised for creating sustainable growth. The Board operates within a well-defined framework which enables it to discharge its fiduciary duties of safeguarding the interest of your Company; ensuring fairness in the decision-making process, integrity and transparency in your Company's dealing with its Members and other stakeholders.

### Committee of Directors

The Board has constituted various committees with a view to have more focused attention on various areas of business and for better accountability, viz. Audit Committee, Stakeholders Relationship Committee, Nomination and Remuneration Committee, Risk Management Committee, Corporate Social Responsibility (CSR) Committee and Special Committee of Board of Directors. Each of these Committees has been mandated to operate within a given framework.

### Management Structure

Management structure for running the business of your Company as a whole is in place with appropriate delegation of powers and responsibilities. This broadly is as under:

#### a) Chairman & Managing Director (CMD)

The Chairman & Managing Director (CMD) is in overall control and responsible for the day-to-day working and functioning of your Company. He gives strategic directions, lays down policy guidelines and ensures implementation of the decisions of the Board of Directors and its various committees. All the responsibilities of the Chief Executive Officer are handled by Mr. Shrikant Zaveri, Chairman & Managing Director of your Company.

## b) Functional Heads

Functional Heads of various departments, viz. Retail Department, Gold Order Department, Diamond Order Department, Advertisement and Marketing Department, Human Resource Department, Administration Department, Information and Technology (IT) Department, Secretarial & Legal Department, Treasury & MIS Department, Accounts and Finance Department and Project Department. The Chief Financial Officer reports to the Chief Executive Officer of your Company. These Department Heads review the functioning of their department.

### Shareholders' Communications

The Board recognises the importance of two-way communication with shareholders and giving a balanced report of results and progress and responding to questions and issues raised in a timely and consistent manner. Your Company's corporate website ([www.tbztheoriginal.com](http://www.tbztheoriginal.com)) has information for institutional and retail shareholders alike. Shareholders seeking information relating to their shareholding may contact your Company directly or through the Registrar and Share Transfer Agent, details of which are available on your Company's website and also forming part of the Corporate Governance Report. Your Company ensures that complaints and suggestions of its shareholders are responded to in a timely manner.

### Role of the Company Secretary in overall governance process

The Company Secretary plays a key role in ensuring that the Board (including committees thereof) procedures are followed and regularly reviewed. The Company Secretary ensures that all the relevant information, details and documents are made available to the Directors and Senior Management for effective decision making at the meetings. The Company Secretary is primarily responsible to assist and advise the Board in the conduct of the legal and procedural requirements of your Company, to ensure compliance with applicable statutory requirements and Secretarial Standards and to facilitate convening of meetings. He interfaces between the management and regulatory authorities for governance matters.

## I. BOARD OF DIRECTORS:

- A. The composition of the Board of Directors represents a combination of knowledge, experience and professionalism and enables the Board to discharge its responsibilities and provide effective leadership to the business. The Board comprises of Executive and Independent Directors as required under applicable legislation. As on 31<sup>st</sup> March, 2022, the Board consists

of seven Directors comprising of three Executive Directors and four Independent Directors who are Non-Executive Directors, i.e. more than fifty per cent of the Board comprises of Independent Directors. The number of Independent Directors on the Board is in conformity with the requirement of Regulation 17(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Board also consists of two women Whole-time Directors. All three Executive Directors are the Promoters of your Company.

As per Regulation 17(1)(a) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors shall have at least one independent Woman Director by top 1,000 listed entities by market capitalisation, at the end of immediate previous financial year. As per the list provided by NSE as on 31<sup>st</sup> March, 2021 your Company ranked 961 by market capitalisation. Your Company has appointed Mrs. Sudha Pravin Navandar (DIN: 02804964) as an Additional Director (in the capacity of Independent Director, Non-Executive) with effect from 1<sup>st</sup> April, 2021 for the period of five (5) consecutive years to hold office till the conclusion of the ensuing fourteenth Annual General Meeting of your Company or the last date on which the AGM should have been held, whichever is earlier. Based on the approval of the Board, on the approval and the recommendations of Nomination and Remuneration Committee, the shareholders at the 14<sup>th</sup> Annual General Meeting held on 16<sup>th</sup> September, 2021 has approved the appointment of Mrs. Sudha Pravin Navandar (DIN: 02804964) as an Independent Director (Non-Executive) for the first term of consecutive five years from 1<sup>st</sup> April, 2021 to 31<sup>st</sup> March, 2026.

All the responsibilities of the Chief Executive Officer (CEO) are discharged by Mr. Shrikant Zaveri, Chairman & Managing Director of your Company.

During the year, the Board of Directors comprised of Mr. Shrikant Zaveri, Chairman & Managing Director, Ms. Binaisha Zaveri and Ms. Raashi Zaveri, Whole-time Directors who are all Executive Directors (ED) and the Promoters of your Company. The other four Directors are Independent Directors, namely Mr. Kamlesh Vikamsey, Mr. Ajay Mehta, Mr. Sanjay Asher and Mrs. Sudha Navandar. All four Independent Directors are Non-Executive Directors (NED). None of the Directors resigned / retired during the year under review.

None of the Directors on the Board is a member of more than ten Committees or the Chairman of more than five committees (Committees being Audit Committee

and Stakeholders' Relationship Committee), as per the requirements of Regulation 26(1) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, across all the public limited companies in which he/she is a Director. The necessary disclosure regarding committee positions have been made by all the Directors of your Company.

None of the Executive Directors of your Company holds office as a director including alternate directorship in more than twenty companies at the same time, provided the maximum number of public companies in which a person can be appointed as a director are not exceeding ten companies (for reckoning the limit of public companies in which a person can be appointed as a director, directorship in private companies that are either holding or subsidiary company of a public company shall be included) as per the provision of Section 165(1) of the Companies Act, 2013. None of the Directors of your Company including Independent Directors hold position as director in more than seven listed companies, and further, none of the Independent Directors of your Company who is serving as whole-time director/ managing director in any listed

company, serves as independent director in more than three listed companies as per the requirement of Regulation 17A(1) & (2) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. None of the Director of your Company is appointed or continued as alternate Director for any Independent Director of a listed entity with effect from 1<sup>st</sup> October, 2018 as per the requirement of Regulation 25(1) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the year, five Board Meetings were held, all through Video Conferencing (VC) / Other Audio Visual Means (OAVM) in accordance with the provisions of law on 3<sup>rd</sup> May, 2021, 10<sup>th</sup> August, 2021, 14<sup>th</sup> October, 2021, 11<sup>th</sup> November, 2021 and 3<sup>rd</sup> February, 2022.

- B. The Composition of the Board of Directors, their attendance at the Board Meeting during the year and at the last Annual General Meeting through Video Conferencing (VC) / Other Audio Visual Means (OAVM) along with number of outside directorships, committee's chairmanship/ memberships are as follows:

Name of the Directors	Date of Appointment	Category of Directorship	No. of Board Meetings Attended (\$)	Attendance at last AGM through VC/OAVM held on 16.09.2021	No. of outside Directorship in all Companies (*)	No. of outside Committee Membership/ Chairmanship in all Companies (+) (**)	
						Member	Chairman
Mr. Shrikant Zaveri (DIN: 00263725)	24.07.2007	CMD	5	Yes	1	NIL	NIL
Ms. Binaisha Zaveri (DIN: 00263657)	24.07.2007	WTD	5	Yes	1	NIL	NIL
Ms. Raashi Zaveri (DIN: 00713688)	01.07.2008	WTD	4	Yes	1	NIL	NIL
Mr. Kamlesh Vikamsey (DIN: 00059620)	26.08.2010 (#)	ID	5	Yes	3	NIL	2
Mr. Ajay Mehta (DIN: 00028405)	14.12.2010 (#)	ID	4	Yes	2	NIL	1
Mr. Sanjay Asher (DIN: 00008221)	14.12.2010 (#)	ID	5	Yes	8	5	5
Mrs. Sudha Navandar (DIN: 02804964)	01.04.2021 (#)	ID	5	Yes	4	3	2

**Note:**

- \* Directorship across all the companies excluding directorship in Tribhovandas Bhimji Zaveri Limited, in private limited companies which are not a subsidiary of public limited company, foreign companies, government companies and companies under Section 8 of the Companies Act, 2013.
- + Committee's Membership / Chairmanship across all the companies excluding that in Tribhovandas Bhimji Zaveri Limited, in private limited companies which are not a subsidiary of public limited company, foreign companies, government companies and companies under Section 8 of the Companies Act, 2013.
- \*\* Chairmanship and Membership of Audit Committee and Stakeholders Relationship Committee only.

(#) Mr. Kamlesh Vikamsey, Mr. Ajay Mehta and Mr. Sanjay Asher are Independent Directors (Non-Executive Directors) were appointed for the consecutive (second) term of five years, i.e. from 1<sup>st</sup> April, 2019 to 31<sup>st</sup> March, 2024 in the Eleventh Annual General Meeting of your Company held on 31<sup>st</sup> July, 2018. Ms. Sudha Navandar, Independent Director (Non-Executive Director) was appointed for the consecutive (first) term of five years, i.e. from 1<sup>st</sup> April, 2021 to 31<sup>st</sup> March, 2026 in the Fourteenth Annual General Meeting of your Company held on 16<sup>th</sup> September, 2021.

(\$) Includes participation via Video Conferencing (VC) / Other Audio Visual Means (OAVM).

**CMD** – Chairman & Managing Director, **WTD** – Whole-time Director, **NED** - Non-Executive Director, **ID** – Independent Director.

Every Director currently on the Board of your Company had attended through Video Conferencing (VC) / Other Audio Visual Means (OAVM) at least one Board/ Committee of the Directors' Meeting in the financial year 2021-22.

Independent Directors have been paid Sitting Fees for attending the meetings. Further, the Commission, if any, paid to them is within the limit of 1% of the net profits of your Company as per the applicable provisions of the Companies Act, 2013. Your Company has not had any pecuniary relationship or transaction with any of the Independent Directors during the year.

Leave of Absence was granted to the Directors who were absent for the meetings.

**As required under the Listing Regulations as amended w.e.f. 1<sup>st</sup> April, 2019, the names of the listed entities (including Tribhovandas Bhimji Zaveri Limited) where the Director of the Company is a director and the category of Directorship as on 31<sup>st</sup> March, 2022 is provided hereunder:**

Name of Director	Name of Listed Entity	Category of Directorship
Mr. Shrikant Zaveri DIN: 00263725	Tribhovandas Bhimji Zaveri Limited	Chairman & Managing Director
Ms. Binaisha Zaveri DIN: 00263657	Tribhovandas Bhimji Zaveri Limited	Whole-time Director
Ms. Raashi Zaveri DIN: 00713688	Tribhovandas Bhimji Zaveri Limited	Whole-time Director
Mr. Ajay Mehta DIN: 00028405	Tribhovandas Bhimji Zaveri Limited	Independent Director
Mr. Kamlesh Vikamsey DIN: 00059620	Deepak Nitrite Limited	Non-Executive Director
	Tribhovandas Bhimji Zaveri Limited	Independent Director
	Navneet Education Limited	Non-Independent & Non-Executive Director & Chairperson (NI & NED)
Mr. Sanjay Asher DIN: 00008221	Man Infraconstruction Limited	Independent Director
	Apcotex Industries Limited	Independent Director
	Tribhovandas Bhimji Zaveri Limited	Independent Director
	Ashok Leyland Limited	Independent Director
	Sudarshan Chemical Industries Limited	Independent Director
	Deepak Nitrite Limited	Independent Director
	Sonata Software Limited	Independent Director
Indusind Bank Limited	Independent Director	
Mrs. Sudha Navandar DIN: 02804964	Meghmani Finechem Limited	Independent Director
	Tribhovandas Bhimji Zaveri Limited	Independent Director
	Route Mobile Limited	Independent Director
	Kolte-Patil Developers Limited	Independent Director
	Anand Rathi Wealth Limited	Independent Director



### C. Directors' Profile:

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

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

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

Mr. Shrikant Zaveri (DIN: 00263725) is a doyen of the Indian Gems and Jewellery Industry and is one of the most respected personalities of the Gems and Jewellery Industry in India. He has a rich experience of more than forty years in the Gems and Jewellery industry. He has completed his education upto matriculation. He took over as the managing partner of the business in 2001. He continued his forefather's business with one flagship store at Zaveri Bazar, and given his immense efforts, your Company as on 31<sup>st</sup> March, 2022 has thirty one stores, out of which twenty eight are Company's own stores and three are franchisee stores, in twenty five cities and twelve states across India.

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

Mr. Zaveri was the founding member and chairman of the Gems and Jewellery Trade Federation. He has been awarded the Retail Jewellery Award for lifetime achievement in the year 2007. He also won the Retail Leadership Award from the Asia Retail Congress in the year 2013.

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

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

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

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

Ms. Raashi Zaveri (DIN: 00713688) holds a bachelor's

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

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

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

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

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

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

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

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

**Mr. Sanjay Asher (DIN: 00008221) (Independent Director)**

Mr. Sanjay Asher (DIN: 00008221) has a bachelor's degree in commerce and a bachelor's degree in law from the University of Bombay. He has been a practising advocate since 1991 and was admitted as a solicitor in 1993. He is also a qualified Chartered Accountant. He has over thirty one years of experience in the field of law and corporate matters. He is presently a senior partner with M/s. Crawford Bayley and Co. He specialises in the fields of corporate law and commercial law, cross-border mergers and acquisitions, joint ventures, mergers and acquisitions and capitals markets.

Mr. Asher joined the TBZ Board on 14<sup>th</sup> December, 2010. He is a member of the Nomination and Remuneration Committee.

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

Mrs. Sudha Pravin Navandar (DIN: 02804964) is a qualified Chartered Accountant registered with the Institute of Chartered Accountants of India and has cleared her Certified Public Accountant, USA. She has done post qualification course on Information System Audit (DISA) and is also an Insolvency Professional. She

is currently a partner in M/s. Pravin R. Navandar & Co. Chartered Accountants, with main focus on corporate advisory services, income leakage and IBC matters. She is also an independent director on the board of various companies prominent amongst those are Route Mobile Limited, Anand Rathi Wealth Limited and Kolte-Patil Developers Limited.

Mrs. Navandar joined the TBZ Board on 1<sup>st</sup> April, 2021 and has given valued contribution to the Board of Directors. The Members has approved the appointment of Mrs. Navandar as an Independent Director (Non-Executive) for the first term of consecutive five years from 1<sup>st</sup> April, 2021 to 31<sup>st</sup> March, 2026 at the fourteenth Annual General Meeting held on 16<sup>th</sup> September, 2021. She has been appointed by the Board at the meeting held on 5<sup>th</sup> May, 2022 as the member of the Audit Committee and the Nomination and Remuneration Committee.

**D. The Board has identified following Skills / Expertise / Competencies fundamental for the effective functioning of the Company which are currently available with the Board:**

The Board has identified following skills / expertise / competencies fundamental for the effective functioning of the Company which are currently available with the Board Members:

**i) Leadership:**

Ability to envision the future and prescribe a strategic goal for your Company, help your Company to identify possible road maps, inspire and motivate the strategy, approach, processes and other such key deliverables and mentor the leadership team to channelize its energy/efforts in appropriate direction.

**ii) Industry knowledge and experience:**

Should possess domain knowledge of your Company's business (retail jewellery), policies and culture (including the mission, vision and values) major risks / threats and potential opportunities of your Company's business. Must have the ability to leverage the developments in the areas of retail jewellery business and other areas as appropriate for betterment of your Company's business.

**iii) Behavioural skills:**

Attributes and competencies to use their knowledge and skills to contribute effectively to the growth of your Company.

**iv) Strategy and planning:**

Business Strategy & Planning, Sales & Marketing, Corporate Governance, Forex Management, Administration, Decision Making.

**v) Expertise/ Experience in Finance & Accounts/ Audit/ Risk Management Areas:**

Ability to understand financial policies, accounting statements and disclosure practices and contribute to the financial/ risk management policies/ practices of your Company.

**vi) Governance:**

Experience in developing governance practices,

servicing the best interests of all stakeholders, maintaining board and management accountability, building long-term effective stakeholder engagements and driving corporate ethics and values.

The Board of Directors confirm that all the Directors of the Board met the above stated criteria. The Eligibility of a person to be appointed as a Director of the Company is dependent on whether the person possesses the required skill sets identified by the Board as above and whether the person is a proven leader in running a business that is relevant to the Company's business.

Given below is a list of core skills, expertise and competencies of the individual Directors:

Name of the Directors	Skills / Expertise / Competencies					
	Leadership	Industry Knowledge and experience	Behavioural skills	Strategy and planning	Expertise/ Experience in Finance & Accounts/ Audits/ Risk Management Areas	Governance
Mr. Shrikant Zaveri	✓	✓	✓	✓	✓	✓
Ms. Binaisha Zaveri	✓	✓	✓	✓	✓	✓
Ms. Raashi Zaveri	✓	✓	✓	✓	✓	✓
Mr. Kamlesh Vikamsey	✓	✓	✓	✓	✓	✓
Mr. Ajay Mehta	✓	✓	✓	✓	✓	✓
Mr. Sanjay Asher	✓	✓	✓	✓	✓	✓
Mrs. Sudha Navandar	✓	✓	✓	✓	✓	✓

**E. Board's Functioning and Procedure:**

Your Company holds at least four Board Meetings in a year, one in each quarter to, inter-alia, review the financial results of your Company. The Board periodically reviews the items required to be placed before it and reviews and approves quarterly/half yearly unaudited standalone financial statements and the audited standalone and consolidated annual financial statements, corporate strategies, business plans, annual budgets, projects and capital expenditure. It monitors overall operating performance, performance of various stores and reviews such other items which require the Board's attention. It directs and guides the activities of Management towards the set goals and seeks accountability. It also sets standards of corporate behaviour, ensures transparency in corporate dealings and compliance with laws and regulations. The agenda for the Board Meeting broadly covers the minimum information to be placed before the Board of Directors as specified in Part A of Schedule II of Regulation 17(7) of the Securities and Exchange Board of India (Listing

Obligations and Disclosure Requirements) Regulations, 2015 to the extent these are relevant and applicable. The agenda is circulated well in advance to the Board members, along with comprehensive background information on the items in the agenda, which are supported by relevant information, documents and presentations to enable the Board to take informed decisions. The date of the Board Meetings is agreed upon well in advance of the meeting.

The gap between two Board Meetings does not exceed one hundred and twenty days. Apart from the four scheduled Board Meetings, additional Board Meetings are also convened to address the specific requirements of your Company. Urgent matters are also approved by the Board by passing resolutions through circulation, if required.

All the departments in your Company communicate to the Company Secretary well in advance, the matters requiring approval of the Board/ Committees of the Board to enable inclusion of the same in the agenda

for the Board/ Committee Meetings. The Company Secretary attends all the meetings of the Board and its Committees and is, inter alia, responsible for recording the minutes of such meetings.

The information as required under Part A of Schedule II to the Listing Regulations is also made available to the Board, wherever applicable, for their consideration.

**F. Disclosure of relationship between Directors inter-se:**

In terms of Schedule V(C)(2)(e) and Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 none of the four Independent Directors (Non-Executive Directors) are related to each other nor related to any of the Executive Directors of your Company.

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

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

**G. Independent Directors:**

The Independent Directors of your Company have been appointed in terms of requirements of the Companies Act, 2013 and Listing Regulations. The selection of eminent people for appointment as Independent Directors on the Board is considered by the Nomination and Remuneration Committee. The Committee, inter alia, considered qualification, positive attributes, area of expertise and number of directorships and memberships held in various committees of other companies and membership held in various committees of other companies by such person and recommend the same to the Board. The Board considered the Committee's recommendation and takes appropriate decision. Formal letters of appointment have been issued to the Independent Directors and the terms and conditions of their appointment are disclosed on the Company's website at [www.tbztheoriginal.com](http://www.tbztheoriginal.com).

No Independent Directors have resigned during the Financial Year 2021-22.

As required under Rule 6(3) of the Companies (Appointment and Qualification of Directors) Rules, 2014, all the Independent Directors have registered

themselves with the Independent Directors Databank maintained by the Indian Institute of Corporate Affairs.

**H. Declaration of Independence:**

Your Company has received declarations / certificates from the Independent Directors declaration on criteria of independence / confirming their position as Independent Directors on the Board of your Company in accordance with Section 149 of the Companies Act, 2013 read with Regulation 16(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. As per Regulation 25(8) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Independent Directors have given declaration that they meet the criteria of Independence as provided in clause (b) of sub-regulation (1) of Regulation 16 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgement and without any external influence.

The Board of Directors of your Company have confirmed that in the opinion of the Board, the Independent Directors fulfills the conditions specified in Section 149 of the Act and Regulations 16(1)(b), 25(8) and all other applicable Regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and are independent of the management.

**I. Appointment of Directors retiring by rotation:**

Ms. Raashi Zaveri (DIN: 00713688), Whole-time Director of your Company retiring by rotation is proposed to be re-appointed at the ensuing Annual General Meeting.

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

**J. Code of Conduct:**

The Board of Directors have adopted two Code of Conduct ("the Codes") for the Board of Directors

as well as for Senior Management and Employees of your Company. The Codes cover amongst other things your Company's commitment to honest and ethical personal conduct, fair competition, corporate social responsibility, sustainable environment, health and safety, transparency and compliance of laws and regulations etc. and the same are placed on the website of your Company at [www.tbztheoriginal.com](http://www.tbztheoriginal.com).

The Code of Conduct for the Board of Directors as well as for Senior Management Personnel, officer and employees of your Company is available on Company's website ([www.tbztheoriginal.com](http://www.tbztheoriginal.com)) at the below links:

<http://www.tbztheoriginal.com/storage/Investors/Code%20of%20Conduct/TBZ-Code%20of%20Conduct%20for%20Board%20of%20Directors.pdf>

<https://www.tbztheoriginal.com/storage/Code%20of%20Conduct%20for%20KMP%20&%20Emp..pdf>

In addition to the above, your Company has adopted a Code for Independent Directors as per the provisions of Section 149(8) read with Schedule IV of the Companies Act, 2013 which suitably incorporates the duties of Independent Directors.

The Codes lay down the standard of conduct which is expected to be followed by the Directors and the designated employees in their business dealings and in particular on matters relating to integrity at the workplace, in business practices and in dealing with stakeholders. The Codes give guidance through examples on the expected behaviour from an employee in a given situation and the reporting structure. There were no material financial and commercial transactions, in which Board Members or Senior Management Personnel had personal interest, which could lead to potential conflict of interest with your Company during the year.

All the Board members and Senior Management of your Company have affirmed compliance with their respective Code of Conduct for the financial year ended 31<sup>st</sup> March, 2022. A declaration to this effect duly signed by the Chairman & Managing Director of your Company (in the capacity of Chief Executive Officer) is annexed hereto.

#### **K. Remuneration Policy and details of Remuneration paid/ payable to the Managing Director and the Whole-time Directors for the year ended 31<sup>st</sup> March, 2022:**

The remuneration of your Company is directed towards rewarding performance, based on review of

achievements on a periodic basis. The remuneration policy is in accordance with the existing industry practice. Your Company pays remuneration by way of salary (fixed component) and commission (variable component) to the Chairman & Managing Director and to the Whole-time Directors. Salary is paid within the amount fixed by the shareholders, which is restricted to the maximum limits prescribed under Sections 196, 197 and 198 read with Schedule V and all other applicable provisions of the Companies Act, 2013. The Commission payable to the Chairman & Managing Director and Whole-time Directors is calculated with reference to the net profits of your Company in a particular financial year and is determined by the Board of Directors at the end of the financial year based on the recommendations of the Nomination and Remuneration Committee, subject to the overall ceilings stipulated in Section 197 read with Schedule V and all other applicable provisions of the Companies Act, 2013.

The Chairman & Managing Director and the Whole-time Directors are not paid any sitting fees for attending the meetings of the Board of Directors or Committee thereof.

The agreement with Chairman & Managing Director and the Whole-time Directors are for a period not exceeding five years at a time and salary fixed is for a period not exceeding three years at a time. Either party may terminate the agreement by giving the other party prior written notice of six months, provided that the Company may waive the notice by giving the remuneration on a pro rata basis in respect of the months for which the Chairman & Managing Director and Whole-time Director(s) would have received had he/she remained in office. There is no separate provision for payment of severance fees.

Your Company does not have a scheme for grant of stock options to any of the Chairman & Managing Director and the Whole-time Directors of your Company. Your Company do not have any severance fees for any of the directors and has kept a notice period of six months' notice in writing from either side.

The commission payable to the Chairman & Managing Director and the Whole-time Directors are based on the performance criteria laid down by the Board which broadly considers the profits earned by your Company for the financial year. The members of the Nomination and Remuneration Committee has approved and recommended to the Board the remuneration to be paid within the limits specified as per Sections 196 and 197 read with Schedule V and all other applicable

provisions of the Companies Act, 2013. On basis of the recommendations of Nomination and Remuneration Committee, the Board has approved the remuneration to be paid to Mr. Shrikant Zaveri, Chairman & Managing Director; Ms. Binaisha Zaveri and Ms. Raashi Zaveri, Whole-time Directors of your Company.

The Nomination and Remuneration Committee has not recommended any commission to the Chairman & Managing Director and the Whole-time Directors

of your Company for the financial year 2021-22, and on basis of the said recommendations, the Board of Directors has decided not to declare any commission for the financial year 2021-22 to any of the Chairman & Managing Director and Whole-time Directors of your Company.

Details of remuneration paid and commission payable to Managing Director and Whole-time Directors of your Company for the financial year 2021-22 are as follows:

<b>Names of Managing Director / Whole-time Directors</b>	<b>Gross Salary (in ₹)</b>	<b>Commission (in ₹)</b>	<b>Perquisites (in ₹)</b>	<b>Retirement Benefits (in ₹)</b>	<b>Stock Option</b>	<b>Total (in ₹)</b>
Mr. Shrikant Zaveri	24,000,000	--	--	--	--	<b>24,000,000</b>
Ms. Binaisha Zaveri	24,000,000	--	--	--	--	<b>24,000,000</b>
Ms. Raashi Zaveri	24,000,000	--	--	--	--	<b>24,000,000</b>

**L. Remuneration Policy and details of Sitting Fees & Commission paid / payable to Independent Directors (Criteria for making payment to Independent Directors):**

The Independent Directors are paid remuneration by way of Commission not exceeding 1% of the net profit of your Company. The Independent Directors are also paid Sitting Fees for the meeting of the Board of Directors and various Committee Meetings attended by them. In terms of shareholders' approval obtained for the period of five years commencing from 1<sup>st</sup> April, 2018, by way of Special Resolution at the Eleventh Annual General Meeting of your Company held on 31<sup>st</sup> July, 2018, the total Commission payable to the Independent Directors has been approved at the rate not exceeding 1% per annum of the net profits of your Company (computed in accordance with Sections 197, 198 and all other applicable provisions of the Companies Act, 2013). The proposal for distribution of Commission amongst the Independent Directors is placed before the Board. The Commission is distributed amongst Independent Directors in accordance with their individual contribution at the Board Meetings and certain Committee Meetings as well as time spent on operational matters other than at the meetings. The total amount of Commission, if paid, to the Independent Directors, under no circumstances exceed 1% of the net profits of your Company.

For the current financial year 2021-22, your Company has declared a total Commission of ₹ **30,00,000/- (Rupees Thirty Lacs only)** to four Independent Directors, i.e. ₹ **7,50,000/- (Rupees Seven Lacs Fifty Thousand only)** to each of the four Independent Directors, viz. Mr. Kamlesh Vikamsey, Mr. Ajay Mehta, Mr. Sanjay Asher and Mrs. Sudha Navandar. Your

Company has paid sitting fees to Independent Directors based on number of Board and Committee Meetings attended by each Independent Director. The details of the commission payable and the sitting fees paid individually is available in the chart given below.

Your Company pays sitting fees of ₹ 20,000 per Board Meeting attended and ₹ 10,000 per meeting attended of the various Committees to the Independent Directors.

Details of sitting fees paid/ commission payable to Independent Directors of your Company as on 31<sup>st</sup> March, 2022 are as follows:

<b>Names of the Independent Directors</b>	<b>Sitting Fees (in ₹)</b>	<b>Commission (in ₹)</b>	<b>Total (in ₹)</b>
Mr. Kamlesh Vikamsey	160,000	750,000	<b>910,000</b>
Mr. Ajay Mehta	210,000	750,000	<b>960,000</b>
Mr. Sanjay Asher	120,000	750,000	<b>870,000</b>
Mrs. Sudha Navandar	110,000	750,000	<b>860,000</b>

The above amounts are exclusive of Goods & Service Tax (GST).

None of the Independent Directors of your Company has any pecuniary relationship or transaction with your Company.

All the Independent Directors have complied with the limits of directorships and maximum tenure as per Regulation 25 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as per the applicable provisions of the Companies Act, 2013. The

appointment letter of the Independent Directors and their terms and conditions has been disclosed on the Company's website ([www.tbztheoriginal.com](http://www.tbztheoriginal.com)).

#### **M. Board Training and Induction:**

At the time of appointing a Director, a formal letter of appointment is given to him/her, which inter-alia explains the role, function, duties and responsibilities expected of him/her as a Director of your Company. The Director is also explained in detail, the compliances required from him/her under the Companies Act, 2013, Regulation 25 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other relevant regulations and his/her affirmation is taken with respect to the same.

By way of an introduction to your Company, the Director is presented with documents on rules & bye-laws, policies of your Company and the Standard Operating Processes (SOP) of your Company as a whole as well as for various departments are also shared with the incoming Director to acquaint him/her with the functioning of your Company. Apart from this your Company shares relevant Annual Reports, brochures for various schemes and programmes, and reports on the Gems and Jewellery Industry published by various agencies/ authorities. The functioning of various departments of your Company, the market share and markets in which it operates, governance and internal control process and other relevant information pertaining to your Company's business are also shared with the Director. The Managing Director and Executive Directors also has a one-to-one discussion with the newly appointed Director. The above initiatives help the Director to understand your Company, its business and the regulatory framework in which your Company operates and equips him/her to effectively fulfil his/her role as a Director of your Company.

#### **N. Familiarization Programme for Independent Directors:**

As per the requirement of Regulation 25(7) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, your Company has a program to familiarize Independent Directors with regard to their roles, rights, responsibilities as Independent Directors in your Company, nature of the industry in which your Company operates, the business model of your Company, etc. The Independent Directors are also provided with an overview of terms of appointment, the code of conduct of Board of Directors and insider trading regulations, disclosures and business interests of your Company and other important regulatory aspect as relevant for Independent Directors.

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

[https://www.tbztheoriginal.com/storage/TBZ-Fami-Program-ID\(21-22\).pdf](https://www.tbztheoriginal.com/storage/TBZ-Fami-Program-ID(21-22).pdf)

#### **O. Annual Evaluation of Performance / Board Evaluation Criteria:**

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

During the year under review, the Board adopted a formal mechanism for evaluating its own performance, the Directors individually including the Chairman of the Board as well as the evaluation of the working of its Committees. A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspect of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, experience and competencies, execution and performance of specific duties, obligations and governance.

As required under Section 134(3)(p) of the Companies Act, 2013 and Regulation 17(10) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors assessed the performance of Independent Directors as per the criteria laid down and have recommended their continuation on the Board of your Company.

A separate exercise was carried out to evaluate the performance of the Independent Directors and individual Directors including the Chairman of the

Board, who were evaluated on the parameters such as relevant experience, expertise and skills; devotion of time and attention to your Company's long term strategic issues, addressing the most relevant issues for your Company, discussing and endorsing your Company's strategy, Professional conduct, ethics and integrity, ability and willingness to speak up, focus on shareholder value creation, high governance standards, knowledge of business, process and procedure followed, openness of discussion/integrity, relationship with management, impact on key management decisions, level of attendance, engagement and contribution, independence of judgement, safeguarding the interest of your Company and its minority shareholder's interest etc. The performance evaluation of the Independent Directors was carried out by the entire Board, excluding the Independent Director being evaluated and the performance evaluation of the Chairman and Non-Independent Directors (Executive Directors) was carried out by the Independent Directors.

Having regard to the industry, size and nature of business your Company is engaged in, the Board expressed their satisfaction with the evaluation process which is sufficient, appropriate and found to be serving the purpose. Your Directors have expressed their satisfaction for the evaluation process, evaluation results, which reflected the overall engagement and the effectiveness of the Board and its Committees.

**P. Details of shares held by Directors:**

Following are the details of the shares held by the Directors of your Company as on 31<sup>st</sup> March, 2022:

Names of the Directors	Nature of Directorship	No. of Shares held
Mr. Shrikant Zaveri	Chairman & Managing Director	33,402,275
Ms. Binaisha Zaveri	Whole-time Director	5,285,000
Ms. Raashi Zaveri	Whole-time Director	4,572,500
Mr. Kamlesh Vikamsey	Independent Director	NIL
Mr. Ajay Mehta	Independent Director	NIL
Mr. Sanjay Asher	Independent Director	6,300
Mrs. Sudha Navandar	Independent Director	5

**Q. Separate Meeting of Independent Directors:**

Schedule IV of the Act, Listing Regulations and Secretarial Standard - 1 on Meetings of the Board of Directors mandates that the Independent Directors of the Company hold at least one meeting in a year, without the attendance of Non-Independent

Directors. During the year, a separate meeting of Independent Directors was held on 3<sup>rd</sup> February, 2022 through Video Conferencing (VC) / Other Audio Visual Means (OAVM) without the presence of other directors or management representatives, to review the performance of Non-Independent Directors, the Board and the Chairperson of the Company and to access the quality, quantity and timelines of flow of information between the management and the Board.

**II. BOARD COMMITTEES:**

With a view to have a more focused attention on business and for better governance and accountability, the Board has already constituted the following mandatory Committees viz. Audit Committee, Stakeholders Relationship Committee, Nomination and Remuneration Committee and Corporate Social Responsibility Committee. Your Company has also voluntarily constituted a Risk Management Committee which is mandatory as per Regulation 21 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for top 500 listed companies only based on market capitalization as on 31<sup>st</sup> March, 2020 (earlier top 100 listed companies). {SEBI (Listing Obligations & Disclosure Requirements) (Second Amendment) Regulations, 2021, vide Notification dated 5<sup>th</sup> May, 2021 has amended the requirement of Regulation 21(5) shall be applicable to top 1,000 (which was earlier 500) listed entities by market capitalization as at the end of the immediate previous financial year}. Apart from these your Company has also constituted a Special Committee of Board of Directors. The terms of reference of these Committees are determined by the Board and their relevance reviewed from time to time. Meetings of each of these Committees are convened by the respective Chairman of the Committee, who also informs the Board about the summary of discussions held in the Committee Meetings. The minutes of the Committee Meetings are sent to all Directors individually and tabled at the Board Meetings.

The Board has constituted six Committees and conducted separate meeting of the Independent Directors:

- 1) Audit Committee;
- 2) Nomination and Remuneration Committee;
- 3) Stakeholders Relationship Committee;
- 4) Special Committee of the Board of Directors;
- 5) Corporate Social Responsibility Committee (CSR Committee);
- 6) Risk Management Committee;
- 7) Separate Meeting of the Independent Directors.



## 1) Audit Committee:

The primary objective of the Audit Committee is to monitor and provide effective supervision of the management's financial reporting process with a view to ensure accurate, timely and proper disclosures and transparency, integrity and quality of financial reporting.

The Committee oversees the work carried out by the Management, Statutory and Internal Auditors on the financial reporting process and the safeguards employed by them.

The Audit Committee was constituted under the Chairmanship of Mr. Kamlesh Vikamsey, who comes with finance and accounting background. All the members of the Audit Committee are financially literate and have relevant finance and audit exposure. The Committee's composition meets with requirements of Section 177 of the Companies Act, 2013 and Regulation 18 read with Part C of Schedule II of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Audit Committee consists of the following members as on 31<sup>st</sup> March, 2022:

Name of the Members	Designation in the Committee	Nature of Directorship
Mr. Kamlesh Vikamsey	Chairman	Independent Director
Mr. Ajay Mehta	Member	Independent Director
Mr. Shrikant Zaveri	Member	Chairman & Managing Director

Mrs. Sudha Navandar (DIN: 02804964) Independent Director, is appointed as the member of the Audit Committee by the Board at its meeting held on 5<sup>th</sup> May, 2022.

The Audit Committee enjoys the following powers: -

- To investigate any activity within its terms of reference;
- To seek information from any employee;
- To obtain outside legal or other professional advice; and
- To secure attendance of outsiders with relevant expertise, if it considers necessary.

The role of the Audit Committee shall inter alia include the following:

- Overseeing your Company's financial reporting process and disclosure of its financial information

to ensure that the financial statement is correct, sufficient and creditable;

- Recommending to the Board for the appointment, remuneration and terms of appointment of auditors of your Company;
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- Reviewing, with the management, the annual financial statements and Auditor's Report thereon before submission to the Board for approval, with particular reference to:
  - Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of Clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013,
  - Changes, if any, in accounting policies and practices and reasons for the same,
  - Major accounting entries involving estimates based on the exercise of judgment by management,
  - Significant adjustments made in the financial statements arising out of audit findings,
  - Compliance with listing and other legal requirements relating to financial statements,
  - Disclosure of any related party transactions, and
  - Modified opinion(s) in the draft audit report;
- Reviewing, with the management, the quarterly, half-yearly and annual financial statements before submission to the Board for approval;
- Reviewing, with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document/prospectus/ notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- Reviewing, with the management, the performance of statutory and internal auditors, and adequacy of the internal control systems;

8. Approval or any subsequent modification of transactions of the Company with related parties;
  9. Scrutiny of inter-corporate loans and investments;
  10. Valuation of undertakings of assets of the Company, wherever it is necessary;
  11. Evaluation of internal financial controls and risk management systems;
  12. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
  13. Discussion with internal auditors on any significant findings and follow up there on;
  14. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
  15. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
  16. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
  17. To review the functioning of the Whistle Blower Mechanism;
  18. Approval of appointment of CFO (i.e. whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
  19. Review of management discussion and analysis of financial condition and results of operations, statements of significant related party transactions submitted by management, internal audit reports relating to internal control weaknesses, and the appointment, removal and terms of remuneration of the internal auditor;
  20. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
  21. Carrying out any other function as is mentioned in the terms of reference of the audit committee.
  22. Reviewing the utilization of loans and/or advances from/investment by the holding Company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on date of coming into force of this provision. (applicable w.e.f. 1<sup>st</sup> April, 2019)
- The Audit Committee shall mandatorily review the following information:
1. Management discussion and analysis of financial condition and results of operations;
  2. Statement of significant related party transactions (as defined by the audit committee), submitted by management;
  3. Management letters / letters of internal control weaknesses issued by the statutory auditors;
  4. Internal audit reports relating to internal control weaknesses;
  5. The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee; and
  6. Statement of deviations:
    - a) Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1);
    - b) Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).
- The recommendations of the Audit Committee on any matter relating to financial management, including the audit report, are binding on the Board. If the Board is not in agreement with the recommendations of the Committee, reasons for disagreement shall have to be recorded in the minutes in the Board Meeting and the same has to be communicated to the shareholders. The Chairman of the committee has to attend the Annual General Meetings of your Company to provide clarifications on the matters relating to the audit.

The Company Secretary is the Secretary to the Committee.

Mr. Kamlesh Vikamsey, Chairman of the Audit Committee, was present at the last Annual General Meeting of your Company held through Video Conferencing (VC) / Other Audio Visual Means (OAVM) on 16<sup>th</sup> September, 2021.

As at the year-end, the Audit Committee of the Board comprised of three members, two of them being Independent Directors. Mr. Kamlesh Vikamsey is a Chartered Accountant and is a financial expert.

During the year, four Audit Committee Meetings were held, all through Video Conferencing (VC) / Other Audio Visual Means (OAVM) in accordance with the provisions of law on 3<sup>rd</sup> May, 2021, 10<sup>th</sup> August, 2021, 10<sup>th</sup> November, 2021 and 3<sup>rd</sup> February, 2022.

The attendance record of the members of the Audit Committee is given below:

Name of the Members	No. of Meetings	
	Held	Attended
Mr. Kamlesh Vikamsey	4	4
Mr. Ajay Mehta	4	4
Mr. Shrikant Zaveri	4	4

## 2) Nomination and Remuneration Committee:

The Nomination and Remuneration Committee's composition meets the requirements of Section 178 of the Companies Act, 2013 and Regulation 19 read with Part D of Schedule II of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. All the members of the Nomination and Remuneration Committee are Non-Executive and Independent Directors. Mr. Ajay Mehta, Independent Director, is the Chairman of the Committee.

The Nomination and Remuneration Committee consist of the following members as on 31<sup>st</sup> March, 2022:

Name of the Members	Designation in the Committee	Nature of Directorship
Mr. Ajay Mehta	Chairman	Independent Director
Mr. Kamlesh Vikamsey	Member	Independent Director
Mr. Sanjay Asher	Member	Independent Director

Mrs. Sudha Navandar (DIN: 02804964) Independent Director, is appointed as the member of the

Nomination and Remuneration Committee by the Board at its meeting held on 5<sup>th</sup> May, 2022.

The Company Secretary is the Secretary to the Committee.

The terms of reference of the Nomination and Remuneration Committee shall inter alia includes identifying persons who are qualified to become directors and who may be appointed in Senior Management in accordance with the criteria laid down, recommending to the Board their appointment and removal and carrying out evaluation of every director's performance; laying down the evaluation criteria for performance evaluation of Independent Directors and the Board of Directors; formulating the criteria for determining qualifications, positive attributes and independence of a director and recommending to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees; for every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may: (a) use the services of an external agencies, if required; (b) consider candidates from a wide range of backgrounds, having due regard to diversity; and (c) consider the time commitments of the candidates; devising the policy on Board diversity; whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors. The members of Nomination and Remuneration Committee need to recommend to the Board, all remuneration, in whatever form, payable to Senior Management. The Nomination and Remuneration Policy is available on your Company's website ([www.tbztheoriginal.com](http://www.tbztheoriginal.com)) at the below link:

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

Mr. Ajay Mehta, Chairman of the Nomination and Remuneration Committee, was present at the last Annual General Meeting of your Company held through Video Conferencing (VC) / Other Audio Visual Means (OAVM) on 16<sup>th</sup> September, 2021.

During the year, one Nomination and Remuneration Committee Meeting was held, through Video

Conferencing (VC) / Other Audio Visual Means (OAVM) in accordance with the provisions of law on 3<sup>rd</sup> May, 2021.

The attendance record of the members of the Nomination and Remuneration Committee is given below:

Name of the Members	No. of Meetings	
	Held	Attended
Mr. Ajay Mehta	1	1
Mr. Kamlesh Vikamsey	1	1
Mr. Sanjay Asher	1	1

### 3) Stakeholders Relationship Committee:

The Stakeholders Relationship Committee's composition meets the requirements of Section 178 of the Companies Act, 2013 and Regulation 20 read with Part D of Schedule II of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Stakeholders Relationship Committee consists of the following members as on 31<sup>st</sup> March, 2022:

Name of the Members	Designation in the Committee	Nature of Directorship
Mr. Ajay Mehta	Chairman	Independent Director
Mr. Shrikant Zaveri	Member	Chairman & Managing Director
Ms. Binaisha Zaveri	Member	Whole-time Director
Ms. Raashi Zaveri	Member	Whole-time Director

Mr. Niraj Oza, Head Legal & Company Secretary is designated as the Compliance officer of your Company.

The Company Secretary is the Secretary to the Committee.

The terms of reference of the Stakeholders Relationship Committee as per Section 178(6) and as specified in Part D of Schedule II of Regulation 20 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, shall inter alia include following role:

1. Resolving the grievances of the security holders of your Company including complaints related to transfer/ transmission of shares, non-receipt

of annual report and non-receipt of declared dividend, issue of new/ duplicate certificates, general meetings, etc.

2. Review of measures taken for effective exercise of voting rights by shareholders.
3. Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar and Share Transfer Agent.
4. Review of various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/ annual reports/ statutory notices by the shareholders of the Company.

Mr. Ajay Mehta, Chairman of the Stakeholders Relationship Committee, was present at the last Annual General Meeting of your Company held through Video Conferencing (VC) / Other Audio Visual Means (OAVM) on 16<sup>th</sup> September, 2021.

During the year, four Stakeholders Relationship Committee Meetings were held, through Video Conferencing (VC) / Other Audio Visual Means (OAVM) in accordance with the provisions of law and physical meeting on 3<sup>rd</sup> May, 2021, 10<sup>th</sup> August, 2021, 11<sup>th</sup> November, 2021 and 3<sup>rd</sup> February, 2022.

The attendance record of the members of the Stakeholders Relationship Committee is given below:

Name of the Members	No. of Meetings	
	Held	Attended
Mr. Ajay Mehta	4	3
Mr. Shrikant Zaveri	4	4
Ms. Binaisha Zaveri	4	4
Ms. Raashi Zaveri	4	3

### Investors Grievances:

Continuous efforts are being made to ensure that Investor's grievances are expeditiously redressed to the satisfaction of the investors.

Your Company and KFin Technologies Limited (Registrar & Share Transfer Agent) attend and resolves all the grievances of the investors promptly on their receipt, whether received directly or through SEBI, Stock Exchanges, Ministry of Corporate Affairs etc.

**Details of number of requests/ complaints received and resolved during the year ended 31<sup>st</sup> March, 2022 are as under:**

Sr. No.	Nature of Complaints	Pending as on 1 <sup>st</sup> April, 2021	Received during the year	Disposed during the year	Pending as on 31 <sup>st</sup> March, 2022
1.	Non-Receipt of Annual Report	0	0	0	0
2.	Non-Receipt of Dividend Warrants	0	0	0	0
3.	BSE - Complaint by shareholders	0	0	0	0
4.	NSE - Complaint by shareholders	0	0	0	0
5.	SEBI - Complaint by shareholders	0	0	0	0
6.	ROC - Complaint by shareholders	0	0	0	0
<b>Total</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**4) Special Committee of the Board of Directors:**

The Board of Directors has constituted Special Committee of the Board of Director and delegated some of the powers enjoyed by the Board of Directors to the Special Committee of the Board of Directors, which are not prohibited by Section 179 of the Companies Act, 2013.

The Special Committee of Board of Directors consist of following members as on 31<sup>st</sup> March, 2022:

Name of the Members	Designation in the Committee	Nature of Directorship
Mr. Shrikant Zaveri	Chairman	Chairman & Managing Director
Ms. Binaisha Zaveri	Member	Whole-time Director
Ms. Raashi Zaveri	Member	Whole-time Director

The Company Secretary is the Secretary to the Committee.

During the year, one Special Committee Meetings of Board of Directors was held on 7<sup>th</sup> March, 2022.

The attendance record of the members of the Special Committee of Board of Directors is given below:

Name of the Members	No. of Meetings	
	Held	Attended
Mr. Shrikant Zaveri	1	1
Ms. Binaisha Zaveri	1	1
Ms. Raashi Zaveri	1	1

**5) Corporate Social Responsibility Committee (CSR Committee):**

The Corporate Social Responsibility Committee (CSR Committee) of the Board of Director was constituted as per the requirements of the Section 135 and all other applicable provision of the Companies Act, 2013. The Corporate Social Responsibility Committee (CSR

Committee) of the Board of Director was constituted to carry out the functions and duties as mentioned in the Section 135 and activities as mentioned in Schedule VII of the Companies Act, 2013 and align to the CSR Policy of your Company.

The Corporate Social Responsibility Committee consist of the following members as on 31<sup>st</sup> March, 2022:

Name of the Members	Designation in the Committee	Nature of Directorship
Mr. Shrikant Zaveri	Chairman	Chairman & Managing Director
Mr. Ajay Mehta	Member	Independent Director
Ms. Binaisha Zaveri	Member	Whole-time Director
Ms. Raashi Zaveri	Member	Whole-time Director

The Company Secretary is the Secretary to the Committee.

The terms of reference of Corporate Social Responsibility Committee are as under:

- To formulate and recommend to the Board a Corporate Social Responsibility Policy ('CSR Policy'), indicating the activities to be undertaken by your Company for the areas mapped under Schedule VII of the Companies Act, 2013.
- Recommend the amount of expenditure to be incurred on the activities listed in CSR Policy.
- Monitor the CSR Policy of the Company from time to time.
- Such other roles and functions as may be prescribed in the Companies Act, 2013 and Rules made thereunder.

Report on CSR Activities: As required under the Companies Act, 2013 and Rules made thereunder, the information on CSR activities undertaken by the Company during the year ended 31<sup>st</sup> March,

2022 is annexed to the Directors' Report. The CSR Policy is available on your Company's website ([www.tbztheoriginal.com](http://www.tbztheoriginal.com)) at the below link:

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

As per the requirement under the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021, your Company have disclosed the composition of the CSR Committee on the Company's website ([www.tbztheoriginal.com](http://www.tbztheoriginal.com)) at the below link:

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

All the recommendations of the Corporate Social Responsibility Committee were accepted by the Board of Director of your Company.

During the year, four Corporate Social Responsibility Committee Meetings were held, through Video Conferencing (VC) / Other Audio Visual Means (OAVM) in accordance with the provisions of law and physical meeting on 3<sup>rd</sup> May, 2021, 10<sup>th</sup> August, 2021, 11<sup>th</sup> November, 2021 and 3<sup>rd</sup> February, 2022.

The attendance record of the members of the Corporate Social Responsibility Committee is given below:

Name of the Members	No. of Meetings	
	Held	Attended
Mr. Shrikant Zaveri	4	4
Mr. Ajay Mehta	4	3
Ms. Binaisha Zaveri	4	4
Ms. Raashi Zaveri	4	3

## 6) Risk Management Committee:

As per the requirement of Regulation 21(5) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 the constitution of a Risk Management Committee shall be applicable to top 1000 listed companies (earlier top 500 listed companies), determined on the basis of market capitalization, as at the end of the immediate previous financial year as per SEBI (Listing Obligations & Disclosure Requirements) (Second Amendment) Regulations, 2021, vide Notification dated 5<sup>th</sup> May, 2021. Accordingly, constitution of Risk Management Committee has now become mandatory for your Company, but to follow Corporate Governance in the right spirit your Company has already voluntarily constituted the Risk Management Committee of the Board.

The Risk Management Committee of the Board of Directors was voluntarily constituted. Risk Management Committee provides assistance to the Board of Directors in fulfilling its objective of controlling/ monitoring various risks prevailing in the functioning of your Company in day to day life including the review and functioning of Gold Price Risk Management Policy of your Company as well as reviewing measures to be taken to mitigate the risk on hedging in domestic as well as international market, to evaluate and identify the major strategic, operational, regulatory risks inherent in the business of your Company, to evaluate and identify various types of external and internal risks and to suggest various control measures to be adopted. The Risk Management Committee also needs to review Cyber Security of your Company.

The members of the Risk Management Committee in compliance with the SEBI's Notification dated 5<sup>th</sup> May, 2021, in requirement of compliance with Regulation 21 and other applicable Regulations of the amended Listing Regulations vide SEBI's Notification dated 5<sup>th</sup> May, 2021, based on the approval and recommendation of the Risk Management Committee, the Board of Directors of your Company has approved and adopted the Risk Management Policy of the Company and the same to be effective from the date of Notification issued by SEBI, i.e. 5<sup>th</sup> May, 2021

Based on the SEBI's Notification dated 5<sup>th</sup> May, 2021, based on the approval and recommendation of the Risk Management Committee, the Board of Directors of your Company has approved and adopted the revised Roles of Risk Management Committee are as stated as follows:

- (1) To formulate a detailed risk management policy which shall include:
  - a) A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.
  - b) Measures for risk mitigation including systems and processes for internal control of identified risks.
  - c) Business continuity plan.
- (2) To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
- (3) To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;

- (4) To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
- (5) To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;
- (6) The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee;
- (7) The Risk Management Committee shall coordinate its activities with other committees, in instances where there is any overlap with activities of such committees, as per the framework laid down by Board of Directors.
- (8) The Risk Management Committee shall have powers to seek information from any employee, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise, if it considers necessary.
- (9) Review the functioning of the Gold Price Risk Management Policy of the Company as well as reviewing the measures taken to mitigating the risk on hedging in domestic as well as international market; and to suggest and make necessary changes and amendment as and when required in Gold Price Risk Management Policy.

The Risk Management Committee consists of the following members as on 31<sup>st</sup> March, 2022:

Name of the Members	Designation in the Committee	Nature of Directorship
Mr. Shrikant Zaveri	Chairman	Chairman & Managing Director
Mr. Ajay Mehta	Member	Independent Director
Ms. Binaisha Zaveri	Member	Whole-time Director
Ms. Raashi Zaveri	Member	Whole-time Director
Mr. Saurav Banerjee	Member	Chief Financial Officer

Mr. Sunil Gujarathi ceased to be the member of Risk Management Committee w.e.f. 10<sup>th</sup> August, 2021.

The Company Secretary is the Secretary to the Committee.

During the year, two Risk Management Committee Meetings was held, through Video Conferencing (VC) / Other Audio Visual Means (OAVM) in accordance with the provisions of law and physical meeting on 10<sup>th</sup> August, 2021 and 11<sup>th</sup> November, 2021.

The attendance record of the members of the Risk Management Committee is given below:

Name of the Members	No. of Meetings	
	Held	Attended
Mr. Shrikant Zaveri	2	2
Ms. Binaisha Zaveri	2	2
Ms. Raashi Zaveri	2	2
Mr. Ajay Mehta	2	1
Mr. Saurav Banerjee	2	2

#### 7) Separate Meeting of the Independent Directors (Separate Meeting):

As per the requirements of the Regulation 25(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Independent Directors of your Company have met on 3<sup>rd</sup> February, 2022, through Video Conferencing (VC) / Other Audio Visual Means (OAVM), inter-alia to:

1. Review and evaluate of the performance of non-independent directors and the Board as a whole;
2. Review and evaluate of the performance of the Chairperson of your Company, taking into account the views of Executive Directors and Non-Executive Directors (Independent Directors);
3. Access and evaluate the quality, quantity/content and timeliness of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

The separate meeting of the Independent Directors consist of the following members as on 31<sup>st</sup> March, 2022:

Name of the Members	Designation in the Committee	Nature of Directorship
Mr. Kamlesh Vikamsey	Chairman	Independent Director
Mr. Ajay Mehta	Member	Independent Director
Mr. Sanjay Asher	Member	Independent Director
Mrs. Sudha Navandar	Member	Independent Director

During the year, one Separate Meeting of Independent Directors meeting was held, through Video Conferencing (VC) / Other Audio Visual Means (OAVM) in accordance with the provisions of law on 3<sup>rd</sup> February, 2022.

All the Independent Directors were present at the meeting.

### III. GENERAL BODY MEETINGS:

#### A. Annual General Meeting (AGM):

Location, date and time of the Annual General Meetings held in the last three years are as under:

Year	Location of the Meeting	Date	Time
2018-19	Rangaswar Hall, 4 <sup>th</sup> Floor, Yashwantrao Chavan Pratishthan (Y. B. Chavan), General Jagannath Bhosle Marg, Besides Sachivalaya Gymkhana, Nariman Point, Mumbai – 400 021.	25 <sup>th</sup> September, 2019	3.30 p.m.
2019-20	The meeting was held through Video Conferencing (VC) / Other Audio Visual Means (OAVM) from Mumbai (as per the Circulars issued by MCA & SEBI).	30 <sup>th</sup> September, 2020	11.30 a.m.
2020-21	The meeting was held through Video Conferencing (VC) / Other Audio Visual Means (OAVM) from Mumbai (as per the Circulars issued by MCA & SEBI).	16 <sup>th</sup> September, 2021	11.30 a.m.

No Special Resolutions were passed in the AGM held on 25<sup>th</sup> September, 2019.

Three Special Resolutions were passed in the AGM held on 30<sup>th</sup> September, 2020 through Video Conferencing (VC) / Other Audio Visual Means (OAVM) which are as follows:

- (i) To consider re-appointment of Mr. Shrikant Zaveri (DIN: 00263725) as Chairman & Managing Director of the Company and fixing terms of appointment and remuneration.
- (ii) To consider re-appointment of Ms. Binaisha Zaveri (DIN: 00263657) as Whole-time Director of the Company and fixing terms of appointment and remuneration.
- (iii) To consider re-appointment of Ms. Raashi Zaveri (DIN: 00713688) as Whole-time Director of the Company and fixing terms of appointment and remuneration.

No Special Resolutions were passed in the AGM held on 16<sup>th</sup> September, 2021 through Video Conferencing (VC) / Other Audio Visual Means (OAVM).

No postal ballot activity was carried out during the previous financial year 2020-21 and current financial year 2021-22.

#### B. Extra Ordinary General Meeting (EGM):

During last three financial years, i.e. from year 2018-19 to 2020-21, your Company has not held any Extra Ordinary General Meeting (EGM). During the current financial year 2021-22 your Company has not held any Extra Ordinary General Meeting (EGM).

#### C. Details of Special Resolution passed through Postal Ballot, the persons who conducted the Postal Ballot exercise and details of the voting pattern:

No special resolution was passed through postal ballot during the previous financial year 2020-21 and

current financial year 2021-22. None of the businesses proposed to be transacted in the ensuing Annual General Meeting require passing a special resolution through postal ballot.

### IV. SUBSIDIARY COMPANY/(IES):

For the year under review, i.e. as on 31<sup>st</sup> March, 2022, your Company has one wholly owned subsidiary company namely; Tribhovandas Bhimji Zaveri (Bombay) Limited as per Section 2(87) of the Companies Act, 2013.

Your Company does not have any material subsidiary as defined under Regulation 16(1)(c) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, viz. a subsidiary, whose income or net worth (i.e. paid-up capital and free reserves) exceeds 10% of the consolidated income or net worth respectively, of the listed holding company and its subsidiaries in the immediate preceding accounting year. It is, therefore, not required to have an Independent Director of your Company on the Board of such subsidiary.

Your Company's Audit Committee reviews the consolidated financial statements of your Company as well as the financial statements of the subsidiary. The minutes of the Board Meetings are periodically placed before the Board of Directors of your Company.

Your Company has framed and adopted a Policy for Determining Material Subsidiary, pursuant to the provisions of the Companies Act, 2013 and Rules made thereunder and the requirements of the Regulation 16(1)(c) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Policy can be downloaded from your Company's website ([www.tbztheoriginal.com](http://www.tbztheoriginal.com)), at the below link:

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



**V. DISCLOSURES:****A. Disclosure of materially significant Related Party Transactions:**

All related party transactions that have been entered were in the ordinary course of business and were placed periodically before the Audit Committee and the Board of Directors. All transactions with the related parties were at arm's length.

There were no materially significant related party transactions, pecuniary transactions or relationships between your Company and its Directors for the financial year ended 31<sup>st</sup> March, 2022 that may have a potential conflict with the interest of your Company at large.

All details relating to financial and commercial transactions where Directors may have a pecuniary interest are provided to the Board and the interested Directors neither participate in the discussion nor vote on such matters.

Transactions with related parties, as per the requirements of Indian Accounting Standards (Ind. AS) - 24, are disclosed in this Annual Report and they are not in conflict with the interest of your Company at large.

Your Company has adopted Policy on materiality of Related Party Transactions and manner of dealing with Related Party Transactions as per the requirements of the provisions of Regulation 23(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and all other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and also to comply with the provisions of Section 188 of the Companies Act, 2013 and the Rules framed thereunder as amended from time to time. The Policy can be downloaded from your Company's website ([www.tbztheoriginal.com](http://www.tbztheoriginal.com)) at the below link:

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

**B. Disclosure of Accounting Treatment:**

Your Company has followed the Indian Accounting Standards (Ind AS) prescribed under Section 133 read with Section 469 of the Companies Act, 2013 ('Act') read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant rules of the Companies (Indian Accounting Standards) Rules, 2015, the provisions of the Act (to the extent notified) and other accounting

principles generally accepted in India, to the extent applicable in the preparation of financial statements and has not adopted a treatment different from that prescribed in Indian Accounting Standards (Ind AS). The significant accounting policies which are consistently applied have been set out in the Notes to the Financial Statements.

**C. Risk Management Framework:**

Your Company has in place a mechanism to inform the Board Members about the Risk Assessment and Minimization procedures and periodical reviews to ensure that risk is controlled by the Executive Management through the means of a properly defined framework. For more details on Business Risk Management refer to the Directors' Report.

**D. Statutory Listing Compliances / (Strictures and Penalties):**

Your Company has complied with the requirements of the Stock Exchanges / Securities and Exchange Board of India (SEBI) and statutory authorities on all matters related to the capital markets from the date of listing. There were no instances of strictures or penalties imposed on your Company by the Stock Exchanges or Securities and Exchange Board of India (SEBI) or any statutory authorities on any matter related to the capital market since date of listing (i.e. 9<sup>th</sup> May, 2012).

**E. Details of Utilisation of the funds out of the proceeds from the Public Issue:**

During the year under review, there were no IPO proceeds left from the Public Issue. Your Company has fully utilized the IPO proceeds from the Public Issue during the financial year 2012-13. IPO Proceeds were utilized for the purpose stated in the Prospectus and there were no deviations in utilization of funds from those stated in the Prospectus.

**F. Vigil Mechanism / Whistle Blower Policy**

Your Company promotes ethical behaviour in all its business activities and has put in place a mechanism for reporting illegal or unethical behaviour.

The Board of Director of your Company has adopted and established a Vigil Mechanism as per the requirements of the Companies Act, 2013 and as per the Regulation 22 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. Your Company has established / adopted a Whistle Blower Policy (Vigil Mechanism) for directors and employees of your Company to report concerns about unethical behaviour, actual or suspected fraud or violation of your Company's Code

of Conduct or ethics policy. The Whistle Blower Policy ensures that strict confidentiality is maintained whilst dealing with concerns and also that no discrimination will be meted out to any person for a genuinely raised concern. The policy provides adequate safeguard against victimization of director(s) / employee(s) who has availed the mechanism and also provide for direct access to the Chairman of the Audit Committee in exceptional cases. During the year under review, no employee or personnel has been denied access to the Audit Committee.

In this regard your Company has already created dedicated email id, viz. [wb.tbz@tbzoriginal.com](mailto:wb.tbz@tbzoriginal.com) which is monitored by Mr. Niraj Oza, Head Legal & Company Secretary and Compliance Officer of your Company, who is also the designated officer for the said purpose. The concern can also be raised in writing in the form of a letter signed by the concerned director(s) or employee(s) of your Company.

The policy document can be downloaded from your Company's website ([www.tbztheoriginal.com](http://www.tbztheoriginal.com)), at the below link:

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

#### G. Prevention of Insider Trading

In compliance with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, your Company has adopted the Code of Conduct for Regulating, Monitoring and Reporting of Trading by Insiders (earlier, Code of Conduct for Prevention of Insider Trading) for prevention of Insider Trading with a view to regulate trading in securities by the directors and designated employees of your Company. The Code requires pre-clearance for dealing in your Company's shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to your Company and during the period when the Trading Window is closed. The Company Secretary & Compliance Officer is responsible for implementation of the Code.

All the Board Directors and the designated employees have confirmed compliance with the Code.

The Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information is available on your Company's website ([www.tbztheoriginal.com](http://www.tbztheoriginal.com)) at the below link:

[https://www.tbztheoriginal.com/storage/TBZ\\_Fair\\_Disc\\_UPSI.pdf](https://www.tbztheoriginal.com/storage/TBZ_Fair_Disc_UPSI.pdf).

#### H. Internal Controls

Your Company has a formal system of internal control testing which examines both the design effectiveness and operational effectiveness to ensure reliability of financial and operational information and all statutory / regulatory compliances. Your Company's business processes are on Oracle platforms / systems and have a strong monitoring and reporting process resulting in financial discipline and accountability.

#### I. Policy for Determining Material Subsidiary

Your Company is in compliance with the provisions in relation to material subsidiary wherever applicable. Your Company do not have any material subsidiary company. Policy for Determining Material Subsidiary is posted on your Company's website ([www.tbztheoriginal.com](http://www.tbztheoriginal.com)), at the below link:

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

#### J. Dividend Distribution Policy

Your Company has adopted a Dividend Distribution Policy, which aims to ensure fairness, sustainability and consistency in distributing profits to the Shareholders. The Dividend Distribution Policy is posted on your Company's website ([www.tbztheoriginal.com](http://www.tbztheoriginal.com)), at the below link:

<https://www.tbztheoriginal.com/storage/TBZ-Dividend%20Distribution%20Policy.pdf>.

#### K. Disclosure of commodity price risk and commodity hedging activities:

This has been discussed under point no. VII (xxxiv) of this Corporate Governance Report.

#### VI. MEANS OF COMMUNICATION:

- i) The Quarterly/ Annual Financial Results of your Company are published in an English newspaper viz. 'The Free Press Journal', and in a vernacular newspaper (in Marathi) viz. 'Navshakti';
- ii) The following are also promptly displayed on your Company's website, [www.tbztheoriginal.com](http://www.tbztheoriginal.com) under the 'Investors' Section:
  - Quarterly Results, Financial Results, Shareholding Pattern, Annual Report;
  - Official Press release in the 'Media Room' and 'Investor Information' Sections;
  - The Presentations made to institutional investors or to the analysts;

- Investor Complaints/ Grievances Report, Corporate Governance Report, Reconciliation of Share Capital Audit Report and various compliance reports.
- All the reports, statements, documents, filings and any other information that are required to be submitted with the Stock Exchanges will be simultaneously filed with / uploaded on your Company's website ([www.tbztheoriginal.com](http://www.tbztheoriginal.com)).

Note: Annual Report, Notice of the Annual General Meetings and other communications to the Shareholder are sent through e-mails only, in view of the continuing outbreak of COVID-19 pandemic, social distancing norm to be followed and the continuing restriction on movement of persons at several places in the country and the difficulties involved in dispatching of physical copies of Annual Report, the Ministry of Corporate Affairs in continuation of MCA's earlier General Circular No. 20/2020 dated 5<sup>th</sup> May, 2020, General Circulation no. 02/2021 dated 13<sup>th</sup> January, 2021; and vide its new General Circular No. 3/2022 dated 5<sup>th</sup> May, 2022 and Securities and Exchange Board of India vide its earlier Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12<sup>th</sup> May, 2020, Circular No. SEBI/HO/CFD/CMD2/

CIR/P/2021/11 dated 15<sup>th</sup> January, 2021 and vide its new Circular No. SEBI/HO/CFD/CMD2/ CIR/P/2022/62 dated 13<sup>th</sup> May, 2022 relaxation / permission are extended to the AGM of the Companies due in year 2022, till 31<sup>st</sup> December, 2022:

- the Companies to send the Annual Report only by e-mail who have registered their email ID with the Company/Depositories;
- and conduct of 15<sup>th</sup> Annual General Meeting through video conferencing (VC) or other audio-visual means (OAVM) facility. Thereafter, the Annual Report for FY 2021-22 and Notice of 15<sup>th</sup> AGM of the Company is being sent to the Members at their registered e-mail addresses in accordance with MCA and SEBI Circulars.

### iii) Filings with Stock Exchanges:

All the reports, statements, documents, filings and any other information that are required to be submitted with the recognised stock exchanges as per the Listing Regulations, are disseminated / uploaded on website <https://listing.bseindia.com> / under "BSE Listing Centre" and on <https://neaps.nseindia.com/NEWLISTINGCORP/> / under "NSE Electronics Application Processing System (NEAPS)."

## VII. GENERAL SHAREHOLDERS INFORMATION:

i) <b>Annual General Meeting</b> Day, Date and Time	<b>Monday, 29<sup>th</sup> August, 2022 at 11.30 a.m.</b> by way of Video Conferencing (VC) / Other Audio-Visual Means (OAVM)
Deemed Venue of the meeting	<b>Registered Office:</b> 241/ 43, Zaveri Bazar, Mumbai – 400 002.
ii) Financial Calendar – 2022-23 (Tentative) Results	Meeting to be held on or before following dates:
Unaudited Results for the quarter ending 30 <sup>th</sup> June, 2022	On or before 14 <sup>th</sup> August, 2022
Unaudited Results for the quarter ending 30 <sup>th</sup> September, 2022	On or before 14 <sup>th</sup> November, 2022
Unaudited Results for the quarter ending 31 <sup>st</sup> December, 2022	On or before 14 <sup>th</sup> February, 2023
Audited Results for the year ending 31 <sup>st</sup> March, 2023	On or before 30 <sup>th</sup> May, 2023
AGM for the approval of the Audited accounts for the year ended 31 <sup>st</sup> March, 2023	On or before 30 <sup>th</sup> September, 2023
Financial Year	1 <sup>st</sup> April to 31 <sup>st</sup> March
iii) Book Closure Date	Tuesday, 23 <sup>rd</sup> August, 2022 to Monday, 29 <sup>th</sup> August, 2022 (both days inclusive)
iv) Dividend payment date and dividend per Equity Share	Dividend shall be paid to all the eligible shareholders on or after 2 <sup>nd</sup> September, 2022. The Board of Directors having recommended a Dividend of ₹ 1 (One Rupee only) per equity share of face value of ₹ 10 each, i.e. 10% for the financial year ended 31 <sup>st</sup> March, 2022. The payment is subject to the approval of the shareholders at the ensuing Annual General Meeting of your Company.

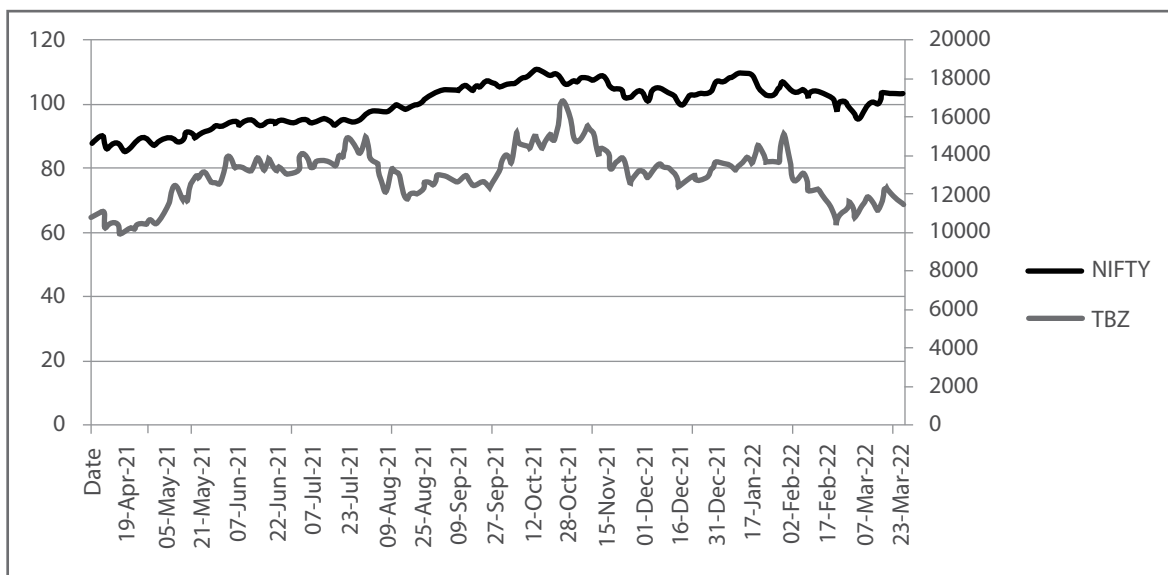
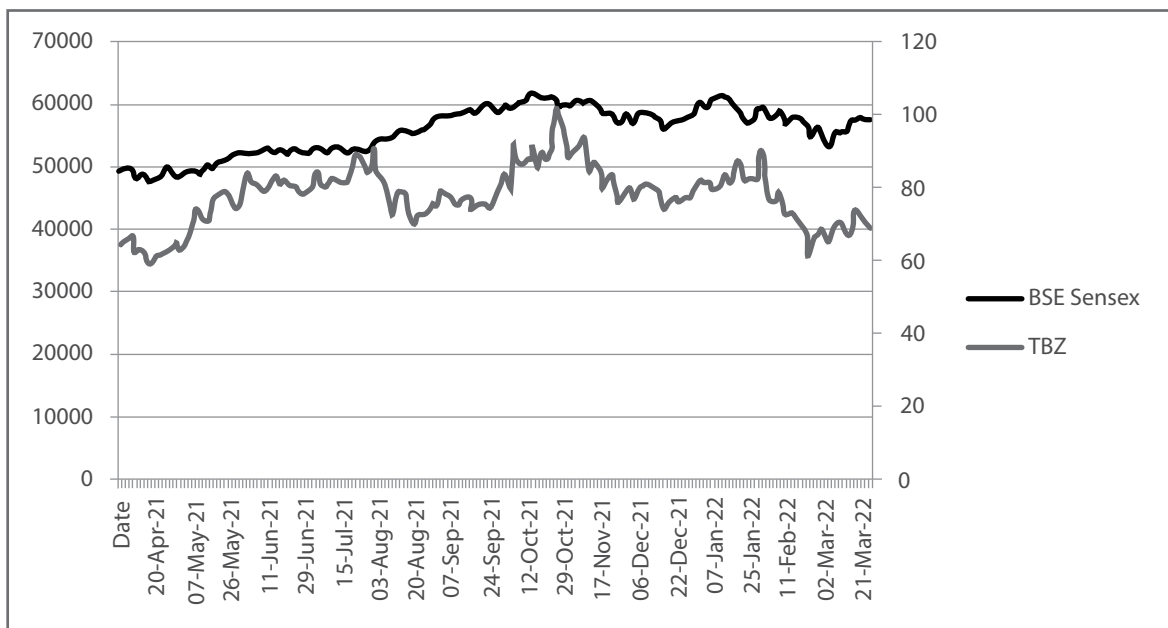
v) Listing on Stock Exchanges	The equity shares of your Company got listed on 9 <sup>th</sup> May, 2012 on: <b>BSE Limited (BSE)</b> Corporate Service Department, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001 <b>National Stock Exchange of India Limited (NSE)</b> Exchange Plaza, Plot No. C/1 G Block, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051
vi) Payment of Listing Fees	Your Company has paid applicable Listing Fees to the BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) for the financial years 2021-22 and 2022-23.
vii) Payment of Custodial Fees	Your Company (as on date of signing of this report) has already paid annual custodial fees to Central Depository Services (India) Limited (CDSL) as well as National Securities Depository Limited (NSDL) for the financial year 2022-23.
viii) Stock Code/ Symbol:	
Bombay Stock Exchange code:	534369
National Stock Exchange Symbol:	TBZ
ix) Dematerialization ISIN Number for NSDL & CDSL	INE760L01018
x) Corporate Identification Number (CIN No.)	L27205MH2007PLC172598
xi) Outstanding GDR/ ADR/ Warrants or any convertible instruments, conversion date and impact on equity.	Your Company has not issued any GDRs/ ADRs/ Warrants or any other convertible instrument.

As required under regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 and Secretarial Standard - 2 (SS-2), particulars of Directors seeking appointment / appointment of Director retiring by rotation at ensuing 15<sup>th</sup> AGM are given in the Annexure to the Notice of ensuing 15<sup>th</sup> AGM.

**xii) Stock Performance:**

**Market Price Data (High / Low) during each month of the financial year 2021-22 at NSE & BSE:** High, Low prices (based on closing prices) and number of shares traded during each month in the financial year 2021-22 on National Stock Exchange of India Limited (NSE) and BSE Limited (BSE):

Month	National Stock Exchange of India Limited (NSE)			Bombay Stock Exchange Limited (BSE)		
	High (₹)	Low (₹)	Total Number of Shares Traded	High (₹)	Low (₹)	Total Number of Shares Traded
April 2021	68.75	58.20	1,631,790	68.50	58.05	267,314
May 2021	82.65	61.40	12,059,126	82.50	61.20	1,150,926
June 2021	88.85	74.05	15,943,510	88.70	74.10	3,710,101
July 2021	91.00	78.00	13,837,523	91.00	78.00	2,215,704
August 2021	92.25	68.55	11,244,724	92.15	68.55	3,000,642
September 2021	80.80	73.60	5,067,459	80.75	72.95	935,802
October 2021	104.40	77.95	21,333,586	104.40	78.00	3,247,826
November 2021	101.25	75.20	9,439,788	101.00	75.00	1,423,424
December 2021	82.00	73.50	2,876,348	82.10	73.60	438,418
January 2022	89.70	75.50	6,470,509	89.90	78.00	583,519
February 2022	90.90	61.00	6,100,701	90.90	61.10	717,004
March 2022	74.80	65.00	3,276,266	74.90	65.20	444,655

**Performance of TBZ share price in comparison with NSE Nifty:****Performance of TBZ share price in comparison with BSE Sensex:**

**xiii) List of Top 10 Shareholders as on 31<sup>st</sup> March, 2022:**

Sr. No.	Name	Holding	% of Shareholding
1	Shrikant Gopaldas Zaveri	33,402,275	50.06%
2	Binaisha Shrikant Zaveri	5,285,000	7.92%
3	Raashi Zaveri	4,572,500	6.85%
4	Bindu Shrikant Zaveri	3,500,000	5.24%
5	Tribhovandas Bhimji Zaveri (TBZ) Private Limited	1,350,000	2.03%
6	Tribhovandas Bhimji Zaveri Jewellers (Mumbai) Private Limited	1,350,000	2.02%
7	Vijaykumar Patel	688,901	1.03%
8	Sonal D. Shah	500,000	0.75%
9	Urmila D. Shah	500,000	0.75%
10	Preeti N. Shah	500,000	0.75%
<b>Total</b>		<b>51,648,676</b>	<b>77.40%</b>

**xiv) Distribution of Shareholding as on 31<sup>st</sup> March, 2022:**

Holding	No. of Shareholders		No. of Shares & Amount		
	No. of Holders	% to Total Holders	Total Shares	Amount (in ₹)	% to Capital
1-5,000	30,720	88.07%	3,426,409	34,264,090	5.13%
5,001-10,000	2,219	6.36%	1,820,572	18,205,720	2.73%
10,001-20,000	1,019	2.92%	1,527,369	15,273,690	2.29%
20,001-30,000	346	1.00%	892,168	8,921,680	1.34%
30,001-40,000	148	0.42%	530,616	5,306,160	0.79%
40,001-50,000	119	0.34%	566,191	5,661,910	0.85%
50,001-100,000	166	0.48%	1,201,521	12,015,210	1.80%
100,001 and above	143	0.41%	56,765,774	567,657,740	85.07%
<b>Total</b>	<b>34,880</b>	<b>100%</b>	<b>66,730,620</b>	<b>667,306,200</b>	<b>100%</b>

**xv) Shareholding Pattern by ownership as on 31<sup>st</sup> March, 2022 as compared with that of 31<sup>st</sup> March, 2021:**

Particulars	As on 31 <sup>st</sup> March, 2022				As on 31 <sup>st</sup> March, 2021			
	No. of share holders	% of share holder	No. of shares held	% of shareholding	No. of shares holder	% of share holders	No. of shares held	% of shareholding
Promoter Director (Group)	4	0.02%	46,759,775	70.07%	4	0.02%	46,759,775	70.07%
Foreign Institutional Investors	0	0.00%	0	0.00%	0	0.00%	0	0.00%
Resident Individuals	33,760	96.79%	13,360,514	20.02%	33,010	96.84%	13,200,773	19.78%
Bodies Corporates	125	0.36%	977,645	1.47%	119	0.35%	1,706,678	2.55%
Promoter Companies	2	0.01%	2,700,000	4.05%	2	0.01%	2,700,000	4.05%
Non-Resident Indians	329	0.94%	1,301,805	1.95%	312	0.92%	1,341,101	2.01%
Foreign Portfolio Investors	4	0.01%	877,288	1.31%	1	0.00%	359,706	0.54%
HUF	587	1.68%	465,122	0.70%	533	1.56%	364,403	0.55%
Clearing Members	66	0.19%	163,133	0.24%	103	0.30%	173,001	0.26%
Indian Financial Institutions	0	0.00%	0	0.00%	1	0.00%	330	0.00%
Banks	0	0.00%	0	0.00%	0	0.00%	0	0.00%
Trusts	0	0.00%	0	0.00%	0	0.00%	0	0.00%
Mutual Funds	0	0.00%	0	0.00%	0	0.00%	0	0.00%
NBFC	1	0.00%	250	0.00%	1	0.00%	250	0.00%

Particulars	As on 31 <sup>st</sup> March, 2022				As on 31 <sup>st</sup> March, 2021			
	No. of share holders	% of share holder	No. of shares held	% of shareholding	No. of shares holder	% of share holders	No. of shares held	% of shareholding
Alternative Investment Fund	1	0.00%	124,208	0.19%	1	0.00%	124,208	0.19%
Unclaimed Suspense Account	0	0.00%	0	0.00%	0	0.00%	0	0.00%
IEPF	1	0.00%	880	0.00%	1	0.00%	395	0.00%
<b>Total</b>	<b>34,880</b>	<b>100%</b>	<b>66,730,620</b>	<b>100%</b>	<b>34,088</b>	<b>100%</b>	<b>66,730,620</b>	<b>100%</b>

#### xvi) Dematerialisation of Shares:

Your Company's Shares are compulsorily traded in dematerialized form and are available for trading through both the Depositories in India, viz. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). As on 31<sup>st</sup> March, 2022, 100% of the total paid up capital, representing 66,730,395 Equity Shares were held in dematerialized form and the balance Nil% representing 225 Equity Shares were held in physical form. The statement of Equity Shares lying in dematerialised form with NSDL & CDSL and the Equity Shares lying in physical form as on 31<sup>st</sup> March, 2022 are under:

Particulars of Shares	Shares of ₹ 10 each		Total Shares	
	No. of Shareholders	% of Total	No. of Shares	% of Total
<b>Dematerialised Form</b>				
NSDL	13,866	39.75%	59,843,085	89.68%
CDSL	21,011	60.24%	6,887,310	10.32%
<b>Sub-total</b>	<b>34,877</b>	<b>99.99%</b>	<b>66,730,395</b>	<b>100%</b>
Physical Form	3	0.01%	225	0.00%
<b>Total</b>	<b>34,880</b>	<b>100%</b>	<b>66,730,620</b>	<b>100%</b>

#### xvii) Share Transfer System:

The share transfers/ transmissions are approved by the Stakeholders Relationship Committee. The Committee meets as and when required to consider other transfer proposals and attend to Shareholders' grievances. There are no share transfer requests pending as on 31<sup>st</sup> March, 2022.

Pursuant to Regulation 40(9) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, certificates on annual basis have been issued by a Company Secretary in Practice for due compliance of share transfer formalities by your Company. Pursuant to Regulation 76 of SEBI (Depositories and Participants) Regulation, 2018, certificates have been received from Company Secretary in Practice for timely dematerialisation of shares and for reconciliation of the share capital of the Company on a quarterly basis.

In terms of amended Regulation 40 of Listing Regulations w.e.f. 1<sup>st</sup> April, 2019, transfer of securities in physical form shall not be processed unless the securities are held in the demat mode with a Depository Participant. Further,

with effect from 24<sup>th</sup> January, 2022, SEBI has made it mandatory for listed companies to issue securities in demat mode only while processing any investor service requests viz. issue of duplicate share certificates, exchange/ sub-division/ splitting/consolidation of securities, transmission/ transposition of securities. Vide its Circular dated 25<sup>th</sup> January, 2022, SEBI has clarified that listed entities/RTAs shall now issue a Letter of Confirmation in lieu of the share certificate while processing any of the aforesaid investor service request.

#### xviii) Secretarial Audit:

- Pursuant to Regulation 40(9) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, certificates have been issued on an annual basis, by a Company Secretary in practice, certifying due compliance of share transfer formalities by your Company.
- A Company Secretary in practice carries out a quarterly Reconciliation of Share Capital Audit, to reconcile the total admitted

capital with NSDL and CDSL and the total issued and listed capital. The audit confirms that the total issued/ paid-up capital is in agreement with the aggregate of the total number of shares in physical form and the total number of shares in dematerialized form (held with NSDL and CDSL).

**xix) Consolidation of Folios and avoidance of multiple mailing:**

In order to enable your Company to reduce the duplicity of efforts for providing services to investors, members who have more than one folio in the same order of names are requested to consolidate their holdings under one folio. Members may write to the Registrar indicating the folio numbers to be consolidated along with the original shares certificates to be consolidated.

**xx) Unclaimed / Unpaid IPO Refund Amount and Dividend as well as transfer of shares to IEPF Authority:**

**a) Unclaimed/ Outstanding Refundable portion of IPO Application Amount:**

To facilitate investors who have not claimed the Refundable portion of IPO Application amount (share application money) at the time of Initial Public Offer (IPO) of your Company, details of the unclaimed IPO application amount (share application money) are being displayed on your Company's website [www.tbztheoriginal.com](http://www.tbztheoriginal.com).

[com](http://www.tbztheoriginal.com). Investors were requested to browse the said site to find out the outstanding amount, if any, and claim the same from the appropriate authority (Investor Education & Protection Fund) since the amount has already been transferred to IEPF Account as on date of signing of this Report. Your Company has send repeated reminders for claiming their unclaimed / outstanding Refundable portion of IPO Application Amount.

**b) Unclaimed/ Unpaid Dividend:**

As per requirement of Section 124 of the Companies Act, 2013 read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules") amended from time to time, your Company has transferred unclaimed dividends amount of ₹ 40,122/- (Rupees Forty Thousand One Hundred Twenty Two only) remaining unclaimed / unpaid for a continuous period of seven years from the due date to the Investor Education and Protection Fund (IEPF) set up by the Central Government during the current financial year 2021-22. In addition to that, there are no matured deposits and interest accrued thereon remaining unclaimed and unpaid for a period of seven years from the due date to be transferred to the Investor Education and Protection Fund (IEPF) set up by the Central Government.

Given below are the tentative dates for transfer of unclaimed and unpaid dividend to the Investor Education and Protection Fund (IEPF) by your Company:

Financial Year	Dividend Payment Date	Proposed date for transfer to IEPF (*)
2014-2015	14 <sup>th</sup> September, 2015	14 <sup>th</sup> September, 2022
2015-2016	N.A. (**)	N.A. (**)
2016-2017	N.A. (**)	N.A. (**)
2017-2018	6 <sup>th</sup> August, 2018	6 <sup>th</sup> August, 2025
2018-19	3 <sup>rd</sup> October, 2019	3 <sup>rd</sup> October, 2026
2019-20 (Interim Dividend)	26 <sup>th</sup> March, 2020	26 <sup>th</sup> March, 2027
2020-21	21 <sup>st</sup> September, 2021	21 <sup>st</sup> September, 2028

(\*) Indicative date actual date may vary.

(\*\*) There was no dividend declared during this financial year.

The Shareholders are requested to claim their unencashed Dividends, if any at the earlier.



**c) Transfer of Shares to IEPF:**

As per requirement of Section 124(6) of the Companies Act, 2013 read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules") amended from time to time, your Company has transferred total 485 equity shares during the Financial Year 2021-22, in respect of which dividend has not been claimed by the members for seven consecutive years or more, were transferred by the Company to the demat account of the Investor Education and Protection Fund Authority (IEPF) during the financial year 2021-22. As on 31<sup>st</sup> March, 2022 total 880 equity shares were lying in the IEPF Account of the Authority.

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

[https://www.tbztheoriginal.com/storage/TBZ-IEPF-4 Shares 2021\(13-14\).pdf](https://www.tbztheoriginal.com/storage/TBZ-IEPF-4%20Shares%202021(13-14).pdf)

Members may note that shares as well as unclaimed dividends transferred to IEPF Authority can be claimed back from IEPF Authority by submitting an online application in the prescribed Form No. IEPF-5 available on the website [www.iepf.gov.in](http://www.iepf.gov.in) and sending a physical copy of the same duly signed to the Company along with requisite documents enumerated in the Form No. IEPF-5. No claims shall lie against your Company in respect of the dividend/shares so transferred. The Members/Claimants can file only one consolidated claim in a financial year as per the IEPF Rules.

The voting rights on the shares transferred to IEPF Authority shall remain frozen till the rightful owner claims the shares.

**d) Appointment of Nodal Officer(s):**

In terms of Rule 7(2A) of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the Company which is required to credit amounts or shares to the fund or has deposited the amount or transferred the shares to the Fund shall nominate a Nodal Officer, who shall either be a Director or Chief Financial Officer or Company

Secretary of the Company, for the purposes of verification of claims and coordination with IEPF Authority.

In accordance with IEPF Rules, the Board of Directors has appointed Mr. Niraj Oza, Head - Legal & Company Secretary as the Nodal Officer of the Company.

**xxi) Unclaimed Shares:**

As per the provisions of Schedule VI pursuant to Regulation 39(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the unclaimed shares lying in the escrow account shall be transferred to demat suspense account if there is no response even after sending three reminder notices to the persons concerned. For the Financial Year 2021-22 there were no unclaimed equity shares were lying in the escrow account. {Total 135 equity shares were transferred to the Investor Education and Protection Fund (IEPF) Demat Account of the Authority during the Financial Year 2019-20}.

**xxii) Green Initiative in Corporate Governance:**

Pursuant to Section 101 of the Companies Act, 2013 read with Rule 18 of the Companies (Management and Administration) Rules, 2014, the Annual Report for the financial year 2021-22 is being sent through electronic mode to all the Members whose E-mail IDs are registered with your Company / Depository Participants for communication purposes, unless any member has requested for physical copy of the same. For Members who have not registered their E-mail IDs with your Company/ Depository Participants are requested to register their email ids with their respective Depository participants to get Annual Report by email. Please note that as a Member you will be entitled to receive physical copies of all notices and documents free of cost, upon specific request to your Company. However, as mentioned in Section VI(ii) of Means of Communication and as exempt by MCA and SEBI the Annual Report for the financial year 2021-22 will be circulated to all the members in soft copy form only and no physical copy of Annual Report will be send to the members. Members holding shares in physical mode are requested to register their email id with our Registrar and Share Transfer Agents viz., KFin Technologies Limited, Selenium, Tower B, Plot 31-32, Financial District, Gachibowli, Nanakramguda, Serilingampally, Hyderabad –

500 032 or your Company by sending email at [investors@tbzoriginal.com](mailto:investors@tbzoriginal.com).

To support the 'Green Initiative' Members who have not registered their e-mail addresses are requested to register the same with their respective Depository Participants.

**xxiii) Mandatory requirement of PAN:**

SEBI vide its circular dated 7<sup>th</sup> January, 2010 has made it mandatory to furnish copy of Income Tax PAN Card in the following cases:

- (i) Deletion of name of deceased shareholder(s), where the shares are held in the name of two or more shareholders.
- (ii) Transmission of shares to the legal heir(s), where deceased shareholder was the sole holder.
- (iii) Transposition of shares – in case of change in the order of names in which physical shares are held jointly in the name of two or more shareholders.

**xxiv) Address for correspondence:**

Shareholders correspondence like, share transfer/dematerialisation of shares, payment of dividend and other query related to shares may be directed to your Company's Registrar and Share Transfer Agent, whose address is given below:

**a) For Share Transfer / Dematerialisation of shares, payment of Dividend and any other query relating to shares:**

**KFin Technologies Limited**

(Previously known as KFin Technologies Private Limited)

Unit: Tribhovandas Bhimji Zaveri Limited  
Selenium Tower B, Plot 31-32,  
Financial District, Gachibowli,  
Nanakramguda, Serilingampally, Hyderabad –  
500 032.

Tel No: +91 (040) 6716 1500

Fax No: +91 (040) 2300 1153

Toll Free No.: 1800 309 4001

E-Mail: [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com)

Website Add.: [www.kfintech.com](http://www.kfintech.com) // <https://ris.kfintech.com>

<https://kprism.kfintech.com>

Play Store: (Android mobile application)

<https://play.google.com/store/apps/details?id=com.karvy.kprismv3>

Contact Person: Mr. V. Raghunath

SEBI Registration No: INR000000221

**b) For Investors assistance:**

**Corporate Office Address:**

**Mr. Niraj Oza**

Head - Legal & Company Secretary  
Tribhovandas Bhimji Zaveri Limited  
1106 to 1121, 11<sup>th</sup> Floor, West Wing,  
Tulsiani Chambers, 212,  
Backbay Reclamation, Free Press Journal Road,  
Nariman Point, Mumbai – 400 021.  
Tel. No.: +91 (022) 4925 5000 / 3073 5000  
Email Add.: [investors@tbzoriginal.com](mailto:investors@tbzoriginal.com)  
Website Add.: [www.tbztheoriginal.com](http://www.tbztheoriginal.com)

For any Investor assistance, the contact person is Mr. Niraj Oza, Head Legal & Company Secretary who is also the Compliance Officer of your Company and address of Correspondence is Corporate Office Address.

Your Company has an exclusive e-mail id viz. [investors@tbzoriginal.com](mailto:investors@tbzoriginal.com) to enable investors to register their complaints, if any.

**c) Registered Office Address:**

Tribhovandas Bhimji Zaveri Limited  
241/ 43, Zaveri Bazar,  
Mumbai - 400 002.  
CIN No.: L27205MH2007PLC172598  
Tel. No.: +91 22 4046 5000 / 01/ 6130 0505  
Email Add.: [investors@tbzoriginal.com](mailto:investors@tbzoriginal.com)  
Website Add.: [www.tbztheoriginal.com](http://www.tbztheoriginal.com)

**xxv) Compliance Officer:**

Mr. Niraj Oza, Head Legal & Company Secretary is the Compliance Officer of your Company. The Company Secretary is primarily responsible to ensure Compliance with applicable statutory requirements and is the interface between the management and the regulatory authorities for governance matters.

**xxvi) Chief Financial Officer (CFO):**

Mr. Saurav Banerjee, Chief Financial Officer (CFO) of the Company resigned from the position of the Chief Financial Officer (CFO) and Key Managerial Personnel (KMP) of your Company w.e.f. end of day of 13<sup>th</sup> May, 2022. The Board based on the approval and recommendations of the Nomination and Remuneration Committee has appointed Mr. Mukesh Sharma as Chief Financial Officer (CFO) and the Key Managerial Personnel (KMP) of the Company w.e.f. 16<sup>th</sup> May, 2022.

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

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

**xxvii) Store addresses:**

Your Company has total Thirty one (31) stores out of which Twenty eight (28) are own stores and three (3) franchisee stores operating as on 31<sup>st</sup> March, 2022 in twenty five cities and twelve states across India.

The addresses of the stores and franchisee stores forms part of Annexure to this report.

**xxviii) Credit Rating:**

During the year under review, your Company has carried out one Credit Ratings through CRISIL Limited on 1<sup>st</sup> March, 2022.

CRISIL has reviewed the Credit Rating on the bank facilities of your Company for the amount of ₹ 625 Crores and given ratings of 'CRISIL BBB+/Stable' (Reaffirmed), vide CRISIL Rating Rationale Letter Ref. No. RL/TBZPL/288817/BLR/0322/26973 dated 1<sup>st</sup> March, 2022 which is stated as follows:

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

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

[https://www.tbztheoriginal.com/storage/TBZ\\_Credit\\_Ratings\\_CRISIL\\_010322.pdf](https://www.tbztheoriginal.com/storage/TBZ_Credit_Ratings_CRISIL_010322.pdf)

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

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

Your Directors further state that during the year under review, there were no complaint / cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. {There was no complaint received from any employee during the financial year 2021-22 and hence no complaint is outstanding as on 31<sup>st</sup> March, 2022 for redressal}.

The status of cases/ complaint filed, disposed of and pending in respect of Sexual Harassment of Women at Workplace for the financial year ended as on 31<sup>st</sup> March, 2022 (i.e. from 1<sup>st</sup> April, 2021 to 31<sup>st</sup> March, 2022) as given below:

Opening Cases/ complaint as on 1 <sup>st</sup> April, 2021	Cases/ complaint filed during the year ended 31 <sup>st</sup> March, 2022	Cases/ complaint disposed of during the year ended 31 <sup>st</sup> March, 2022	Cases/ complaint pending as on 31 <sup>st</sup> March, 2022
NIL	NIL	NIL	NIL

**xxx) Details of utilisation of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32(7A):**

Your Company did not raise any funds through preferential allotment or qualified institutions placement till the date of signing of this Report. Hence, the requirement of providing utilisation of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32(7A) is not applicable to your Company.

**xxxii) Certificate from Practicing Company Secretary (for Non-Disqualification of Directors):**

Your Company has received a certificate from M/s. A. U. Thakurdesai & CO. (PCS Registration No. 5083), Practicing Company Secretaries confirming that none of the Directors on the Board of your Company have been debarred or disqualified from being appointed or continuing as directors of companies by Securities and Exchange Board of India, Ministry of Corporate Affairs or any such statutory authority.

**xxxiii) Fees paid to Statutory Auditors:**

Total fees for all services paid by your Company and its subsidiaries, on a consolidated basis to Chaturvedi & Shah LLP, Chartered Accountants (ICAI Firm Registration No. 101720W/W100355), Statutory Auditors for the quarter, as included in the consolidated financial statement of your Company for the year ended 31<sup>st</sup> March, 2022:

(₹ in Lacs)

<b>Payment to Statutory Auditors</b>	<b>FY 2021-22</b>
Statutory Audit Fees (including Corporate Governance Certificate)	42.50
Quarterly Limited Review	15.00
<b>Total</b>	<b>57.50</b>

(Note: Above amounts are exclusive of applicable taxes)

**xxxiiii) Recommendations of various Committees:**

All the recommendations of the various committees made were accepted by the Board.

**xxxv) CEO / CFO Certification:**

The Chairman & Managing Director {in the capacity of Chief Executive Officer (CEO)} and the Chief Financial Officer (CFO) of your Company, have certified to the Board in accordance with Part B of Schedule II pursuant to Regulation 17(8) of the Securities and Exchange Board

of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 pertaining to CEO/ CFO certification for the financial year ended 31<sup>st</sup> March, 2022 certifying that the financial statements do not contain any untrue statement and these statements represent a true and fair view of your Company's affairs. The said certificate is annexed and forms part of the Annual Report.

**xxxvi) Commodity Price Risk or Foreign Exchange Risk and Hedging Activities:**

Your Company has a price review mechanism to protect against material movements in prices of Gold.

Gold price is directly driven by various international factors and stringent domestic government policies. Your Company monitors the Gold price on a regular basis using pricing trends and forecasts from internationally reputed news agencies and international factors. To mitigate the risk of gold price fluctuation, your Company's endeavour is to maximize the procurement of gold under gold loan scheme from various banks which will help to reduce the risk due to gold price fluctuation by way of 'natural hedging'. In addition to procuring gold on loan, your Company also does hedging in domestic markets on the MCX Exchange as per business requirement, to protect your Company from gold price fluctuation.

Your Company procures gold from various banks and other domestic sources available and does not directly import Gold from the international market, in that connection, your Company is not directly exposed to Foreign Exchange Risk. As foreign exchange fluctuation has an impact on gold price, your Company is updated with the currency forecast received from various banks and keeps a close eye on important data announcements such as unemployment data of US, G 7 meetings, non-farm payroll of US, RBI announcements etc.

**xxxvii) Adoption / compliance with Mandatory Requirements and status on Non-Mandatory (Discretionary) Requirements:**

All the mandatory requirements have been complied with as stated in this report on Corporate Governance. There is no non-compliance with any requirement of corporate governance report of sub-para (2) to (10) of the Corporate Governance

Report as given in Schedule V(C) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The disclosures of the compliance with Corporate Governance requirements specified in Regulations 17 to 27 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Regulations) have been made in this Corporate Governance Report. Details required under clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the said Regulations are displayed on the website of your Company at [www.tbztheoriginal.com](http://www.tbztheoriginal.com).

The status on non-mandatory / discretionary requirements of Part E of Schedule II of Regulation 27(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 are as follows:

1. Your Company has an Executive Chairman on its Board. (Hence, the question of maintaining Non-Executive Chairperson's office at your Company's expenses and reimbursement of expenses incurred in performance of duties does not arise).
2. The quarterly / half yearly un-audited results of your Company after being subject to a Limited Review by the Statutory Auditors are published in newspapers viz. Free Press Journal (English newspaper) and Navshakti (Marathi newspaper) and on your Company's website [www.tbztheoriginal.com](http://www.tbztheoriginal.com). These results are not sent to shareholders individually.
3. There are no qualifications in the Audit Report (unmodified audit opinion) for the financial year 2021-22.
4. Till 10<sup>th</sup> September, 2015, i.e. the date of retirement of the Chief Executive Officer of your Company, there were separate persons for the post of Chairman & Managing Director and Chief Executive Officer (CEO). W.e.f. 10<sup>th</sup> September, 2015, onwards your Company do not have separate person to these posts.
5. Your Company has appointed M/s. Deloitte Touche Tohmatsu India LLP (Firm Registration No. AAE-8458), Chartered Accountants, Mumbai as Internal Auditors to perform the internal audit of your Company for the financial year 2021-22 and they report directly to the Audit Committee on a quarterly basis on their findings and corrective actions taken.

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

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

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

Date: 1<sup>st</sup> August, 2022  
Place: Mumbai

## Annexure to Report on Corporate Governance

### Store Addresses:

#### Stores of your Company in operation as on 31<sup>st</sup> March, 2022:

##### Maharashtra

- 1 241/43, Zaveri Bazar, Mumbai - 400 002.
- 2 Upper Basement, Ground Floor, First Floor and Second Floor at G/1, Hirji Heritage, Gulmohar Road, Off. L.T. Road, Near Vrundas Hotel, Borivali (West), Mumbai - 400 092.
- 3 002 & 102, Prime Plaza, S.V. Road, Santacruz (West), Mumbai - 400 054.
- 4 Shop No. G2 & G3, Manaratna Business Park, Junction of Tilak Road and Derasar Lane, Ghatkopar (East), Mumbai - 400 077.
- 5 Gautam Tower, off Gokhale Road, Thane (West) - 400 601.
- 6 Seth House, 21/4B, Opposite Le-Royce Hotel, Bund Garden Road, Pune - 411 001.
- 7 Premise No. 5 (Unit No. 3), Ground Floor, Sunder Mahal, 141, Marine Drive, Mumbai - 400 020.
- 8 Shop No. 1, 2 & 3, Near St. Augustine High School, Tiberias Building, Stella, Village Barampur, District Thane, Vasai (West) - 401 202.
- 9 Shop No. 26, 27 and 28, Nirman Vyapar Kendra, Nirman Co-operative Society Limited, Plot No. 10, Sector- 17, Vashi, Navi Mumbai- 400703.

##### Gujarat

- 10 Iscon Center, Shivranjani Cross Road, Satellite, Ahmedabad-380 015.
- 11 Lal Bungalow, SNS House, Athwa Lines, Surat - 395 007.
- 12 Janakpuri Complex, Dr. Yagnik Road, Opp. Hotel Imperial Palace, Rajkot - 360 001.
- 13 K.P. Infinity, Opposite Yes Bank Ltd., Near INOX Multiplex, Natubhai Circle, Race Course Road, Vadodara - 390 007.
- 14 7-11, Ground Floor, Fortune Square- II, Near Primary School, Next to Royal Dream Society, Vapi Daman Road, Vapi - 396 191.
- 15 Shop No. G1, Krishna Complex, Waga Wadi Road, Next to 'Ghar Shala', Bhavnagar - 364 001.
- 16 Shop 4, 5 & 6, Ground Floor, Sunshine Arcade, Plot No. 59, Sector 8, Tagore Road, Near Lord's Hotel, Gandhidham, Kutch, Gujarat - 370201.

##### Andhra Pradesh (Hyderabad)

- 17 70 Greensland Road, Punjagutta, Hyderabad - 500 082.
- 18 Shop no I, Mogul's Court, Basheerbagh, Hyderabad - 500 001.

##### Telangana (Vijaywada)

- 19 Opp Gateway Hotel, M.G. Road, Labbipet, Vijayawada - 520 010.

##### Kerala (Kochi)

- 20 Jos Annexe Building, Jos Junction, Ernakullam, Kochi - 682 016.

##### Madhya Pradesh (Indore)

- 21 576 Laxmi Tower, M.G. Road, opp Treasure Island, Indore - 452 001.

##### West Bengal (Kolkata)

- 22 Saraswati Niketan, 5 Camac Street, Kolkata - 700 016.
- 23 CIT Road, Scheme, VIM, Kankurgachi, Kolkata - 700 054.

##### Chhattisgarh (Raipur)

- 24 Shop No. 1, Ground Floor, Prem Store Premises, Malviya Road, Next to G.P.O., Raipur, Chhattisgarh - 492 001.

##### Rajasthan (Udaipur)

- 25 Plot No. 58, Ground Floor and First Floor, Near Royal Motors, Panchwati, Udaipur - 313 001.

##### Jharkhand (Jamshedpur)

- 26 Ground Floor, Narbheram Building, Main Road, Bistupur, Jamshedpur - 831 001.

##### Uttar Pradesh (Noida & Lucknow)

- 27 G-31 & G-32, 'G' Block, Next to HDFC Bank, Gautam Budha Nagar, Sector 18, Noida - 201 301.
- 28 Mezzanine Floor and Ground Floor, 11, Mahatma Gandhi Marg (M.G. Marg), Lucknow, Uttar Pradesh - 226 001.

**Franchisee Store Addresses:****Jharkhand (Dhanbad)**

29 Shop No. 1, Ground Floor, Centre Point Mall, Bank More, Dhanbad – 826 001, Jharkhand.

30 A/2, 3AC Market Church Complex, Main Road, Ranchi, District – Ranchi – 834 001, Jharkhand.

**Bihar (Patna)**

31 Ground Floor & Mezanine Floor, C.S. Plot No. 166, Khata No. 170, under Thana No. 7, situated at Survey Mauza Dhakan-pura, Darbari Govinda Complex (D.G. Complex), Near Pant Bhavan, Boring Canal Road, P.S. S.K. Puri, Patna – 800 001, Bihar.

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

**Shrikant Zaveri**

Chairman & Managing Director

(DIN: 00263725)

**Raashi Zaveri**

Whole-time Director

(DIN: 00713688)

Date: 1<sup>st</sup> August, 2022

Place: Mumbai

## Chief Executive Officer (CEO) and Chief Financial Officer (CFO) Certification

To  
The Board of Directors  
Tribhovandas Bhimji Zaveri Limited  
Mumbai.  
Dear Sir/ Madam,

### Sub: CEO/CFO Certificate

#### (Issued in accordance with provisions of Part B of Schedule II pursuant to Regulation 17(8) of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015)

We, Shrikant Zaveri, Chairman & Managing Director (in capacity of Chief Executive Officer) and Chief Financial Officer of Tribhovandas Bhimji Zaveri Limited, to the best of our knowledge and belief, certify that:

- (A) We have reviewed the Balance Sheet and Profit & Loss Account (standalone and consolidated) for the financial year ended 31<sup>st</sup> March, 2022 and all schedules and notes on accounts, as well as Cash Flow statements, and the Directors' Report and based on our knowledge and information, we state that:
- these statements do not contain any materially untrue statement or omit any material fact or contain any statements that might be misleading;
  - these statements together present a true and fair view of your Company's affairs and are in compliance with existing Indian Accounting Standards (Ind AS), applicable laws and regulations.
- (B) We further state that to the best of our knowledge and belief, there are no transactions entered into by your Company during the year, which are fraudulent, illegal or in violation of your Company's Code of Conduct.
- (C) We along with Company's other certifying officers, accept responsibility for establishing and maintaining internal controls for financial reporting and that we have:
- evaluated the effectiveness of internal control system of your Company pertaining to financial reporting; and
  - disclosed to the Auditors and the Audit Committee, deficiencies, in the design or operation of internal controls, if any, of which we are aware and steps we taken or proposed to take to rectify these deficiencies.
- (D) We have indicated, based on our most recent evaluation, wherever applicable, to the Auditors and Audit Committee:
- Significant changes, if any, in the internal control over financial reporting during the year;
  - Significant changes, if any, in the accounting policies made during the year and that the same has been disclosed in the notes to the financial statements; and
  - Instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in your Company's internal control system over financial reporting.

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

**Shrikant Zaveri**  
Chairman & Managing Director  
(in the capacity of CEO)  
(DIN: 00263725)

**Mukesh Sharma**  
Chief Financial Officer

Date: 1<sup>st</sup> August, 2022  
Place: Mumbai

#### Declaration by the CEO under Part D of Schedule V pursuant to Regulation 34(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 regarding adherence to the Code of Conduct

In ACCORDANCE WITH Part D of Schedule V pursuant to Regulation 34(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby confirm that, all the Directors and the Senior Management personnel of the Company have affirmed compliance to their respective Codes of Conduct, applicable to them for the financial year ended 31<sup>st</sup> March, 2022.

For **Tribhovandas Bhimji Zaveri Limited**

**Shrikant Zaveri**  
Chairman & Managing Director  
(in the capacity of CEO)  
(DIN: 00263725)

Date: 1<sup>st</sup> August, 2022  
Place: Mumbai



**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

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

To,  
The Members of  
TRIBHOVANDAS BHIMJI ZAVERI LIMITED,  
241/43, ZAVERI BAZAR,  
MUMBAI - 400 002

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of TRIBHOVANDAS BHIMJI ZAVERI LIMITED having CIN L27205MH2007PLC172598 and having registered office at 241/43, ZAVERI BAZAR, MUMBAI 400 002 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2022 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority:

Sr. No.	Name of Director	DIN	Date of appointment in Company
1	SHRIKANT GOPALDAS ZAVERI	00263725	24/07/2007
2	BINAISHA SHRIKANT ZAVERI	00263657	24/07/2007
3	RAASHI SHRIKANT ZAVERI	00713688	01/07/2008
4	KAMLESH SHIVJI VIKAMSEY	00059620	26/08/2010
5	SANJAY KHATAU ASHER	00008221	14/12/2010
6	AJAY CHIMANLAL MEHTA	00028405	14/12/2010
7	SUDHA PRAVIN NAVANDAR	02804964	01/04/2021

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

For **A. U. Thakurdesai & Co.**,  
Company Secretaries

Sd/-

**A. U. Thakurdesai**

Membership No.: FCS 4117

CP No.: 5083

UDIN : F004117D000274618

Place: Mumbai

Date : May 5, 2022

**INDEPENDENT AUDITOR'S CERTIFICATE ON COMPLIANCE WITH CONDITIONS OF CORPORATE GOVERNANCE AS PER PROVISIONS OF CHAPTER IV OF SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 (AS AMENDED)**

To the Members of

**Tribhovandas Bhimji Zaveri Limited**

1. The Corporate Governance Report prepared by **Tribhovandas Bhimji Zaveri Limited** ("the Company"), contains details as stipulated in Regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations") ("applicable criteria") with respect to Corporate Governance for the year ended 31<sup>st</sup> March, 2022. This certificate is required by the Company for annual submission to the Stock exchange and to be sent to the shareholders of the Company.

**MANAGEMENT'S RESPONSIBILITY**

2. The preparation of the Corporate Governance Report is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents. This responsibility also includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Corporate Governance Report.
3. The management along with the Board of Directors are also responsible for ensuring that the Company complies with the conditions of Corporate Governance as stipulated in the Listing Regulations, issued by the Securities and Exchange Board of India.

**AUDITOR'S RESPONSIBILITY**

4. Our responsibility is to provide a reasonable assurance in the form of an opinion whether the Company has complied with the conditions of Corporate Governance, as stipulated in the Listing Regulations.
5. We conducted our examination of the Corporate Governance Report in accordance with the Guidance Note on Reports or Certificates for Special Purposes and the Guidance Note on Certification of Corporate Governance, both issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note on Reports or Certificates for Special Purposes requires that we comply with the ethical requirements of the Code of Ethics issued by ICAI.
6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.
7. The procedures selected depend on the auditors' judgement, including the assessment of the risks associated in compliance of the Corporate Governance Report with the applicable criteria. The procedure includes, but not limited to, verification of secretarial records and financial information of the Company and obtained necessary representations and declarations from directors including independent directors of the Company.
8. The procedures also include examining evidence supporting the particulars in the Corporate Governance Report on a test basis. Further, our scope of work under this report did not involve us performing audit tests for the purposes of expressing an opinion on the fairness or accuracy of any of the financial information or the financial statements of the Company taken as a whole.

**OPINION**

9. Based on the procedures performed by us as referred in paragraph 7 and 8 above and according to the information and explanations given to us, we are of the opinion that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations, as applicable for the year ended 31<sup>st</sup> March, 2022, referred to in paragraph 1 above.

**OTHER MATTERS AND RESTRICTION ON USE**

10. This Certificate is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.
11. This Certificate is addressed to and provided to the members of the Company solely for the purpose of enabling it to comply with its obligations under the Listing Regulations and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this Certificate for events and circumstances occurring after the date of this Certificate.

**For Chaturvedi & Shah LLP**

Chartered Accountants  
(Registration No. 101720W/W100355)

**Vijay Napawaliya**

Partner  
Membership No. 109859  
UDIN: 22109859ANZLCX6068

Place: Mumbai

Dated: 1<sup>st</sup> August, 2022

# Business Responsibility Report (BRR) 2021-22

{As per Regulation 34(2)(f) of the SEBI {Listing Obligations and Disclosure Requirements} Regulations, 2015}

## INTRODUCTION

Tribhovandas Bhimji Zaveri Limited is committed to manage its operations including deployment of resources using principles of sustainable development to minimize impact on environment and protect health & safety of its employees, service providers, neighboring community and customers.

The Company's approach to sustainable development is incorporated into its business strategy. An integral part of that sustainable journey is its continuous endeavor to protect environment through conservation of water and energy, minimization of waste and its environmentally sound disposal.

## SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1. **Corporate Identity Number (CIN)** : L27205MH2007PLC172598
2. **Name of the Company** : **Tribhovandas Bhimji Zaveri Limited**
3. **Registered address** : 241/ 43, Zaveri Bazar, Mumbai - 400 002.
4. **Website** : [www.tbztheoriginal.com](http://www.tbztheoriginal.com)
5. **E-mail Id** : [investors@tbzoriginal.com](mailto:investors@tbzoriginal.com)
6. **Financial Year reported** : 1<sup>st</sup> April, 2021 to 31<sup>st</sup> March, 2022
7. **Sector(s) that the Company is engaged in (industrial activity code-wise):**

Group* / NIC Code	Description
Class: 4733	Retail Sale of Jewellery (Retail Jewellery)
Sub Class: 47733	

\*As per National Industrial Classification – Ministry of Statistics and Programme Implementation

8. **List key three products / services that the Company manufactures/provides (as per Balance Sheet):**
  - Jewellery (Retail Sale of Jewellery)

The Company is into retail sales of jewellery, which includes gold jewellery, gold coins, diamond jewellery, platinum jewellery, jadau jewellery, silver products, etc.

Please refer to Company's website ([www.tbztheoriginal.com](http://www.tbztheoriginal.com)) for detailed list of products.

9. **Total number of locations where business activity is undertaken by the Company: (as on 31<sup>st</sup> March, 2022)**

- i. Number of international locations – **Nil**
- ii. Number of national locations – **31 Stores**

Retail Outlets	31 Stores As on 31 <sup>st</sup> March, 2022, the Company has total thirty one retail stores out of which twenty eight owned stores and three are franchise stores, in twenty five cities and twelve states.
Other offices including the Registered office	2 Offices <b>Registered Office Address:</b> 241/43, Zaveri Bazar, Mumbai – 400 002. <b>Corporate Office Address:</b> 11 <sup>th</sup> Floor, West Wing, Tulsiani Chambers, 212, Backbay Reclamation, Free Press Journal Road, Nariman Point, Mumbai – 400 021.

**10. Markets served by the Company:**

Local	State	National	International
✓	✓	✓	No

The Company do not serve international market.

**SECTION B: FINANCIAL DETAILS OF THE COMPANY**

- Paid up Capital (INR) : ₹ 667,306,200**
- Total Turnover (INR) : ₹ 1,84,383.95 Lacs**
- Total profit after taxes (INR) : ₹ 1,711.12 Lacs**
- Total Spending on Corporate Social Responsibility (CSR) as a percentage of average net profit for the last three financial years**

Total spending on Corporate Social Responsibility (CSR) as a percentage of average net profit for the last three financial years is coming to a total amount of ₹ **7,907,106/- (Rupees Seventy Nine Lakhs Seven Thousand One Hundred Six only)** towards CSR activities for the financial year 2021-22 as per the requirement of Section 135 of the Companies Act, 2013. Your Company has made the required contribution in full to the various NGO's associated with the Company for the CSR activities for the financial year 2021-22. However, one of the NGO namely, 'Urja', Mumbai was not able to utilize the full amount contributed to them by your Company and they were not able to spend ₹ **3,12,112/- (Rupees Three Lakhs Twelve Thousand One Hundred Twelve only)** towards the CSR spent for financial year 2021-22 due to COVID-19 pandemic situation. Your Company has actually spent ₹ **7,594,994 (Rupees Seventy Five Lakhs Ninety Four Thousand Nine Hundred Ninety Four only)** towards CSR activities of your Company for the financial year 2021-22. As on 31<sup>st</sup> March, 2022 the amount of ₹ **3,12,112/- (Rupees Three Lakhs Twelve Thousand One Hundred Twelve only)** remains unspent towards the CSR activities of your Company for the financial year 2021-22. In accordance with Section 135 of the Companies Act, 2013 read with the CSR Amendment Rules, your Company required to transfer the unspent amount of ₹ **3,12,112/- (Rupees Three Lakhs Twelve Thousand One Hundred Twelve only)** to Prime Minister's National Relief Fund (PMNRF) within 6 months from the end of the financial year. Your Company has transferred the required contribution of ₹ **312,112/- (Rupees Three Lakhs Twelve Thousand One Hundred Twelve only)** to Prime Minister's National Relief Fund (PMNRF) on 26<sup>th</sup> May, 2022 (as per Receipt No. 1078/2022 dated 27th May, 2022 issued by PMNRF).

**5. Some of the areas for which expenditure in 4 above has been incurred:**

- Promoting gender equality, empowering women;
- Promoting health care;
- Promoting education;
- Promoting vocational training.

**SECTION C: OTHER DETAILS**

- Does the company have any subsidiary Company /Companies? **Yes**

The Company has one wholly owned subsidiary company, viz. **Tribhovandas Bhimji Zaveri (Bombay) Limited.**

- Do the Subsidiary Company/companies participate in the BR initiatives of the parent company: **No**
- Does any other entity/entities (e.g. suppliers, distributors etc.) that the company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity / entities? (less than 30%, 30-60%, more than 60%). **No**

**SECTION D: BUSINESS RESPONSIBILITY INFORMATION****1. Details of Director/Directors responsible for BR**

- Details of the Director responsible for implementation of the BR policy:

- DIN : 00263725
- Name : Mr. Shrikant Zaveri
- Designation : Chairman & Managing Director

b. Details of the BR head:

1. DIN : Not Applicable
2. Name : Mr. Saurav Banerjee
3. Designation : Chief Financial Officer
4. Telephone No. : 022 4925 5000
5. E-mail Id : saurav.banerjee@tbzoriginal.com

2. Principle-wise [as per National Voluntary Guidelines (NVGs)] BR Policy/Policies (Reply in Y/N)

The National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business (NVGs) released by the Ministry of Corporate Affairs has adopted nine areas of Business Responsibility. There briefly are as follows:

P1	Business should conduct and govern themselves with Ethics, Transparency and Accountability
P2	Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle
P3	Businesses should promote the well-being of all Employees
P4	Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized
P5	Businesses should respect and promote human rights
P6	Businesses should respect, protect, and make efforts to restore the environment
P7	Businesses when engaged in influencing public and regulatory policy, should do so in a responsible manner
P8	Businesses should support inclusive growth and equitable Development
P9	Businesses should engage with and provide value to their customers and consumers in a responsible manner

(a) Details of compliances (Reply in Y/N)

Sr. No	Question(s)	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	Do you have policy/ policies for (Refer Note 1)	Y	Y	Y	Y	Y	Y	Y	Y	Y
2.	Has the policy being formulated in consultation with the relevant stakeholders? (Refer Note 2)	Y	Y	Y	Y	Y	Y	Y	Y	Y
3.	Does the policy conform to any national/international standards? (Refer Note 3)	Y	Y	Y	Y	Y	Y	Y	Y	Y
4.	Has the policy been approved by the Board? If yes, has it been signed by MD / owner/ CEO/ appropriate Board Director?	Y	Y	Y	Y	Y	Y	Y	Y	Y
5.	Does the Company have a specified committee of the Board of Directors/ Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
6.	Indicate the link for the policies to be viewed online (Refer Note 4)	Y	Y	Y	Y	Y	Y	Y	Y	Y
7.	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
8.	Does the Company have in-house structure to implement the policy / policies	Y	Y	Y	Y	Y	Y	Y	Y	Y
9.	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10.	Has the Company carried out independent audit/evaluation of the working of this policy by an internal or external agency? (Refer Note 5):	Y	Y	Y	Y	Y	Y	Y	Y	Y

**Note 1:**

The Company has adopted the TBZ Code of Conduct which covers ethics, transparency and accountability. The Company is dedicated towards well-being of its employee and has policies that not only supports employee welfare but also enables his/her enhanced engagement with the Company. The Company also understands the need of serving

the community and towards that, the Company has a Corporate Social Responsibility Policy (CSR Policy) with various programs driven as part of its CSR activities. Under this CSR Activity towards serving the community, along with various other projects, the Company runs its flagship project in the name of "Pankhi Project", which aims at offering counselling and rehabilitation services to the victims of domestic violence through the central help line Pankhi in accordance of Women under Domestic Violence Act, 2015. The Company operates with full integrity and trust, the Company understands and recognizes the impact it has on the larger ecosystem and hence TBZ Code of Conduct which embodies the policies and principles of respecting and promoting human rights is communicated to all stakeholders for their adherence.

**Note 2:**

While there may not be formal consultation with all stakeholders, the relevant policies have evolved over a period of time by taking inputs from concerned internal stakeholders.

**Note 3:**

All policies have been developed by the Company based on detailed consultations and research on the best practices adopted. The spirit and content of the Code of Conduct and all the applicable laws and standards are captured in the policies articulated by the Company. The policies are based on and are in compliance with the applicable regulatory requirements and industry standards.

**Note 4:****The following Policies can be accessed at:**

1. Code of Conduct:
  - (a) Code of Conduct for Board of Directors:  
<http://www.tbztheoriginal.com/storage/Investors/Code%20of%20Conduct/TBZ-Code%20of%20Conduct%20for%20Board%20of%20Directors.pdf>
  - (b) Code of Conduct for Senior Management, Officers and Employees of the Company:  
<https://www.tbztheoriginal.com/storage/Code%20of%20Conduct%20for%20KMP%20&%20Emp..pdf>
2. Whistle Blower Policy:  
[https://www.tbztheoriginal.com/storage/TBZ-Whistle%20Blower%20Policy\(01.04.19\).pdf](https://www.tbztheoriginal.com/storage/TBZ-Whistle%20Blower%20Policy(01.04.19).pdf)
3. CSR Policy:  
[https://www.tbztheoriginal.com/storage/TBZ-CSR%20Policy\(03.05.21\)Rev-Ver-3.pdf](https://www.tbztheoriginal.com/storage/TBZ-CSR%20Policy(03.05.21)Rev-Ver-3.pdf)

**Note 5:**

All policies applicable to the Company are evaluated internally.

**2a. If answer to Sr. No. 1 against any principle is 'No', please explain why: (Tick upto 2 options):** Not Applicable

Sr. No.	Question(s)	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	The Company has not understood the Principles	-	-	-	-	-	-	-	-	-
2.	The Company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles	-	-	-	-	-	-	-	-	-
3.	The Company does not have financial or manpower resources available for the task	-	-	-	-	-	-	-	-	-
4.	It is planned to be done within next 6 months	-	-	-	-	-	-	-	-	-
5.	It is planned to be done within the next 1 year	-	-	-	-	-	-	-	-	-
6.	Any other reason (please specify)	-	-	-	-	-	-	-	-	-

### 3. Governance related to BR

- (a) **Indicate the frequency with which the Board of Directors, committee of the Board or CEO to access the BR performance of the company. Within 3 months, 3-6 months, Annually, More than 1 year**

Five Board Meetings were held during the year and the gap between two meetings did not exceed one hundred and twenty days. The Board of Directors either directly or through its Committees, access and reviews on periodic basis the point on sustainability, corporate social responsibility, environment, health and safety.

- (b) **Does the Company publish a BR or a Sustainability Report? What is the hyper link for viewing this report? How frequently is it published?**

Yes, the Company is publishing its Business Responsibility Report annually and the same is available on the website of the Company at [www.tbztheoriginal.com](http://www.tbztheoriginal.com). The Business Responsibility Report is available on the website of the Company at: [https://www.tbztheoriginal.com/storage/TBZ-BRR\(21-22\).pdf](https://www.tbztheoriginal.com/storage/TBZ-BRR(21-22).pdf)

## SECTION E: PRINCIPLE-WISE PERFORMANCE

### Principle 1:

1. **Does the policy related to ethics, bribery and corruption cover only the company? Yes / No. Does it extend to the group/JV/Suppliers/Contractors/ NGO's others?**

The policies are applicable to the employees at all levels. Though the Company's policies do not apply to external stakeholders including suppliers, contractors, NGOs etc., the Company follows zero tolerance on any acts of ethics, bribery, corruption etc. by such agencies during their dealings with the Company and / or with any of its employees. The Company has in place a Code of Conduct for all the employees and Directors and annual affirmation to the code is obtained.

2. **How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so provide details in about 50 words or so.**

The Company's stakeholders includes its investors, customers, vendors, employees, government and local communities.

During the financial year 2021-22, no complaints were received relating to ethics, bribery and corruption within the Company.

During the financial year 2021-22, the Company did not received any complaints from investors and no

complaints were pending or outstanding as at end of the financial year. For details on investor complaints and resolution, please refer to "Investor Complaints" in the Corporate Governance Report.

During the financial year 2021-22, the Company had received 29 complaints from customers and all complaints were resolved and no complaints were pending or outstanding as at end of the financial year, i.e. on 31<sup>st</sup> March, 2022. For details on Customer Complaints, please refer Principle 9 under this Section-E.

### Principle 2

1. **List upto 3 of your products or services whose design has incorporated social or environmental concerns, risks and opportunities.**

The Company is into single product category, i.e. jewellery, which incorporate principles of Environmental Management Systems (EMS) at various levels of operations.

2. **For each product, provide the following details in respect of resource usage (energy water, raw material, etc.):**

(a) **Reduction during sourcing/production/distribution achieved since the previous year throughout the value chain**

(b) **Reduction during usage by consumers (energy, water) has been achieved since the previous year**

Energy:

On the energy front, the Company and its retail stores across India, to the extent possible make use of energy consumption at minimum level, and on continuous basis the Company is resorting energy saving initiatives.

Water:

On the water front, the Company and its retail stores across India, to the extent possible make use of water consumption at minimum level, and on continuous basis the Company is resorting water saving initiatives.

3. **Does the company have procedures in place for sustainable sourcing including transportation? If yes provide details of what percentage has been sourced sustainably:**

The Company procure plain gold / gold bars from reputed national vendors and procure gold jewellery, studded jewellery making are partly outsourced through reputed Karigars who are expected to be well conversant with BR obligations. Suppliers are guided in process and system improvement and enhanced



technical know-how. The movement of materials takes place mainly through airways and roadways. The transporters are advised by the Company personnel to follow the basic safety and environment protocols during such movement of goods.

Each vendor is viewed as a partner in the process of business growth, and also as enablers of mutual long term sustainable growth. The Company believes in investing time and effort in building mutually beneficial relationships. The business responsibility extends to the supply chain partners – the people from where the products are sourced from. Vendors are a part of the Company's ecosystem and their relationship with the Company is a reflection of the same.

**4. Has the company taken any steps to procure goods and services from local and small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve their capacity and capability of local and small vendors:**

Yes. The Company's key intent is helping local suppliers scale up and improve their operations, besides ensuring sustainable livelihood in the neighborhood of its operations and expects to build stronger and long-term ties with them. The local vendors are further supported by:

- Training them on quality and environmental aspects like energy conservation, reduced usage of plastic materials, and handling hazardous products.
- Providing the necessary support on implementing safety, through safety training, audits and, building capacity.

The Company on regular basis provides regular guidance and provides training to their local Karigars / vendors for the manufacturing improving quality, delivery and most importantly, transforming the manner in which Jewellery is made and sold in India. The vendors are also apprised on the requirements of the Company's Code of Conduct.

**5. Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%) Also provide details in about 50 words or so.**

Yes, >10%. Gold and Diamonds which are key raw material for jewellery, is 100% recyclable. Jewellery obtained through the Company's exchange schemes are recycled at the jewellery plant of its wholly owned subsidiary company. The E-waste is segregated at source and disposed-off safely.

### Principle 3

**1. Please indicate the total number of employees**

The Company has total 897 number of employees as on 31<sup>st</sup> March, 2022

**2. Please indicate the total number of employees hired on temporary / contractual and casual basis**

An indicative number of the employees hired in contractual/temporary basis were NIL (not on company rolls), as on 31<sup>st</sup> March 2022.

**3. Please indicate the number of permanent women employees**

The Company has total 291 number of women employees as on 31<sup>st</sup> March 2022.

**4. Please indicate the number of permanent employees with disabilities**

The Company has total 3 number of permanent employees with disabilities as on 31<sup>st</sup> March 2022.

**5. Do you have an employee association that is recognized by the management?**

No

**6. What percentage of your permanent employees is members of this recognized employee association?**

The Company do not have any employee association  
NIL% of the permanent employees are members of the recognized employee association.

**7. Please indicate the number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending as on the end of the financial year.**

The Company has adopted a Policy on Prevention of Sexual Harassment at Workplace and has internal committees to deal with concerns raised by employees.

No.	Category	No. of complaints filed during the FY 2021-22	No. of complaints pending as on 31 <sup>st</sup> March, 2022
1	Child labour/ forced labour/ involuntary labour	NIL	NIL
2	Sexual harassment	NIL	NIL
3	Discriminatory employment	NIL	NIL

**8. What percentage of your under mentioned employees were given safety and skill upgradation training in the last year?**

- a) Permanent employees
- b) Permanent women employees
- c) Casual / temporary/contractual employees
- d) Employees with disabilities

100% of the permanent employees including permanent woman employees and employees with disabilities, and NIL% of the temporary employees were given safety training. All employees who join the Company are covered under safety and occupational health training. This training includes ergonomics, life-saving skills, emergency preparedness, electrical safety and behavioural based safety.

A formal training program for different employee categories is in place for both competency and skill enhancement. These cover leadership development, behavioural, managerial and functional development programs.

**Principle 4**

**1. Has the company mapped its internal and external stakeholders?**

Yes

**2. Out of the above has the company identified the disadvantaged, vulnerable and marginalized stakeholders?**

Yes

**3. Are there any special initiatives taken by the company to engage with the disadvantaged vulnerable and marginalized stakeholders? If so provide details in about 50 words**

Yes. The Company's Corporate Social Responsibility (CSR) focus is driven by broad themes such as promoting education, promoting healthcare including preventive healthcare, family counseling, promoting gender equality & empowerment of women, upliftment of the under privileged girl child. Details of the CSR programs are available in 'Annexure –C' of the Directors' Report as well as separate section forming part of Annual Report 2021-22.

The Company identifies a huge opportunity to promoting gender equality & empowerment of women through its flagship "Pankhi" project, which is the most successful and ongoing initiatives of the Company. The said "Pankhi" project is spread across India in various states and the Company is reaching

various states and localities with help of various NGO's who are supporting the Company during this initiative.

**Principle 5**

**1. Does the policy of the company on human rights cover only the company or extend to the Group/JV partners/Suppliers /Contractors/NGO's others?**

The Company adheres to all statutes which embodies the principles of human rights such as prevention of child labour, prevention of sexual harassment, equal opportunities, woman empowerment etc. While Company's policies are not applicable to Vendors, the Company promotes awareness of the importance of human rights within its value chain and discourages instances of any abuse.

**2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management?**

There were no complaints reported on violation of any Human Rights during the financial year 2021-22.

**Principle 6**

**1. Does the policy related to Principle 6 cover only the company or extends to the Group/Jv/Suppliers/ Contractors/NGO's / others?**

The Company deals with Health, Safety and Environment aspects which applies to every member of the workforce including contract staff.

The Company, has undertaken several green initiatives at its office and store locations such as:

- Promoting energy efficiency by encouraging use of energy efficient LED lights in our offices and stores.
- Encouraging the practice of water conservation by constantly exploring ways to conserve and reuse water.
- Reducing the use of plastics and promoting zero-waste in all our offices and facilities.

**2. Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc. Y/N? If yes give hyper link for webpage etc.**

The Company is fully committed and takes all necessary measures to address global environmental issues by taking all necessary measures for conservation on energy, water and other required natural resources, through its offices and all retail stores across India. However, the Company has not formally formulated any policy on strategies / initiatives to address global environmental issues.

**3. Does the company identify and assess potential environmental risks?**

Yes. The Company is fully committed to comply with all applicable laws and requirements and maintains the highest standards of Occupational Health, Safety and Environment.

**4. Does the company have any project related to clean development mechanism? If so provide details thereof, in about 50 words or so. Also, if yes, whether any environment compliance report is filed:**

Not applicable.

**5. Has the company undertaken any other initiatives on – Clean technology, energy efficiency, renewable energy etc. If Yes please give hyper link for web page:**

Not applicable.

**6. Are the Emissions / Waste generated by the company within the permissible limits given by the CPCB/SPCB for the financial year being reported?**

Not applicable.

**7. Number of show cause / legal notices received from CPCB/SPCB which are pending (i.e., not resolved to satisfaction) as on end of financial year:**

Not applicable.

#### Principle 7

**1. Is your company a member of any trade and chamber or association? If yes name only the major ones that your business deals with**

1. India Bullion and Jewellers Association Ltd
2. The Gem & Jewellery Export Promotion Council (GJEPC)
3. Rapaport India Pvt. Ltd.

**2. Have you advocated / lobbied through the above associations for the advertisement or improvement of public good? Yes/No If yes specify the broad areas**

No.

#### Principle 8

**1. Does the company have specified programs / initiatives / projects in pursuit of the policy related to principle 8? If yes details, thereof**

Yes. The Company's initiatives and projects support inclusive growth. Please refer to CSR Report in 'Annexure C' to the Board's Report forming part of Annual Report 2021-22.

**2. Are the programs / projects undertaken through in-house team/ own foundation / external NGO/ government structures and any other organization:**

Please refer to the CSR Report which is annexed as 'Annexure C' to the Board's Report forming part of Annual Report 2021-22.

**3. Have you done any impact assessment of your initiative?**

Yes.

**4. What is your company's direct contribution to community development projects – Amount in INR and the details of the projects undertaken**

During the financial year 2021-22, the Company spent ₹ 7,594,994/- towards CSR initiatives. Details of the projects are available in 'Annexure C' to the Board's Report forming part of Annual Report 2021-22.

**5. Have you taken steps to ensure this community development initiative is successfully adopted by the community? Please explain in 50 words or so.**

Yes. The Company's flagship 'Pankhi' project is having an outcome which is acknowledged by the community. The Company closely works with NGO's / partners who have a grass root understanding of the community that makes the projects successful, both in the short term and long term. The flagship 'Pankhi' project of the Company's CSR programs is ongoing project in nature. For more details, please refer to 'Annexure C' to the Board's Report forming part of Annual Report 2021-22.

#### Principle 9

**1. What percentage of the customer complaints / consumer cases are pending as on end of the financial year?**

During the financial year 2021-22, the Company had received 29 complaints from customers and all complaints were resolved during the financial year 2021-22 and no complaint were pending or outstanding as at end of the financial year, i.e. on 31<sup>st</sup> March, 2022. No consumer complaint were pending on 31<sup>st</sup> March, 2022.

**2. Does the company display product information on the product label, over and above what is mandated by local laws?**

The Company deals in retail jewellery and the Company mentioned / displayed product information on the product label as mandated by local laws. Some of the products contains information over and above what is mandated as per local laws.

3. **Is there any case filed by any stakeholder against the company regarding the unfair trade practices, irresponsible advertising, and / or anti-competitive behavior during the last five years and pending as on end of financial year? If so, provide the details thereof in about 50 words or so:** None
4. **Did the company carry out any consumer survey / consumer satisfaction trends?**  
Yes. These are carried out routinely and used for internal improvement purposes.

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

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

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

Date: 1<sup>st</sup> August, 2022  
Place: Mumbai

# Independent Auditor's Report

To the Members of **Tribhovandas Bhimji Zaveri Limited**

## Report on the Audit of the Standalone Financial Statements

### OPINION

We have audited the accompanying standalone financial statements of Tribhovandas Bhimji Zaveri Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information. (Hereinafter referred to as "standalone financial statements")

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013, ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

### BASIS FOR OPINION

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

### KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements for the financial year ended March 31, 2022. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matters	How our audit addressed the key audit matter
<p><b>Existence and valuation of Inventories</b></p> <p>The carrying values of Inventories of the Company are ₹ 120581.30 lakh as at March 31, 2022 (Refer no. 12 of standalone financial statements) which constitutes 82.27 % of the Company's total assets. The Company's inventories mainly comprised of gold, diamond, silver and platinum in the distribution centers and retail outlets. Valuation of inventories is at lower of cost and net realizable value. Significant portion of inventories costs includes gold diamond, platinum and silver which are subject to risk of changes in the market value. The assessment of net realizable value of inventories is based on estimates and judgments by the management in respect of, among others, the economic condition, sales forecast, marketability of products and the quality of gold and diamond used to make jewellery products. Furthermore, there is higher inherent risk of theft and pilferage given the high intrinsic value and portable nature of individual inventory items.</p> <p>Considering the above, we concluded that existence and valuation of inventories as a key audit matter for our audit.</p>	<p>Our audit procedures over existence and valuation of inventories included the following:</p> <ul style="list-style-type: none"> <li>• We evaluated the design, implementation and tested the operating effectiveness of key controls that the Company has in relation to safeguarding and physical verification of inventories including the appropriateness of the Company's standard operating procedures for conducting, recording and reconciling physical verification of inventories and tested the implementation thereof.</li> <li>• Participated and observed the physical verification of inventory conducted by the management at retail outlet on sample basis as at March 31, 2022.</li> <li>• We compared the net realizable values on sample basis of gold, silver and platinum inventories calculated based on the current market price with their carrying value of inventories.</li> <li>• We compared the results of independent gemological appraisal report of selected samples to the weight and purity of diamond jewellery with records in the inventories system.</li> <li>• We evaluated the independence and objectivity of the gemologist appointed by management.</li> </ul>

## INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report but does not include the standalone financial statements and our auditor's report thereon. The Annual report is expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

When we read the other information identified above, if we conclude that there is a material misstatement therein we are required to communicate the matter to those charged with governance.

## RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE STANDALONE FINANCIAL STATEMENTS

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

In preparing the standalone financial statements, management is responsible for assessing the Company's

ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

## AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether

a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements for the financial year ended March 31, 2022 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. Further to our comment in the Annexure A, as required by section 143 (3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - (c) The Balance Sheet, Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
  - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act;
  - (e) On the basis of the written representations received from the directors as on March 31, 2022, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 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 with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B" to this report;
  - (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
  - (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us and as represented by the managements:
    - i) The Company has disclosed the impact of pending litigations on its financial position

in its standalone financial statements – Refer Note 39.3 to the standalone financial statements;

- ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses
- iii) There has been no delay in transferring amounts, required to be transferred, to the Investors Education and Protection Fund by of the Company
- iv) (a) Management has represented to us that, to the best of it's knowledge and belief, as disclosed in the notes to standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (b) Management has represented to us that, to the best of it's knowledge and belief, as disclosed in the notes to standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded

in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

- (c) Based on our audit procedure performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our attention that cause us to believe that the representation given by the management under paragraph (2) (h) (iv) (a) & (b) contain any material misstatement.

- v) The final dividend paid by the Company during the year which was declared for the previous year is in accordance with section 123 of the Companies Act 2013 to the extent it applies to payment of dividend.

As stated in note no 39.8 to the standalone financial statements, the Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

For **Chaturvedi and Shah LLP**  
Chartered Accountants  
Registration Number: 101720W/W100355

**Vijay Napawaliya**  
Partner

Place: Mumbai  
Date: May 5, 2022

Membership Number: 109859  
UDIN: 22109859AILORS7244



# “Annexure A” to The Independent Auditor’s Report

**(Referred to in paragraph 1 under the heading “Report on Other Legal and Regulatory Requirements” of our report of even date to the members of the Tribhovandas Bhimji Zaveri Limited on the standalone financial statements for the year ended March 31, 2022)**

1. (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment on the basis of available information.
- (B) The Company has maintained proper records showing full particulars of intangible assets on the basis of available information.
- (b) The Company has a regular programme of physical verification of its property, plant and equipment by which all property, plant and equipment are verified in a phased manner over a period of two years. In accordance with this programme, a portion of the property, plant and equipment has been physically verified by the management during the year and no material discrepancies have been noticed on such verification.
- (c) According to the information and explanations given to us and the records examined by us title deeds in respect of immovable properties disclosed as Property, Plant & Equipment (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) in the financial statements are in the name of the Company.
- (d) According to information and explanations given to us and books of accounts and records examined by us, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.
- (e) According to information & explanations and representation given to us by the management, no proceedings have been initiated or are pending against the

Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.

2. (a) As explained to us and on the basis of the records examined by us, in our opinion, physical verification of the inventories, except stocks lying with third parties, have been conducted at reasonable intervals by the management and having regard to the size and nature of business of the Company and nature of its inventory, the coverage and procedures of such verification by the management is appropriate. In respect of inventory lying with third parties, these have been substantially confirmed by them. As explained to us and on the basis of the records examined by us, the value of the discrepancies noticed on physical verification by management did not exceed 10% or more in aggregate of each class of inventory.
- (b) As per the information and explanations given to us and examination of books of accounts and other records produced before us, in our opinion quarterly returns or statements including revised filed by the Company with banks pursuant to terms of sanction letters for working capital limits secured by current assets are in agreement with the books of account of the Company.
3. During the year, the Company has made investments in companies and granted loan to employees. However, the Company has not granted any loans or advances in the nature of loans or provided any guarantee or security to companies, firms, Limited Liability Partnerships during the year:
  - a) The Company has provided loan to employees during the year and details of which are given below:-

Particulars	Loans (₹ in Lakh)
A. Aggregate amount granted during the year	15.80
- Loan to Employees	
B. Balance outstanding as at balance sheet date in respect of above cases	31.65
- Loan to Employees	

- b) The investments made and the terms and conditions of the grant of above- mentioned loan to employees during the year are, in our opinion, prima facie, not prejudicial to the Company's interest.

- c) In respect of interest free loans granted by the Company, the schedule of repayment of principal has been stipulated and the repayments of principal amounts are regular as per stipulation.
- d) According to information and explanations given to us and based on the audit procedures performed, in respect of loan to employees granted by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.
- e) No loan to employees granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.
- f) According to information and explanations given to us and based on the audit procedures performed, the Company has not granted any loan to employees either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause 3(iii)(f) of the Order is not applicable.
4. In our opinion and according to the information and explanations provided to us, the Company has not granted any loans or provided any guarantees or security to the parties covered under Section 185 of the Act. The Company has complied with the provisions of Section 186 of the Act, as applicable, in respect of investments made.
5. According to the information and explanations given to us, the Company has not accepted any deposits or amounts which are deemed to be deposits within the meaning of provisions of sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under. Therefore, the clause (v) of paragraph 3 of the Order is not applicable to the Company.
6. To the best of our knowledge and as explained, the Central Government has not specified the maintenance of cost records under Section 148(1) of the Companies Act, 2013, for the products of the Company. Accordingly, paragraph 3 (vi) of the order is not applicable.
7. (a) According to the records of the Company examined by us, undisputed statutory dues including Goods and Service tax, provident fund, employees' state insurance, income tax, duty of customs, cess and any other material statutory dues have been generally regularly deposited with appropriate authorities. According to the information and explanations given to us, there were no undisputed amounts payable in respect of the aforesaid dues, which were outstanding as March 31, 2022 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there are no statutory dues referred to in sub-clause (a) which have not been deposited with the appropriate authority except as mentioned below:-

Name of the Statute	Nature of Dues	Unpaid amount involved (₹ in lakhs)	Period to which the amount relates	Forum where dispute is pending
Customs Act, 1962	Customs Duty	25.00	FY 2012-13	commissioner of Customs (Appeals)
Maharashtra Value Added Tax Act, 2002	Value added tax	285.94	FY 2011-12	Joint Commissioner of Sales Tax (Appeals)
	Central Sales tax	2.45	FY 2013-14	Joint Commissioner of Sales Tax (Appeals)
Central Sales Tax Act, 1956	Central sales tax	1.06	FY 2011-12	Joint Commissioner of Sales Tax (Appeals)
Local Body Tax Act	Local body tax	31.53	FY 2012-13	Commissioner
Goods and Service tax, 2016	Goods and Service tax	69.38	FY 17-18	Principal commissioner of central GST
Jharkhand commercial tax department	Value added tax	0.56	FY 16-17	Dy. Commissioner of commercial tax
	Central Sales tax	41.13		
Jharkhand commercial tax department	Value added tax	0.05	FY 17-18	Dy. Commissioner of commercial tax
	Central Sales tax	16.92		

8. According to the information and explanations given to us and representation given to us by the management, the Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessment under the Income Tax Act, 1961 as income during the year. Accordingly, the provision of clause 3(viii) of the Order is not applicable to the Company.
9. (a) In our opinion and according to the information and explanations given and books of accounts and records examined by us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- (b) In our opinion, and according to the information and explanations given to us, the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) In our opinion, and according to the information and explanations given and records examined by us, the Company has not obtained any term loans during the year.
- (d) According to the information and explanations given to us and the procedures performed by us, and on an overall examination of the financial statements of the Company, we report that, prima facie, no funds raised on short-term basis have been used during the year for long-term purposes by the Company.
- (e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report, prima facie, that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiary. The Company does not have associates or joint ventures.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiary. The Company does not have joint ventures or associate companies.
10. (a) The Company has not raised money by way of initial public offer or further public offer (including debt instruments) and hence clause (x) (a) of paragraph 3 of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us and on the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year hence clause 3(x)(b) of the Order is not applicable to the Company.
11. (a) Based on the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the year.
- (b) According to the information and explanations given to us, no report under sub-section 12 of section 143 of the Act has been filed by auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
- (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
12. In our opinion, Company is not a Nidhi company. Therefore, the provisions of clause (xii) of paragraph 3 of the Order are not applicable to the Company.
13. In our opinion and according to the information and explanations given to us, all transactions with related parties are in compliance with sections 177 and 188 of the Act and their details have been disclosed in the financial statements, as required by the applicable accounting standards.
14. (a) In our opinion, and according to the information and explanations given to us, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports of the Company issued till date, for the period under audit.
15. According to the information and explanations provided by the management, the Company has not entered into any non-cash transaction with directors or persons connected with him as referred to in Section 192 of the Act.

16. (a) To the best of our knowledge and as explained, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.
- (b) In our opinion, and according to the information and explanations provided to us and on the basis of our audit procedures, the Company has not conducted any Non-Banking Financial or Housing Finance activities during the year as per the Reserve bank of India Act 1934.
- (c) In our opinion, and according to the information and explanations provided to us, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.
- (d) In our opinion, and according to the information and explanations provided to us, the Group do not have any Core Investment Company (CIC).
17. In our opinion, and according to the information and explanations provided to us, Company has not incurred any cash losses in the financial year and in the immediately preceding financial year.
18. There has been no resignation of the statutory auditors during the year. Therefore, provisions of clause (xviii) of Paragraph 3 of the Order are not applicable to the Company.
19. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
20. With respect to CSR contribution under section 135 of the Act:
- a) According to the information and explanations given to us and on the basis of our audit procedures, in respect of other than ongoing projects, there were no unspent amount that were required to be transferred to a Fund specified in Schedule VII in compliance with second proviso to sub-section 5 of section 135 of the Act.
- b) According to the information and explanations given to us and on the basis of our audit procedures, there were no ongoing projects related to Corporate Social Responsibilities. Therefore, provisions of clause (xx) (b) of Paragraph 3 of the Order are not applicable to the Company.

For **Chaturvedi and Shah LLP**  
Chartered Accountants  
Registration Number: 101720W/W100355

**Vijay Napawaliya**  
Partner

Place: Mumbai  
Date: May 5, 2022

Membership Number: 109859  
UDIN: 22109859AILORS7244

# “Annexure B” to The Independent Auditor’s Report

**Referred to in paragraph 2(f) under the heading “Report on Other Legal and Regulatory Requirements” of our report of even date to the members of the Tribhovandas Bhimji Zaveri Limited on the standalone financial statements for the year ended March 31, 2022.**

## **REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 (“THE ACT”)**

We have audited the internal financial controls with reference to standalone financial statements of Tribhovandas Bhimji Zaveri Limited (“the Company”) as of March 31, 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 with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

### **AUDITOR’S RESPONSIBILITY**

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting with reference to standalone financial statements of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India (“ICAI”) and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply

with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

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

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

### **MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS**

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

### **INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS**

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override

of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **OPINION**

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system with reference to standalone financial statements and such internal financial controls with reference to

financial statements were operating effectively as at March 31, 2022, based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

For **Chaturvedi and Shah LLP**

Chartered Accountants

Registration Number: 101720W/W100355

**Vijay Napawaliya**

Partner

Place: Mumbai

Date: May 5, 2022

Membership Number: 109859

UDIN: 22109859AILORS7244

# Standalone Balance Sheet

as at 31 March 2022

₹ in Lacs

	Notes	As at 31 March 2022	As at 31 March 2021
<b>A. ASSETS</b>			
<b>1 Non-current assets</b>			
(a) Property, plant and equipment	3	6,160.51	6,744.46
(b) Right-to-use assets	4	6,848.11	5,002.81
(c) Investment property	5	1,792.64	1,810.90
(d) Other Intangible assets	6	96.21	158.54
(e) Financial assets			
(i) Investments	7	1,196.29	202.33
(ii) Other financial asset	8	461.01	441.66
(f) Deferred tax assets (net)	9	367.72	427.18
(g) Non current tax assets	10	885.68	533.24
(h) Other non current assets	11	57.83	3.69
<b>Total Non-current assets</b>		<b>17,866.00</b>	<b>15,324.81</b>
<b>2 Current assets</b>			
(a) Inventories	12	120,581.30	99,575.18
(b) Financial assets			
(i) Trade receivables	13	161.29	339.86
(ii) Cash and cash equivalents	14	812.34	557.50
(iii) Bank balance other than (ii) above	15	3,719.54	3,391.70
(iv) Others financial assets	16	332.42	441.14
(c) Other current assets	17	3,091.50	2,721.45
<b>Total Current assets</b>		<b>128,698.39</b>	<b>107,026.83</b>
<b>Total Assets</b>		<b>146,564.39</b>	<b>122,351.64</b>
<b>B. EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity share capital	18	6,673.06	6,673.06
(b) Other equity	19	46,823.76	46,695.28
<b>Total Equity</b>		<b>53,496.82</b>	<b>53,368.34</b>
<b>Liabilities</b>			
<b>1 Non current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	20	9.30	230.23
(ii) Lease liability	21	6,070.39	4,828.50
(b) Provisions	22	675.88	628.49
<b>Total Non Current Liabilities</b>		<b>6,755.57</b>	<b>5,687.22</b>
<b>2 Current liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	23	50,891.87	37,319.49
(ii) Lease liability	24	1,817.56	1,388.55
(iii) Trade payables	25		
(a) Total outstanding dues of micro enterprises and small enterprises		4,083.58	898.52
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises		16,130.92	13,113.07
(iv) Other financial liabilities	26	787.40	900.72
(b) Provisions	27	399.04	381.26
(c) Other current liabilities	28	12,201.63	9,294.47
<b>Total Current liabilities</b>		<b>86,312.00</b>	<b>63,296.08</b>
<b>Total Equity and Liabilities</b>		<b>146,564.39</b>	<b>122,351.64</b>
Summary of significant accounting policies	2		
The accompanying notes are an integral part of the financial statements	1 to 39		

As per our report of even date

For **Chaturvedi & Shah LLP**

Chartered Accountants

Firm Registration No: 101720W/W100355

For and on behalf of the Board of Directors of

**Tribhovandas Bhimji Zaveri Limited**

**Vijay Napawaliya**

Partner

Membership No: 109659

**Shrikant Zaveri**

Chairman and Managing Director

DIN:00263725

**Raashi Zaveri**

Whole Time Director

DIN:00713688

**Saurav Banerjee**

Chief Financial Officer

**Niraj Oza**

Head-Legal & Company Secretary

Membership No.:A20646

Place: Mumbai

Date: 5<sup>th</sup> May 2022

# Standalone Statement of Profit and Loss

for the year ended 31 March 2022

₹ in Lacs

	Notes	Year ended 31 March 2022	Year ended 31 Mar 2021
<b>1. Revenue from Operations</b>			
(a) Revenue from operations	29.1	184,367.96	134,188.19
(b) Other operating revenue	29.2	15.99	11.20
<b>(c) Total revenue from operations (a+b)</b>		<b>184,383.95</b>	<b>134,199.39</b>
(d) Other income	30	837.62	1,289.33
<b>2. Total Income (c+d)</b>		<b>185,221.57</b>	<b>135,488.72</b>
<b>3. Expenses</b>			
(a) Cost of material consumed	31	128,776.31	84,071.85
(b) Purchase of stock-in-trade	32	52,151.34	8,698.62
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	33	(21,550.94)	17,234.53
(d) Labour Charges		5,279.74	2,822.73
(e) Employee benefits expense	34	6,350.20	5,491.03
(f) Finance costs	35	3,559.90	4,784.19
(g) Depreciation and amortisation expense	36	2,225.50	2,632.79
(h) Other expenses	37	6,141.94	3,783.86
<b>4. Total expenses</b>		<b>182,933.99</b>	<b>129,519.60</b>
<b>5. Profit before tax (2-4)</b>		<b>2,287.58</b>	<b>5,969.12</b>
(a) Current tax	38	517.00	1,406.00
(b) Deferred tax	9	59.46	254.08
<b>6. Total tax expenses</b>		<b>576.46</b>	<b>1,660.08</b>
<b>7. Profit after tax (5-6)</b>		<b>1,711.12</b>	<b>4,309.04</b>
<b>8. Other Comprehensive Income</b>			
A) Items that will not be reclassified subsequently to profit or loss			
i) Re-measurement of defined benefit obligation		114.44	(167.97)
ii) Income tax relating to above		(28.80)	42.27
<b>9. Other Comprehensive Income</b>		<b>85.64</b>	<b>(125.70)</b>
<b>10. Total Comprehensive Income for the year (7+9)</b>		<b>1,796.76</b>	<b>4,183.34</b>
Earnings per equity share			
Basic & Diluted (₹)	39.1	2.56	6.46
Significant accounting policies	2		
Notes to the Standalone Financial statements	1 to 39		

As per our report of even date  
For **Chaturvedi & Shah LLP**  
Chartered Accountants  
Firm Registration No: 101720W/W100355

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

**Vijay Napawaliya**  
Partner  
Membership No: 109659

**Shrikant Zaveri**  
Chairman and Managing Director  
DIN:00263725

**Raashi Zaveri**  
Whole Time Director  
DIN:00713688

**Saurav Banerjee**  
Chief Financial Officer

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

Place: Mumbai  
Date: 5<sup>th</sup> May 2022



# Standalone Statement of Cash flow

for the year ended 31 March 2022

₹ in Lacs

	Year ended 31 March 2022	Year ended 31 Mar 2021
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net profit before tax	2,287.58	5,969.12
Adjustments to:		
Depreciation and amortisation expenses	2,225.50	2,632.79
Finance cost	3,559.90	4,784.19
Interest income	(131.89)	(170.55)
(Profit) / Loss on sales of property, plant and equipment	8.67	(14.93)
Rental income	(68.07)	(73.50)
Liabilities / Provision no longer require written back (net)	(19.62)	(271.52)
Gain on sale of Investment	-	(1.35)
Assets written off	2.97	186.06
Other Income – Rent waiver / Lease liability cancellation	(524.85)	(704.92)
<b>Operating cash flow before working capital changes</b>	<b>7,340.19</b>	<b>12,335.39</b>
<b>Changes in working capital</b>		
Adjustments for (increase)/ decrease in operating assets:		
Trade receivables	179.89	(34.40)
Inventories	(21,006.13)	19,517.99
Other Receivables	(399.30)	318.20
Adjustments for increase / (decrease) in operating liabilities:		
Trade payables	6,202.65	(5,254.05)
Other Payables	2,846.22	(2,096.48)
Provisions	17.79	(125.02)
<b>Cash generated from operating activities</b>	<b>(4,818.69)</b>	<b>24,661.63</b>
Direct taxes paid (net of refund)	(869.44)	(1,642.49)
<b>Net cash flow from / (used in) operating activities (A)</b>	<b>(5,688.13)</b>	<b>23,019.14</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Capital Expenditure on property, plant and equipment and intangible assets	(105.83)	(116.08)
Proceeds from sale of property, plant and equipment	4.00	38.37
Bank deposits	(238.97)	486.73
Rental income	68.07	73.50
Interest received	133.13	116.99
Purchase of Investment	-	(549.97)
Sale of Investment	-	551.32
Investment in subsidiaries	(993.96)	-
<b>Net cash flow from / (used in) investing activities (B)</b>	<b>(1,133.56)</b>	<b>600.86</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from non current borrowings	-	3,480.00
Repayment of non current borrowings	(2,342.59)	(971.00)

# Standalone Statement of Cash flow

for the year ended 31 March 2022

₹ in Lacs

		Year ended 31 March 2022	Year ended 31 Mar 2021
Proceeds from / (repayment of) current borrowings (net)		15,694.04	(19,811.30)
Dividend paid		(1,668.27)	-
lease liability payment		(1,774.57)	(2,064.00)
Finance cost paid		(2,832.08)	(3,924.88)
<b>Net cash flow from / (used in) financing activities</b>	<b>(C)</b>	<b>7,076.53</b>	<b>(23,291.18)</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>(A+B+C)</b>	<b>254.84</b>	<b>328.82</b>
<b>Cash and cash equivalent at the beginning of the year</b>		<b>557.50</b>	<b>228.68</b>
<b>Cash and cash equivalent at the end of the year</b>		<b>812.34</b>	<b>557.50</b>

## Notes to Standalone Statement of Cash flows

### A. Components of cash and cash equivalents:

Cash on hand		258.47	235.30
Balances with banks			
- on current accounts		553.87	322.20
		<b>812.34</b>	<b>557.50</b>

### B. Changes in Liabilities arising from Financing Activities

₹ in Lacs

Particulars	As at 1 <sup>st</sup> April 2021	Cash Flows	Non-cash	As at 31 <sup>st</sup> March 2022
Borrowings - Non-Current (Refer Note 20)	2,575.39	(2,342.59)	-	232.80
Borrowings - Current (Refer Note 23)	34,974.34	15,694.03	-	50,668.37

Particulars	As at 1 <sup>st</sup> April 2020	Cash Flows	Non-cash	As at 31 <sup>st</sup> March 2022
Borrowings - Non-Current (Refer Note 20)	66.40	2,508.99	-	2,575.39
Borrowings - Current (Refer Note 23)	54,785.64	(19,811.30)	-	34,974.34

Notes to the Standalone Financial statements 1 to 39

As per our report of even date  
For **Chaturvedi & Shah LLP**  
Chartered Accountants  
Firm Registration No: 101720W/W100355

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

**Vijay Napawaliya**  
Partner  
Membership No: 109659

**Shrikant Zaveri**  
Chairman and Managing Director  
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**Raashi Zaveri**  
Whole Time Director  
DIN:00713688

**Saurav Banerjee**  
Chief Financial Officer

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

Place: Mumbai  
Date: 5<sup>th</sup> May 2022

# Standalone Statement of Changes in Equity

for the year ended 31 March 2022

## A. Equity Share Capital

Particulars	As at 31 March 2022		As at 31 March 2021	
	No. of shares	₹ in Lacs	No. of shares	₹ in Lacs
Equity shares of ₹ 10 each issued, subscribed and fully paid				
<b>As at 1 April 2021</b>	<b>66,730,620</b>	<b>6,673.06</b>	<b>66,730,620</b>	<b>6,673.06</b>
Issue of share capital	-	-	-	-
<b>As at 31 March 2022</b>	<b>66,730,620</b>	<b>6,673.06</b>	<b>66,730,620</b>	<b>6,673.06</b>

## B. Other Equity

Particulars	Reserves and Surplus				Other Comprehensive Income	Total Other equity
	Securities premium (refer note 19)	General reserve (refer note 19)	Retained earnings (refer note 19)	Re-measurement of defined benefit plan (refer note 19)		
<b>Balance as at 1 April 2020</b>	<b>16,791.35</b>	<b>1,401.47</b>	<b>24,588.88</b>	<b>(269.76)</b>	<b>42,511.95</b>	
Profit for the year	-	-	4,309.04	-	4,309.04	
Other comprehensive income for the year	-	-	-	(125.70)	(125.70)	
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>4,309.04</b>	<b>(125.70)</b>	<b>4,183.34</b>	
<b>Balance as at 31 March 2021</b>	<b>16,791.35</b>	<b>1,401.47</b>	<b>28,897.92</b>	<b>(395.46)</b>	<b>46,695.28</b>	
<b>Balance as at 1 April 2021</b>	<b>16,791.35</b>	<b>1,401.47</b>	<b>28,897.92</b>	<b>(395.46)</b>	<b>46,695.28</b>	
Profit for the year	-	-	1,711.12	-	1,711.12	
Dividend	-	-	(1,668.27)	-	(1,668.27)	
Other comprehensive income for the year	-	-	-	85.64	85.64	
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>42.85</b>	<b>85.64</b>	<b>128.49</b>	
<b>Balance as at 31 March 2022</b>	<b>16,791.35</b>	<b>1,401.47</b>	<b>28,940.77</b>	<b>(309.81)</b>	<b>46,823.76</b>	

As per our report of even date  
For **Chaturvedi & Shah LLP**  
Chartered Accountants  
Firm Registration No: 101720W/W100355

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

**Vijay Napawaliya**  
Partner  
Membership No: 109659

**Shrikant Zaveri**  
Chairman and Managing Director  
DIN:00263725

**Raashi Zaveri**  
Whole Time Director  
DIN:00713688

**Saurav Banerjee**  
Chief Financial Officer

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

Place: Mumbai  
Date: 5<sup>th</sup> May 2022

# Notes to the Standalone Financial Statements

for the year ended 31 March 2022

## 1 Corporate information

Tribhovandas Bhimji Zaveri Limited ('TBZ or the "the Company') known under the brand 'TBZ- the Original' was incorporated on 24 July 2007 by conversion of a partnership firm Tribhovandas Bhimji Zaveri under Part IX of the Companies Act, 1956 whereby the partners of the partnership firm became shareholders with the shareholdings as agreed amongst the partners. The Company has been converted to a public limited company w.e.f. 3 December 2010. The Company is in the business of retail sales of ornaments made of gold, diamond, silver, platinum and precious stones through its 28 showrooms and 3 franchisee outlets located across in India.

## 2 Basis of Preparation of financial statements and significant accounting policies

### 2.1 Basis of Preparation of financial statements

#### a. Statement of compliance

The standalone financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS), notified under the Companies (Indian Accounting Standards) Rules, 2015, and other relevant provisions of the Companies Act, 2013 ("the Act") as amended.

#### b. Functional and presentation currency

The standalone financial statements are presented in Indian Rupees (INR), and all the values are rounded to the nearest Lacs with two decimals, except when otherwise indicated.

#### c. Basis of measurement

The standalone financial statements have been prepared on accrual basis under the historical cost convention, except for the following assets and liabilities which have been measured at fair value as required by relevant Ind AS:

- derivative financial instruments,
- certain financial assets and liabilities (refer accounting policy regarding financial instruments), and
- defined employee benefit liability.

## 4 Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, (regardless of whether that price is directly observable or estimated using another valuation technique). In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability, if market participants would take those characteristics into account when pricing the asset or liability, at the measurement date.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of Ind AS 102, leasing transactions that are within the scope of Ind AS 116, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

#### e. Significant accounting judgements, estimates and assumptions

The preparation of the Company's standalone financial statements requires the management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets, liabilities, the accompanying

# Notes to the Standalone Financial Statements

for the year ended 31 March 2022

disclosures and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. Estimates and assumptions are reviewed on periodic basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

The key assumptions concerning the future and other key sources of estimation, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities, within the next financial year, are described below. The Company has based its assumptions and estimates on parameters available when the standalone financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Information about critical judgments in applying accounting policies, as well as estimates and assumptions that have the most significant effect to the carrying amounts of assets and liabilities within the next financial year, are included in the following notes:

## 2 Basis of Preparation of financial statements and significant accounting policies (continued)

### 2.1 Basis of Preparation of financial statements (continued)

#### e. Significant accounting judgements, estimates and assumptions (continued)

##### (a) Measurement of defined benefit obligations

The cost of the defined benefit gratuity plan and other post-employment retirement benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future

salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation. The mortality rate is based on publicly available mortality tables for India. Those mortality tables tend to change only at intervals in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

Further details about gratuity obligations are given in Note – 39.5.

For the purpose of assessing the leave availment rate, the Company considered the past leave availment history of the employees.

##### (b) Measurement and likelihood of occurrence of provisions and contingencies

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

A disclosure for contingent liabilities is made where there is a possible obligation or a present obligation that may probably not require an outflow of resources. When there is a possible or a present obligation where the likelihood of outflow of resources is remote, no provision or disclosure is made in the standalone financial statements.

# Notes to the Standalone Financial Statements

for the year ended 31 March 2022

**(c) Recognition of taxes**

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

**(d) Provision for sales return**

The Company developed a statistical model for forecasting sales returns. The model used the historical return data of each franchise to come up with expected return percentages. These percentages are applied to determine the expected value of the variable consideration. Any significant changes in experience as compared to historical return pattern will impact the expected return percentages estimated by the Company.

**(e) Provision for inventory**

The Company provides provision based on policy, past experience, current trend and future expectations of the inventory held by them.

**(f) Useful life of property, plant and Equipments and intangible assets**

The Company reviews the estimated useful lives of property, plant and equipment and intangible assets at the end of each reporting period. During financial years ended 31 March 2022, there were no changes in useful lives of property plant and equipment and intangible assets other than those resulting from store closures / shifting of premises.

The Company at the end of each reporting period, based on external and internal sources of information, assesses indicators and mitigating factors of whether a store (cash generating unit) may have suffered an impairment loss. If it is determined that an impairment loss has been suffered, it is recognised in Statement of profit & loss.

**(g) Embedded derivative**

The Company enters into purchase gold contract, in which the amount payable is not fixed based on gold price on the date of purchase, but instead is affected by changes in gold prices in future. Such transactions are entered into to protect against the risk of gold price movement in the purchased gold. Accordingly, such unfixed payables (gold loan) are considered to have an embedded derivative. The Company designates the gold price risk in such instruments as hedging instruments, with gold inventory considered to be the hedged item. The hedged risk is gold prices movement.

**(h) Going concern**

During the current year ended March 31, 2022, management has performed an assessment of the entity's ability to continue as a going concern. Based on the assessment, management believe that there is no material uncertainty with respect to any events or conditions that may cast a significant doubt on the entity to continue as a going concern, hence the standalone financial statements have been prepared on going concern basis.

**(i) Impairment of equity investment in a subsidiary company.**

As at 31<sup>st</sup> March, 2022 there are accumulated losses in a subsidiary company viz. Tribhovandas Bhimji Zaveri (Bombay) Limited. Tribhovandas Bhimji Zaveri (Bombay) Limited is taking ongoing steps to revamp its business operations.

Based on its future business plans and strategic growth projections, the Company has determined that no impairment is required at this stage.

**f. Current -non-current classification**

All assets and liabilities are classified into current and non-current.

**Assets**

An asset is classified as current when it satisfies any of the following criteria :

# Notes to the Standalone Financial Statements

for the year ended 31 March 2022

- a. it is expected to be realised in, or is intended for sale or consumption in, the Company's normal operating cycle;
- b. it is held primarily for the purpose of being traded;
- c. it is expected to be realised within 12 months after reporting date; or
- d. it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of non-current financial assets.

All other assets are classified as non-current.

## Liabilities

A liability is classified as current when it satisfies any of the following criteria:

- a. it is expected to be settled in the Company's normal operating cycle;
- b. it is held primarily for the purpose of being traded;
- c. it is due to be settled within 12 months after the reporting date; or
- d. the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instrument do not affect its classification.

Current liabilities include current portion of non-current financial liabilities.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

## Operating Cycle :

Based on the nature of services and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current – non-current classification of assets and liabilities.

## Recent Accounting pronouncements

On 23<sup>rd</sup> March, 2022, the Ministry of Corporate Affairs (MCA) has notified certain amendment to existing Ind AS. These amendments shall be applicable to the Company from 1<sup>st</sup> April, 2022. Amendment to Existing issued Ind AS

The MCA has carried out amendments of the following accounting standards

- i. Ind AS 101- First time adoption of Indian Accounting Standards
- ii. Ind AS 103 – Business Combinations
- iii. Ind AS 109 - Financial Instruments
- iv. Ind AS 16 – Property, Plant and Equipment
- v. Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets
- vi. Ind AS 41 - Agriculture

Application of above standards are not expected to have any significant impact on the Company's financial statements.

## 2.2 Significant accounting policies

### a) Property, plant and Equipment

Property, plant and equipment are carried at cost less accumulated depreciation and impairment losses, if any.

The cost of Property, plant and equipment comprises its purchase price/acquisition cost, net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from tax authorities), any directly attributable expenditure on making the asset ready for its intended use. Subsequent

# Notes to the Standalone Financial Statements

for the year ended 31 March 2022

expenditure on property, plant and equipment after its purchase/completion is capitalized only if it is probable that future economic benefit associated with the expenditure will flow to the company.

Property, plant and equipment not ready for the intended use on the date of balance sheet are disclosed as "Capital work-in-progress". Capital work in progress is stated at cost, net of accumulated impairment loss, if any.

If significant parts of an item of property, plant and equipment have different lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Gains or losses arising from disposal or retirement of property, plant and equipment are recognised in the Statement of Profit and Loss.

Depreciation on PPE has been provided on the basis using straight line method over the useful life of the assets, as prescribed in schedule II to the Company act 2013. Freehold land is not depreciated. Leasehold Improvement are amortised over primary period of lease.

Property, plant and equipment	Management estimate of useful life	Useful life as per Schedule II
Plant and machinery	3 to 15 years	15 years
Furniture and fittings	5 to 10 years	10 years

Depreciation method, useful lives and residual values are reviewed at each financial year end and adjusted, if appropriate.

Depreciation for the year is recognised in the Statement of Profit and Loss.

## b) Intangible assets

Intangible assets are recognised only when it is probable that the future economic benefits that are attributable to the assets will flow to the Company and the cost of such assets can be

measured reliably. Intangible assets are stated at cost less accumulated amortisation and impairment loss, if any. All costs relating to the acquisition are capitalised.

Intangible assets are amortised in the Statement of Profit and Loss over their estimated useful lives, from the date that they are available for use based on the expected pattern of consumption of economic benefits of the asset.

The Company's intangible assets comprise of Computer software which are being amortised on a straight line basis over their estimated useful life of five years. Amortisation method and useful lives are reviewed at each reporting date. If the useful life of an asset is estimated to be significantly different from previous estimates, the amortisation period is changed accordingly. If there has been a significant change in the expected pattern of economic benefits from the asset, the amortisation method is changed to reflect the changed pattern.

## c) Impairment of non financial assets

Assessment for impairment is done at each balance sheet date as to whether there is any indication that a non-financial asset may be impaired. For the purpose of assessing impairment, the smallest identifiable Company of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or Company's of assets is considered as a cash generating unit.

If any indication of impairment exists, an estimate of the recoverable amount of the individual asset/cash generating unit is made. Asset/cash generating unit whose carrying value exceeds their recoverable amount are written down to the recoverable amount by recognising the impairment loss as an expense in the Statement of profit and loss. Recoverable amount is higher of an asset's or cash generating unit's fair value less cost of disposal and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset or cash generating unit and from its disposal at the end of its useful life.



# Notes to the Standalone Financial Statements

for the year ended 31 March 2022

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit and loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

## d) Investments Property

Investment property is property held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes. Upon initial recognition, an investment property is measured at cost. Subsequent to initial recognition, investment property is measured at cost less accumulated depreciation and accumulated impairment losses, if any.

The Company depreciates investment properties over a period of 30 years on a straight-line basis over its estimated useful life.

Any gain or loss on disposal of an investment property is recognised in statement of profit and loss.

The fair values of investment property is disclosed in the notes. Fair values is determined by an independent valuer who holds a recognised and relevant professional qualification and has recent experience in the location and category of the investment property being valued.

## e) Inventories

Inventories which comprise raw materials, finished goods, stock-in-trade and packing materials are carried at the lower of cost or net realizable value. Cost is determined on weighted average basis.

Cost of inventories comprises all costs of purchase and, other duties and taxes (other than those subsequently recoverable from tax authorities), costs of conversion and all other costs incurred in bringing the inventory to their present location and condition. In respect of purchase of goods at prices that are yet to be fixed at the year end, adjustments to the provisional amounts are recognised based on the year end closing gold rate.

Diamond finished jewellery is valued at specific cost.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale. Raw materials and other supplies held for use in the production of finished products are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realisable value.

## f) Borrowing Costs

Borrowing costs consist of interest and other costs (including exchange differences to the extent regarded as an adjustment to the interest costs) incurred in connection with the borrowing of funds.

Borrowing costs directly attributable to the acquisition or construction of an asset, as defined in Ind AS 23, that necessarily takes a substantial period of time to get ready for its intended use are capitalized as a part of the cost of such assets. All other borrowing costs are recognized as an expense in the period in which they are incurred.

## g) Revenue from contract with customer

Revenue from contracts with customers is recognised when control of the goods or services

# Notes to the Standalone Financial Statements

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are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods or services before transferring them to the customer and sales under sale or return basis arrangements.

## **i) Sale of goods**

Revenue from sale of goods is recognised at the point in time when control of the goods is transferred to the customer, generally on delivery of the goods. In determining the transaction price for the sale of product, the Company considers the effects of variable consideration.

## **(a) Variable consideration**

Revenue is measured at fair value of consideration received or receivable net of returns, trade and scheme discounts, volume rebate excluding taxes or duties collected on behalf of the government.

If the consideration in a contract includes a variable amount, the Company estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved. Some contracts for the sale of product provide customers with a right of return. The rights of return give rise to variable consideration.

## **(b) Rights of return**

Certain contracts provide a customer with a right to return the goods within a specified period. The Company uses the expected value method to estimate the goods that will not be returned because this method best predicts the amount of variable consideration to which the Company will

be entitled. The requirements in Ind AS 115 on constraining estimates of variable consideration are also applied in order to determine the amount of variable consideration that can be included in the transaction price. For goods that are expected to be returned, instead of revenue, the Company recognises a refund liability. A right of return asset and corresponding adjustment to change in inventory is also recognised for the right to recover products from a customer.

## **(c) Assets and liabilities arising from rights of return**

### **Right of return assets:**

Right of return asset represents the Company's right to recover the goods expected to be returned by customers. The asset is measured at the former carrying amount of the inventory, less any expected costs to recover the goods, including any potential decreases in the value of the returned goods. The Company updates the measurement of the asset recorded for any revisions to its expected level of returns, as well as any additional decreases in the value of the returned products.

### **Refund liabilities:**

A refund liability is the obligation to refund some or all of the consideration received (or receivable) from the customer and is measured at the amount the Company ultimately expects it will have to return to the customer. The Company updates its estimates of refund liabilities (and the corresponding change in the transaction price) at the end of each reporting period. Refer to above accounting policy on variable consideration.

- ii) **Service Income** : Service income is recognized on rendering of services at a point in time.
- iii) **Gift Card** : Sales are recognized when the vouchers are redeemed and goods are sold to the customers.
- iv) **Interest Income** : Interest income is recorded using the Effective Interest Rate (EIR). EIR is the rate that exactly discounts the estimated future

# Notes to the Standalone Financial Statements

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cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial assets or to the amortised cost of a financial liability. When calculating the EIR, the Company estimates the expected cash flows by considering all the contractual terms of the financial instruments (for example : prepayment and extension), but does not consider the expected credit losses. Interest income is included in other income in the Statement of Profit and Loss.

## b) Foreign currency transactions

Foreign currency transactions are recorded at the exchange rates prevailing on the dates of the transactions. Exchange differences arising on foreign currency transactions settled during the period are recognized in the Statement of profit and loss.

Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated into functional currency at the exchange rates at the reporting date. The resultant exchange differences are recognized in the Statement of profit and loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

## i) Employee benefits

### Short-term employee benefits

Employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits.

These benefits include salaries and wages, bonus and ex-gratia. The undiscounted amount of short-term employee benefits to be paid in exchange for employee services is recognised as an expense as the related service is rendered by employees.

### Post-employment benefits

#### Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which the Company pays specified contribution to a Government administered scheme and has no obligation to pay any further amounts. The Company makes specified monthly contributions towards provident fund and employee state insurance, which are defined contribution plans, at the prescribed rates. The Company's contribution is recognised as an expense in the Statement of profit and loss during the period in which the employee renders the related service.

#### Defined benefit plans

##### Gratuity

The Company operates a defined benefit gratuity plan in India. The Company contributes to a gratuity trust maintained by an independent insurance company. The Company's liabilities under the Payment of Gratuity Act are determined on the basis of actuarial valuation made at the end of each financial year using the projected unit credit method. Obligation is measured at the present value of estimated future cash flows using a discounted rate that is determined by reference to market yields at the Balance Sheet date on Government bonds, where the terms of the Government bonds are consistent with the estimated terms of the defined benefit obligation. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and fair value of plan assets. This cost is included in 'Employee benefits expense' in the Statement of Profit and Loss. Re-measurement gains or losses and return on plan assets (excluding amounts included in net interest on the net defined benefit liability) arising from changes in actuarial assumptions are recognised in the period in which they occur,

# Notes to the Standalone Financial Statements

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directly in OCI. They are included in retained earnings in the Statement of changes in equity and in the Balance Sheet. Re-measurements are not reclassified to the Statement of Profit and Loss in subsequent periods.

## Other long-term employee benefits

### Compensated absences

The Company provides for encashment of leave or leave with pay subject to certain rules. The employees are entitled to accumulate leave subject to certain limits for future encashment / availment. The Company makes provision for compensated absences based on an independent actuarial valuation carried out at the end of the year using the projected unit credit method. Actuarial gains and losses are recognised in the Statement of profit and loss.

## j) Leases

As per Ind AS 116- Lease, the determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

### Where the Company is the lessee

Finance leases are capitalised at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the statement of profit and loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the company's general policy on the borrowing costs. Contingent rentals are recognised as expenses in the periods in which they are incurred.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to the Statement of Profit and Loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

### Where the Company is the lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

## k) Income taxes

Income tax expense comprises current tax and deferred tax. It is recognised in the Statement of

# Notes to the Standalone Financial Statements

for the year ended 31 March 2022

profit and loss except to the extent that it relates to an item recognized directly in equity or in other comprehensive income.

## Current tax

The Income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date in India.

Current income tax relating to items recognised outside the Statement of Profit and Loss is recognised outside the Statement of Profit and Loss (either in OCI or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. The management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions, where appropriate, on the basis of amounts expected to be paid to the tax authorities.

## Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised, except when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date, and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Current tax and deferred tax relating to items recognised outside the Statement of Profit and Loss is recognised outside the Statement of Profit and Loss (either in OCI or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

## I) Earnings per share (EPS)

Basic earnings per share is calculated by dividing the net profit for the year

# Notes to the Standalone Financial Statements

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attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares, that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit for the period attributable to equity shareholders and the weighted average number of shares outstanding during the year is adjusted for the effects of all dilutive potential equity shares.

## **m) Provision, contingent liabilities and contingent assets**

The Company creates a provision when there is a present obligation (legal or constructive) as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the balance sheet date and are discounted to its present value if the effect of time value of money is considered to be material. These are reviewed at each year end date and adjusted to reflect the best current estimate. The unwinding of the discount is recognized as finance cost. Expected future operating losses are not provided for.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may or may not require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Contingent assets are neither recognised nor disclosed in The standalone financial statements. However, contingent assets

are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the period in which the change occurs.

## **n) Investment in Subsidiaries**

The Company has elected to account for its equity investments in subsidiaries under Ind AS 27 on separate financial statements, at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed. On disposal of investments in subsidiaries, the difference between net disposal proceeds and the carrying amounts are recognized in the Statement of profit and loss.

## **o) Cash and cash equivalents**

Cash and Cash Equivalents in the balance sheet and for the purpose of cash flow statement comprise cash in hand and cash at bank including fixed deposit with original maturity period of three months and short-term highly liquid investments with an original maturity of three months or less net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

## **p) Financial instruments**

A Financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

## **Financial Assets**

### **Initial recognition and measurement:**

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or

# Notes to the Standalone Financial Statements

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for which the Company has applied the practical expedient, the Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient are measured at the transaction price determined under Ind AS 115.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

## Financial asset :

### Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- a) Debt instruments at amortised cost
- b) Debt instruments at fair value through other comprehensive income (FVTOCI)
- c) Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- d) Equity instruments measured at fair value through other comprehensive income (FVTOCI)

### Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

### Debt instrument at FVTOCI

A 'debt instrument' is classified as at the

FVTOCI if both of the following criteria are met:

- a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the P&L. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to P&L. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

# Notes to the Standalone Financial Statements

for the year ended 31 March 2022

## Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency. The Company has not designated any debt instrument as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

## Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity. Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

## De-recognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e. removed from the Company's consolidated balance sheet) when:

- a) The rights to receive cash flows from the asset have expired, or
- b) The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

## Impairment of financial assets

In accordance with Ind-AS 109, the Company applies Expected Credit Loss ("ECL") model for measurement and recognition of impairment loss on the financial assets measured at amortized cost and financial assets measured at FVOCI. For financial assets other than trade receivables, as per Ind AS 109, the Company recognises 12 month expected credit losses for all originated or acquired financial assets if at the reporting



# Notes to the Standalone Financial Statements

for the year ended 31 March 2022

date the credit risk of the financial asset has not increased significantly since its initial recognition. The expected credit losses are measured as lifetime expected credit losses if the credit risk on financial asset increases significantly since its initial recognition. The Company's trade receivables do not contain significant financing component and loss allowance on trade receivables is measured at an amount equal to life time expected losses i.e. expected cash shortfall.

The impairment losses and reversals are recognised in Statement of Profit and Loss.

## Financial liabilities :

### Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

The measurement of financial liabilities depends on their classification, as described below:

### Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit and loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit and loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are

designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognised in the profit and loss. Financial liabilities designated upon initial recognition at fair value through profit and loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The Company has not designated any financial liability as at fair value through profit and loss.

### Loans and borrowings

This is the category most relevant to the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

### Financial guarantee contracts

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

# Notes to the Standalone Financial Statements

for the year ended 31 March 2022

## De-recognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

## Offsetting

Financial assets and financial liabilities are offset and the net amount is presented in the Balance Sheet, if the Company currently has a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

## q) Derivative financial instruments and hedge accounting

Initial recognition, subsequent measurement and fair value hedge

In order to hedge its exposure to commodity price risks, the Company also enters into forward contracts. The Company does not hold derivative financial instruments for speculative purposes. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to statement of profit and loss. Changes in the fair value of derivatives that are designated

and qualify as fair value hedges are recognised in statement of profit and loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

## Embedded derivative

An embedded derivative is a component of a hybrid (combined) instrument that also includes a non-derivative host contract – with the effect that some of the cash flows of the combined instrument vary in a way similar to a standalone derivative. An embedded derivative causes some or all of the cash flows that otherwise would be required by the contract to be modified according to a specified variable.

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

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

# Notes to the Standalone Financial Statements

for the year ended 31 March 2022

## 3 Property, plant and equipment

Particulars	₹ in Lacs						
	Leasehold improvements	Building	Plant and machinery*	Furniture and fittings	Computers	Vehicles	Total
<b>Cost</b>							
<b>As at 1 April 2020</b>	<b>2,119.87</b>	<b>4,090.21</b>	<b>2,239.60</b>	<b>1,724.65</b>	<b>547.55</b>	<b>171.84</b>	<b>10,893.72</b>
Additions	-	-	1.52	33.95	4.64	-	40.11
Deductions / adjustment during the year	209.27	-	18.53	105.14	0.24	-	333.17
<b>As at 31 March 2021</b>	<b>1,910.60</b>	<b>4,090.21</b>	<b>2,222.59</b>	<b>1,653.46</b>	<b>551.95</b>	<b>171.84</b>	<b>10,600.65</b>
<b>As at 1 April 2021</b>	<b>1,910.60</b>	<b>4,090.21</b>	<b>2,222.59</b>	<b>1,653.46</b>	<b>551.95</b>	<b>171.84</b>	<b>10,600.65</b>
Additions	-	-	28.06	47.41	18.70	-	94.17
Deductions / adjustment during the year	8.17	-	12.40	42.96	10.89	-	74.43
<b>As at 31 March 2022</b>	<b>1,902.43</b>	<b>4,090.21</b>	<b>2,238.25</b>	<b>1,657.91</b>	<b>559.75</b>	<b>171.84</b>	<b>10,620.39</b>
<b>Depreciation</b>							
<b>As at 1 April 2020</b>	<b>1,026.03</b>	<b>294.44</b>	<b>562.25</b>	<b>880.08</b>	<b>473.37</b>	<b>19.55</b>	<b>3,255.72</b>
Depreciation for year	267.39	69.60	141.64	210.01	15.77	19.72	724.15
Deductions / adjustment during the year	66.82	-	4.07	52.57	0.22	-	123.68
<b>As at 31 March 2021</b>	<b>1,226.61</b>	<b>364.04</b>	<b>699.83</b>	<b>1,037.52</b>	<b>488.92</b>	<b>39.27</b>	<b>3,856.19</b>
<b>As at 1 April 2021</b>	<b>1,226.61</b>	<b>364.04</b>	<b>699.83</b>	<b>1,037.52</b>	<b>488.92</b>	<b>39.27</b>	<b>3,856.19</b>
Depreciation for year	222.39	69.60	137.99	204.10	9.40	19.72	663.20
Deductions / adjustment during the year	5.20	-	10.43	34.51	9.38	-	59.52
<b>As at 31 March 2022</b>	<b>1,443.80</b>	<b>433.64</b>	<b>827.39</b>	<b>1,207.11</b>	<b>488.94</b>	<b>58.99</b>	<b>4,459.87</b>
<b>Net book value as at:-</b>							
<b>31 March 2021</b>	<b>683.99</b>	<b>3,726.17</b>	<b>1,522.76</b>	<b>615.94</b>	<b>63.03</b>	<b>132.57</b>	<b>6,744.46</b>
<b>31 March 2022</b>	<b>458.63</b>	<b>3,656.57</b>	<b>1,410.85</b>	<b>450.80</b>	<b>70.81</b>	<b>112.85</b>	<b>6,160.51</b>

### Notes:

- Property plant and equipment are pledged as security for term loan and working capital loans and vehicles against vehicle loans (refer note 20 and 23).
- Plant and Machinery includes net block amounting to ₹ 293.84 lacs (31 March 2021: ₹ 330.39 lacs) being the carrying value of plant and machinery situated at Kandivali (West), Mumbai given on operating lease rental.(\*)
- As at 31 March 2022, Buildings with carrying amount of ₹ 3,656.56 lacs (31 March 2021 ₹ 3,726.17 lacs) are subject to first pari passu charge to secured borrowings (refer note 23)

# Notes to the Standalone Financial Statements

for the year ended 31 March 2022

## 4 Right to Use Assets and Lease Liability

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the year:

Particulars	₹ in Lacs	
		Building
<b>Cost</b>		
<b>As at 1 April 2020</b>		<b>9,541.92</b>
Additions		627.61
Deductions / adjustment during the year		1,677.92
<b>As at 31 March 2021</b>		<b>8,491.61</b>
<b>As at 1 April 2021</b>		<b>8,491.61</b>
Additions		3,630.57
Deductions / adjustment during the year		2,531.64
<b>As at 31 March 2022</b>		<b>9,590.54</b>
<b>Depreciation</b>		
<b>As at 1 April 2020</b>		<b>2,163.14</b>
Depreciation for the year		1,813.62
Deductions / adjustment during the year		487.96
<b>As at 31 March 2021</b>		<b>3,488.80</b>
<b>As at 1 April 2021</b>		<b>3,488.80</b>
Depreciation for the year		1,470.87
Deductions / adjustment during the year		2,217.24
<b>As at 31 March 2022</b>		<b>2,742.43</b>
<b>Net book value as at:-</b>		
<b>31 March 2021</b>		<b>5,002.81</b>
<b>31 March 2022</b>		<b>6,848.11</b>

Set out below are the carrying amounts of lease liabilities and the movements during the year:

Particulars	₹ in Lacs	
	As at 31 March 2022	As at 31 March 2021
<b>As at 31 March 2021</b>	6,217.05	
(As at 31 March 2020)		8,786.42
Additions	3,493.63	609.77
Accretion of interest	727.76	815.48
Less: Lease payment	(1,774.57)	(2,634.52)
Less: Lease liability adjusted during the year	(775.93)	(1,360.09)
<b>Net book value as at:-</b>	<b>7,887.95</b>	<b>6,217.05</b>
Non Current	6,070.39	4,828.50
Current	1,817.56	1,388.55

# Notes to the Standalone Financial Statements

for the year ended 31 March 2022

The maturity analysis of lease liabilities are disclosed in Note no 39.13.2.B

The following are the amounts recognised in profit or loss:

Particulars	₹ in Lacs	
	As at 31 March 2022	As at 31 March 2021
Depreciation expense of right-of-use assets	1,470.87	1,813.62
Interest expense on lease liabilities	727.76	815.48
Expense relating to short-term leases (included in other expenses)	285.94	189.85
<b>Total amount recognised in profit or loss</b>	<b>2,484.57</b>	<b>2,818.95</b>

The Company had total cash outflows for leases of ₹ 1,774.57 lacs in March 31, 2022 (₹ 2,064.00 lacs in March 31, 2021). The Company also had non-cash additions to right-of-use asset of ₹ 3,630.57 lacs & and lease liabilities of ₹ 3,493.63 lacs in March 31, 2022 (₹ 627.61 lacs & ₹ 609.77 lacs in 31 March 2021 respectively).

## 5 Investment property

Particulars	₹ in Lacs		
	Freehold Land	Building	Total
<b>Cost</b>			
<b>As at 1 April 2020</b>	<b>1,419.34</b>	<b>484.57</b>	<b>1,903.91</b>
Additions	-	-	-
Deductions / adjustment during the year	-	-	-
<b>As at 31 March 2021</b>	<b>1,419.34</b>	<b>484.57</b>	<b>1,903.91</b>
<b>As at 1 April 2021</b>	<b>1,419.34</b>	<b>484.57</b>	<b>1,903.91</b>
Additions	-	-	-
Deductions / adjustment during the year	-	-	-
<b>As at 31 March 2022</b>	<b>1,419.34</b>	<b>484.57</b>	<b>1,903.91</b>
<b>Depreciation</b>			
<b>As at 1 April 2020</b>	-	<b>74.72</b>	<b>74.72</b>
Depreciation for the year	-	18.29	18.29
Deductions / adjustment during the year	-	-	-
<b>As at 31 March 2021</b>	-	<b>93.01</b>	<b>93.01</b>
<b>As at 1 April 2021</b>	-	<b>93.01</b>	<b>93.01</b>
Depreciation for the year	-	18.26	18.26
Deductions / adjustment during the year	-	-	-
<b>As at 31 March 2022</b>	-	<b>111.27</b>	<b>111.27</b>
<b>Net book value as at:-</b>			
<b>31 March 2021</b>	<b>1,419.34</b>	<b>391.56</b>	<b>1,810.90</b>
<b>31 March 2022</b>	<b>1,419.34</b>	<b>373.30</b>	<b>1,792.64</b>

### Notes:

- a) As at 31 March 2022, Free Hold Land and Buildings with carrying amount of ₹ 1,792.64 lacs (31 March 2021 ₹ 1,810.90 lacs) are subject to first pari passu charge to secured borrowings (refer note 23)

# Notes to the Standalone Financial Statements

for the year ended 31 March 2022

## Information regarding income and expenditure of Investment property

Particulars	₹ in Lacs	
	31 March 2022	31 March 2021
Rental income derived from investment properties	66.00	73.50
Direct operating expenses (including repairs and maintenance) generating rental income	0.32	0.32
<b>Profit arising from investment properties before depreciation and indirect expenses</b>	<b>65.68</b>	<b>73.18</b>
Less – Depreciation	(18.26)	(18.29)
<b>Profit arising from investment properties before indirect expenses</b>	<b>47.42</b>	<b>54.90</b>

The Company's investment properties consist of one commercial property in India. The management has determined that the investment property consist of one class of assets factory based on the nature, characteristics and risks of property.

As at 31 March 2022, the fair values of the building is ₹ 2,861.57 lacs (31 March 2021 ₹ 2,835.86 lacs) . These valuations are based on valuations performed by registered valuer.

The Company has no restrictions on the realisability of its investment property and no contractual obligations to purchase, construct or develop investment property or for repairs, maintenance and enhancements.

Fair value hierarchy disclosures for investment property have been provided in Note 39.13.1

## 6 Other Intangible asset

Particulars	₹ in Lacs
	Computer software
<b>Cost</b>	
<b>As at 1 April 2020</b>	<b>340.12</b>
Additions	16.71
Deductions / adjustment during the year	-
<b>As at 31 March 2021</b>	<b>356.83</b>
<b>As at 1 April 2021</b>	<b>356.83</b>
Additions	10.84
Deductions / adjustment during the year	-
<b>As at 31 March 2022</b>	<b>367.67</b>
<b>Amortisation</b>	
<b>As at 1 April 2020</b>	<b>121.55</b>
Amortisation for the year	76.74
Deductions / adjustment during the year	-
<b>As at 31 March 2021</b>	<b>198.29</b>
<b>As at 1 April 2021</b>	<b>198.29</b>
Amortisation for the year	73.17
Deductions / adjustment during the year	-
<b>As at 31 March 2022</b>	<b>271.46</b>
<b>Net book value as at:-</b>	
<b>31 March 2021</b>	<b>158.54</b>
<b>31 March 2022</b>	<b>96.21</b>

# Notes to the Standalone Financial Statements

for the year ended 31 March 2022

## 7 Investments (Unquoted at cost unless otherwise stated)

Particulars	₹ in Lacs	
	As at 31 March 2022	As at 31 March 2021
- Investments in equity instruments (refer note 39.7)		
5,020 (31 March 2021: 5,020) equity shares of ₹ 100 each, fully paid up in Tribhovandas Bhimji Zaveri (Bombay) Limited a wholly owned subsidiary	202.33	202.33
Share application money of Non-cumulative optionally convertible preference share in Tribhovandas Bhimji Zaveri (Bombay) Limited a wholly owned subsidiary	993.96	-
	<b>1,196.29</b>	<b>202.33</b>

## 8 Other financial asset (Unsecured, considered good)

Particulars	₹ in Lacs	
	As at 31 March 2022	As at 31 March 2021
<b>To parties other than related parties</b>		
Security deposits	461.01	441.66
	<b>461.01</b>	<b>441.66</b>

## 9 Deferred tax assets (net)

Particulars	₹ in Lacs	
	As at 31 March 2022	As at 31 March 2021
<b>a. The major components of income tax (income) / expense are:</b>		
Deferred tax assets	651.36	710.81
Deferred tax Liability	(283.64)	(283.64)
	<b>367.72</b>	<b>427.18</b>

Particulars	Balance sheet		Statement of Profit and Loss	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
<b>b. Deferred tax relates to following</b>				
Property, plant and equipment	(272.74)	(283.64)	(10.89)	(44.35)
Employee benefits	313.66	300.58	(13.08)	33.01
Commission to directors	7.55	43.41	35.86	(43.41)
Provision for doubtful debts	25.41	26.00	0.58	(3.70)
Leases	261.63	305.60	43.97	223.49
Provision for sales return	32.21	32.84	0.63	17.47
Impact of change in tax rate	-	-	-	73.96
MTM Option Derivative	-	2.39	2.39	(2.39)
<b>Deferred tax expense / (income)</b>			<b>59.46</b>	<b>254.08</b>
<b>Net deferred tax assets/ (Liabilities)</b>	<b>367.72</b>	<b>427.18</b>		

# Notes to the Standalone Financial Statements

for the year ended 31 March 2022

## 10 Non-current tax assets

Particulars	₹ in Lacs	
	As at 31 March 2022	As at 31 March 2021
Advance tax (net of provision for Tax ₹ 4,490.35 Lacs 31st March 2021, ₹ 4,106.77 Lacs)	885.68	533.24
	<b>885.68</b>	<b>533.24</b>

## 11 Other non current assets

Particulars	₹ in Lacs	
	As at 31 March 2022	As at 31 March 2021
Capital Advances	23.40	3.40
Prepayments	34.43	0.29
	<b>57.83</b>	<b>3.69</b>

## 12 Inventories\*

Particulars	₹ in Lacs	
	As at 31 March 2022	As at 31 March 2021
Raw material	17,146.24	17,695.17
Finished goods**	60,822.28	49,225.09
Stock-in-trade**	42,582.78	32,629.04
Packing material	30.00	25.88
	<b>120,581.30</b>	<b>99,575.18</b>

During the year ended 31 March 2022 NIL (Previous year: ₹ 380.00 Lacs) is recognised as an expense for inventories carried at net realisable value.

\*Working Capital Borrowing are secured by hypothecation of inventories of the Company (refer note 23).

\*\*Cost of precious stones forming part of the jewellery is determined by management based on technical estimate of the purity and clarity of diamonds used, on which the auditors have placed reliance, as this being a technical matter.

## 13 Trade receivables\*

Particulars	₹ in Lacs	
	As at 31 March 2022	As at 31 March 2021
Unsecured, considered good**	161.29	339.86
Credit impaired	26.45	27.77
	187.74	367.64
Less: Provision for expected credit loss	(26.45)	(27.77)
<b>Total</b>	<b>161.29</b>	<b>339.86</b>

\* Working capital borrowing are secured by hypothecation of trade receivables of the Company (refer note 23).

\*\* Includes receivable from credit card and unified payment interface (UPI) companies amounting to ₹ 128.50 lac (31 March 2021: ₹ 126.02 lac)

Trade receivables are generally not interest-bearing.



# Notes to the Standalone Financial Statements

for the year ended 31 March 2022

## The movement in allowance for doubtful receivables is as follows:

Balance as at beginning of the year	27.77	32.81
Provision created/(reversed) during the year	(1.32)	(5.04)
Balance as at the end of the year	<b>26.45</b>	<b>27.77</b>

## Trade receivable ageing schedule are as below:

### As at 31 March 2022

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	160.86	0.43	-	-	-	161.29
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables–considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	26.45	26.45
<b>Sub Total</b>	<b>160.86</b>	<b>0.43</b>	-	-	<b>26.45</b>	<b>187.74</b>
Less: Allowance for credit impaired/Expected credit loss	-	-	-	-	(26.45)	(26.45)
<b>Total</b>	<b>160.86</b>	<b>0.43</b>	-	-	-	<b>161.29</b>

### As at 31 March 2021

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	339.48	0.38	-	-	-	339.86
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables–considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	27.77	27.77
<b>Sub Total</b>	<b>339.48</b>	<b>0.38</b>	-	-	<b>27.77</b>	<b>367.63</b>
Less: Allowance for credit impaired/Expected credit loss	-	-	-	-	(27.77)	(27.77)
<b>Total</b>	<b>339.48</b>	<b>0.38</b>	-	-	-	<b>339.86</b>

# Notes to the Standalone Financial Statements

for the year ended 31 March 2022

## 14 Cash and cash equivalents

Particulars	₹ in Lacs	
	As at 31 March 2022	As at 31 March 2021
Balances with banks		
- on current accounts	553.87	322.20
Cash on hand	258.47	235.30
	<b>812.34</b>	<b>557.50</b>

## 15 Bank balances other than cash and cash equivalents

Particulars	₹ in Lacs	
	As at 31 March 2022	As at 31 March 2021
Bank deposits (with original maturity for more than 3 months but less than 12 months)*	3,710.75	3,385.94
Earmarked balance with banks		
- Unclaimed dividend#	8.79	5.76
	<b>3,719.54</b>	<b>3,391.70</b>

# Includes restricted amount towards unclaimed Dividend of ₹ 8.79 Lacs (31 March 2021 ₹ 5.76 Lacs)

\* Deposit with carrying value of ₹ 2,778.11 Lacs (31 March 2021 ₹ 3,195.90 Lacs) are under lien to secure working capital facilities availed from banks.

## 16 Other financial assets (Unsecured, considered good)

Particulars	₹ in Lacs	
	As at 31 March 2022	As at 31 March 2021
<b>To related parties</b>		
Security deposits (refer note 39.7)	128.36	128.36
<b>To parties other than related parties</b>		
Security deposits	222.14	320.13
Less: Impairment allowance	(29.75)	(29.75)
	192.39	290.39
	<b>320.75</b>	<b>418.74</b>
<b>To parties other than related parties</b>		
Interest accrued on fixed deposits	11.67	12.91
Derivative receivables	-	9.49
	<b>11.67</b>	<b>22.40</b>
	<b>332.42</b>	<b>441.14</b>

# Notes to the Standalone Financial Statements

for the year ended 31 March 2022

## 17 Other current assets

Particulars	₹ in Lacs	
	As at 31 March 2022	As at 31 March 2021
Advance to suppliers	455.80	176.72
Advances to employees and others	34.66	30.26
Prepaid expenses	184.35	176.34
Balance with government authorities	1,122.76	1,018.63
Refund Assets	1,293.93	1,319.50
	<b>3,091.50</b>	<b>2,721.45</b>

## 18 Equity share capital

### Authorised share capital

Particulars	As at 31 March 2022		As at 31 March 2021	
	No. of shares	₹ in Lacs	No. of shares	₹ in Lacs
As at the beginning of the year	75,000,000	7,500.00	75,000,000	7,500.00
Increase during the year	-	-	-	-
As at the end of the year	<b>75,000,000</b>	<b>7,500.00</b>	<b>75,000,000</b>	<b>7,500.00</b>

### Issued equity share capital

Particulars	As at 31 March 2022		As at 31 March 2021	
	No. of shares	₹ in Lacs	No. of shares	₹ in Lacs
As at the beginning of the year	66,730,620	6,673.06	66,730,620	6,673.06
Increase during the year	-	-	-	-
As at the end of the year	<b>66,730,620</b>	<b>6,673.06</b>	<b>66,730,620</b>	<b>6,673.06</b>

#### a. Terms / rights attached to equity shares

The company has only one class of equity shares having par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. The voting rights of an equity shareholder on a poll (not on show of hands) are in proportion to his share of paid-up equity capital of the Company. Voting rights cannot be exercised in respect of shares on which any call or other sums presently payable have not been paid.

Failure to pay any amount called up on shares may lead to forfeiture of the shares.

On winding up of the Company, the holders of equity shares will be entitled to receive the residual assets of the Company, remaining after distribution of all preferential amounts in proportion to the number of equity shares held.

# Notes to the Standalone Financial Statements

for the year ended 31 March 2022

## b. Details of shareholders holding more than 5% shares in the Company

Particulars	As at 31 March 2022		As at 31 March 2021	
	No. of Shares	% holding in the class	No. of Shares	% holding in the class
Equity shares of ₹ 10 each fully paid up held by:				
Shrikant Zaveri	33,402,275	50.06%	33,402,275	50.06%
Binaisha Zaveri	5,285,000	7.92%	5,285,000	7.92%
Raashi Zaveri	4,572,500	6.85%	4,572,500	6.85%
Bindu Zaveri	3,500,000	5.24%	3,500,000	5.24%

## c. Details of shares held by promoters in the Company\*

Particulars	As at 31 March 2022		As at 31 March 2021	
	No. of Shares	% holding in the class	No. of Shares	% holding in the class
Shrikant Zaveri	33,402,275	50.06%	33,402,275	50.06%
Binaisha Zaveri	5,285,000	7.92%	5,285,000	7.92%
Raashi Zaveri	4,572,500	6.85%	4,572,500	6.85%
Bindu Zaveri	3,500,000	5.24%	3,500,000	5.24%

\* There is no change in promoters share holding during the year ended March 31, 2022 & March 31, 2021.

## 19 Other equity

Particulars	₹ in Lacs	
	As at 31 March 2022	As at 31 March 2021
<b>Securities premium</b>		
<b>As at the beginning of the year</b>	<b>16,791.35</b>	<b>16,791.35</b>
Add: Securities premium collected during the year	-	-
<b>As at the end of the year</b>	<b>16,791.35</b>	<b>16,791.35</b>
<b>General reserves</b>		
<b>As at the beginning of the year</b>	1,401.47	1,401.47
Add: Transfer during the year	-	-
<b>As at the end of the year</b>	<b>1,401.47</b>	<b>1,401.47</b>

# Notes to the Standalone Financial Statements

for the year ended 31 March 2022

Particulars	₹ in Lacs	
	As at 31 March 2022	As at 31 March 2021
<b>Surplus in profit and loss</b>		
<b>As at the beginning of the year</b>	<b>28,897.92</b>	<b>24,588.88</b>
Add / (Less): Profit for the year	1,711.12	4,309.04
Add/Less: Equity dividend	(1,668.27)	-
<b>As at the end of the year</b>	<b>28,940.77</b>	<b>28,897.92</b>
<b>Other comprehensive income</b>		
<b>As at the beginning of the year</b>	(395.46)	(269.76)
Add: Re-measurement gains/ (losses) on defined benefit plans	114.44	(167.97)
Add: Income tax effect	(28.80)	42.27
<b>As at the end of the year</b>	<b>(309.82)</b>	<b>(395.46)</b>
	<b>46,823.76</b>	<b>46,695.28</b>

## Securities premium reserve

Securities premium reserve is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with provisions of the Companies Act 2013.

## General reserves

The general reserve is mainly created / built by the Company from time to time by transferring the profits from the retained earnings. The reserve may be utilised mainly to declare dividend as permitted under Companies Act 2013.

## Surplus in profit and loss

Retained earnings comprise of the Company's undistributed profits after taxes.

## Other comprehensive income

Items of other comprehensive income consist of re-measurement gain/(losses) on defined benefit plan of the Company.

## 20 Non current borrowings

Particulars	Effective interest rate %	Maturity	₹ in Lacs	
			As at 31 March 2022	As at 31 March 2021
Secured				
Term loans				
- From bank	8.00%	Apr'22	-	112.08
- Vehicle Loan	8.75%	Nov'23	9.30	32.15
Working capital demand loan				
- From bank	7.40%	Apr'22	-	86.00
			<b>9.30</b>	<b>230.23</b>

# Notes to the Standalone Financial Statements

for the year ended 31 March 2022

Working capital demand loan and Term loan facilities are part of a consortium arrangement with banks. The above facilities are secured by primary security by way of hypothecation charge on the entire current assets of the Company, present and future, on first pari passu basis among the members of the consortium.

Further, the facility is secured by collateral security on first pari passu charge basis among the members of the consortium

- By way of mortgage over premises at Zaveri Bazar, Mumbai, premises at Surat, premises at Kandivali Industrial Estate, Mumbai, premises at Nariman Point, Mumbai, premises at Punjagutta, Hyderabad.

- By way of hypothecation charge over Property, Plant and Equipment installed/erected at Surat, at Kandivali Industrial Estate, Mumbai, at Pune, and all movable and immovable assets present in all the Company's showrooms.

The facility is also secured by way of extension of mortgage charge on Second pari passu basis over commercial premises at Santacruz, Mumbai belonging to Shri Shrikant Zaveri (Chairman and Managing Director) and the personal guarantee of Shri Shrikant Zaveri the Chairman and Managing Director, Raashi Zaveri Executive Director and Binaisha Zaveri, Executive Director of the Company.

The term loans of COVID-19 Emergency Line of Credit scheme shall be repayable on monthly Installments till April, 2022

The vehicle loans from banks are secured by hypothecation of vehicle purchased. The vehicle loans shall be repayable on monthly Installments of ₹ 1.73 lacs till 1 November 2023 (32 Monthly installments).

The Company has not defaulted for any loans payable, and there has been no breach of any loan covenants.

## 21 Lease liability

Particulars	₹ in Lacs	
	As at 31 March 2022	As at 31 March 2021
Lease liability (refer note 4)	6,070.39	4,828.50
	<b>6,070.39</b>	<b>4,828.50</b>

## 22 Non current

Particulars	₹ in Lacs	
	As at 31 March 2022	As at 31 March 2021
<b>Provision for employee benefits</b>		
Provision for gratuity (refer note 39.5 (b))	588.96	539.32
Provision for compensated absences	86.92	89.17
	<b>675.88</b>	<b>628.49</b>

# Notes to the Standalone Financial Statements

for the year ended 31 March 2022

## 23 Current borrowings

₹ in Lacs

Particulars	Effective interest rate %	Maturity	As at 31 March 2022	As at 31 March 2021
<b>Secured</b>				
<b>Loans repayable on demand from Banks</b>				
Working capital demand loan *	7.60% to 11.05%	Various dates	16,433.70	13,777.56
Gold Loan	2.35% to 4.46%	Various dates	25,092.90	18,740.52
Cash credit	8.95% to 12.00%	On demand	8,791.87	1,976.59
<b>Unsecured</b>				
Bill Discounting	10.30%	Various dates	349.90	479.67
			<b>50,668.37</b>	<b>34,974.34</b>

Working capital demand loan and the Cash credit facilities are part of a consortium arrangement with banks. The above facilities are secured by primary security by way of hypothecation charge on the entire current assets of the Company, present and future, on first pari passu basis among the members of the consortium.

Further, the facility is secured by collateral security on first pari passu charge basis among the members of the consortium

- By way of mortgage over premises at Zaveri Bazar, Mumbai, premises at Surat, premises at Kandivali Industrial Estate, Mumbai, premises at Nariman Point, Mumbai, premises at Punjagutta, Hyderabad.

- By way of hypothecation charge over Property, Plant and Equipment installed/erected at Surat, at Kandivali Industrial Estate, Mumbai, at Pune, and all movable and immovable assets present in all the Company's showrooms.

The facility is also secured by way of extension of mortgage charge on Second pari passu basis over commercial premises at Santacruz, Mumbai belonging to Shri Shrikant Zaveri (Chairman and Managing Director) and the personal guarantee of Shri Shrikant Zaveri the Chairman and Managing Director, Raashi Zaveri Executive Director and Binaisha Zaveri, Executive Director of the Company.

Deposit with carrying value of ₹ 2,778.11 Lacs (31 March 2021 ₹ 3,195.90 Lacs) are under lien to secure working capital facilities availed from banks. The facilities are also secured by Bank Guarantee of ₹ 9,255 lacs (31 March 2021: ₹ 12,150.00 lacs).

**Amount disclosed as current maturities of long term borrowings under the head Non-current borrowings (refer note 20)**

₹ in Lacs

Particulars	Effective interest rate %	Maturity	As at 31 March 2022	As at 31 March 2021
<b>Secured</b>				
Term loans				
- From bank	8.00%	Apr'22	116.07	1,224.00
- Vehicle Loan	8.75%	Nov'23	21.43	17.15
Working capital demand loan				
- From bank	7.40%	Apr'22	86.00	1,104.00
			<b>223.50</b>	<b>2,345.15</b>
			<b>50,891.87</b>	<b>37,319.49</b>

# Notes to the Standalone Financial Statements

for the year ended 31 March 2022

## 24 Lease liability

Particulars	₹ in Lacs	
	As at 31 March 2022	As at 31 March 2021
Lease liability (refer note 4)	1,817.56	1,388.55
	<b>1,817.56</b>	<b>1,388.55</b>

## 25 Trade payables

Particulars	₹ in Lacs	
	As at 31 March 2022	As at 31 March 2021
Due to		
Total outstanding dues of micro enterprises and small enterprises; and (refer note 39.4)	4,083.58	898.52
Related parties (refer note 39.7)	380.64	54.27
Total outstanding dues of creditors other than micro enterprises and small enterprises	15,750.28	13,058.79
	<b>20,214.50</b>	<b>14,011.59</b>

Trade payable ageing schedule are as below:

### As at 31 March 2022

Particulars	Outstanding for following periods from due date of payment					Total
	Unbilled dues	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	3,944.64	116.98	20.20	1.76	4,083.58
(ii) Others	835.93	13,860.10	1,051.59	268.75	114.55	16,130.92
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
<b>Total</b>	<b>835.93</b>	<b>17,804.74</b>	<b>1,168.57</b>	<b>288.95</b>	<b>116.31</b>	<b>20,214.50</b>

### As at 31 March 2021

Particulars	Outstanding for following periods from due date of payment					Total
	Unbilled dues	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	833.20	63.10	2.22	-	898.52
(ii) Others	977.13	10,917.55	1,122.01	96.37	-	13,113.07
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
<b>Total</b>	<b>977.13</b>	<b>11,750.75</b>	<b>1,185.12</b>	<b>98.59</b>	<b>-</b>	<b>14,011.59</b>



# Notes to the Standalone Financial Statements

for the year ended 31 March 2022

## 26 Other financial liabilities

₹ in Lacs

Particulars	As at 31 March 2022	As at 31 March 2021
<b>From related parties</b>		
Security deposits (refer note 39.7)	20.15	18.23
<b>From parties other than related parties</b>		
Interest accrued but not due on borrowings	26.81	17.88
Interest accrued and due	103.38	112.25
Creditors for capital expenditure	55.81	36.63
Accrual for expenses	572.45	709.96
Unclaimed dividend	8.80	5.76
	<b>787.40</b>	<b>900.72</b>

## 27 Current provisions

₹ in Lacs

Particulars	As at 31 March 2022	As at 31 March 2021
<b>Provision for employee benefits</b>		
Provision for gratuity (refer note 39.5 (b))	198.50	190.65
Provision for compensated absences	200.54	190.61
	<b>399.04</b>	<b>381.26</b>

## 28 Other current liabilities

₹ in Lacs

Particulars	As at 31 March 2022	As at 31 March 2021
Advance from customers	2,476.35	1,499.70
Customers dues under schemes / arrangements	8,094.68	6,096.76
Refund liability	1,421.90	1,450.00
Statutory liabilities#	205.07	242.31
Prepaid Lease Rental	3.63	5.70
	<b>12,201.63</b>	<b>9,294.47</b>

# Statutory liabilities includes Tax deducted at source, Goods and service tax, Employee state insurance, Provident fund and Profession tax.

Other current liabilities are non-interest bearing and have an average of 10-months term.

Undisputed statutory dues are generally settled in the next months.

Company's scheme do not qualify as deposits and Company has obtained legal opinion to that effect.

# Notes to the Standalone Financial Statements

for the year ended 31 March 2022

## 29 Revenue from contract with customers

### 29.1 Sale of product

Particulars	₹ in Lacs	
	Year ended 31 March 2022	Year ended 31 March 2021
Sale of goods	184,367.96	134,188.19
<b>Total</b>	<b>184,367.96</b>	<b>134,188.19</b>
India	184,367.96	134,188.19
Outside India	-	-
Contract balances		
Trade receivables*	161.29	339.86
<b>Reconciliation of revenue as recognised in Statement of Profit and Loss with the contracted price</b>		
Revenue as per contracted price	184,877.40	132,964.17
Less: Adjustments		
Price adjustments such as discounts, rebates and sales promotion schemes	509.44	649.37
Sales return	-	(1,873.39)
<b>Revenue as per Statement of Profit and Loss</b>	<b>184,367.96</b>	<b>134,188.19</b>
<b>Refund assets and Refund liabilities:</b>		
Refund assets	1,293.93	1,319.50
Refund liabilities	1,421.90	1,450.00
<b>Disaggregated revenue information:</b>		
Revenue from retail operations	181,518.12	113,542.76
Revenue from non-retail operations	2,849.84	20,645.44
<b>Revenue from contract with customers</b>	<b>184,367.96</b>	<b>134,188.19</b>

\* Trade receivables are generally not interest-bearing.

### 29.2 Other operating revenue

Particulars	₹ in Lacs	
	Year ended 31 March 2022	Year ended 31 March 2021
- Repairing revenue	15.99	11.20
	<b>15.99</b>	<b>11.20</b>

# Notes to the Standalone Financial Statements

for the year ended 31 March 2022

## 30 Other income

₹ in Lacs

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Interest Income		
Interest income on bank deposits	131.89	170.55
Interest Income (Other)	58.91	90.22
Other Non-Operating Income		
Interest on Income Tax Refund	-	9.53
Rental income from investment property (refer note 39.7)	68.07	73.50
Gain on Sale of Investment	-	1.35
Liabilities/Provisions no longer required written back	19.62	202.30
Profit on sale of Property, Plant, and Equipment	0.25	14.93
Gain on termination of lease liability	38.87	143.71
Rent concession (refer note below)	485.28	561.21
Miscellaneous Income	34.74	22.03
	<b>837.62</b>	<b>1,289.33</b>

During the year ended 31st March 2022, the company has negotiated rent waiver agreement with some landlords due to the stores remain closed resulting out of lockdown induced by covid-19 pandemic. The management believes that such waiver is short-term in nature and in accordance with the notification issued by central government in consultation with National financial reporting authority, the company has elected to apply the practical expedient available of not considering the rent waiver as a lease modification as envisaged in the standard, Accordingly the company has recognised ₹ 485.28 lacs ( 31st March 2021 ₹ 561.21 lacs) in the above standalone financials statement for the year ended 31st March 2022.

## 31 Cost of material consumed

₹ in Lacs

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
<b>Inventory at the beginning of the year</b>	17,695.17	19,973.56
Add: Purchases	128,227.38	81,793.45
	<b>145,922.55</b>	<b>101,767.01</b>
Less: Inventory at the end of the year	(17,146.24)	(17,695.17)
<b>Cost of material consumed</b>	<b>128,776.31</b>	<b>84,071.85</b>

## 32 Purchase of stock-in-trade

₹ in Lacs

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Purchase of stock-in-trade	52,151.34	8,698.62
	<b>52,151.34</b>	<b>8,698.62</b>

# Notes to the Standalone Financial Statements

for the year ended 31 March 2022

## 33 Changes in inventories of finished goods and stock-in-trade

₹ in Lacs

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Opening inventory		
- Finished goods	49,225.09	37,643.30
- Stock-in-trade	32,629.04	61,445.35
	<b>81,854.13</b>	<b>99,088.66</b>
Closing inventory		
- Finished goods	60,822.28	49,225.09
- Stock-in-trade	42,582.78	32,629.04
	<b>103,405.07</b>	<b>81,854.13</b>
<b>Decrease in stock</b>	<b>(21,550.94)</b>	<b>17,234.53</b>

## 34 Employee benefits expenses

₹ in Lacs

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Salaries, wages and bonus	5,770.63	4,997.82
Contribution to provident and other funds (refer note 39.5(a))		
- Provident fund	213.97	227.65
- Other fund	20.38	21.41
Gratuity expenses (refer note 39.5 (b))	180.83	164.01
Compensated absences (refer 39.5 ( c ))	40.00	(20.74)
Staff welfare expenses	124.39	100.88
<b>Decrease in stock</b>	<b>6,350.20</b>	<b>5,491.03</b>

## 35 Finance costs

₹ in Lacs

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Interest expenses	2,450.09	3,521.92
Other borrowing costs	382.05	441.18
Interest expense on lease liability	727.76	821.08
	<b>3,559.90</b>	<b>4,784.19</b>

# Notes to the Standalone Financial Statements

for the year ended 31 March 2022

## 36 Depreciation and amortisation expenses

₹ in Lacs

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Depreciation on property, plant and equipment (refer note 3)	663.20	724.15
Depreciation on right to use assets (refer note 4)	1,470.87	1,813.62
Amortisation on intangible assets (refer note 6)	73.17	76.74
Depreciation on investment property (refer note 5)	18.26	18.29
	<b>2,225.50</b>	<b>2,632.79</b>

## 37 Other expenses

₹ in Lacs

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Power and fuel	240.27	202.53
Water charges	8.57	5.76
Boxes and packing material	154.53	155.67
Repairs and maintenance		
- Plant & machinery	107.84	84.02
- Others	117.09	107.54
Jobwork charges	82.28	25.02
Rent (refer note 4)	292.58	197.48
Advertisement and sales promotion	3,306.67	1,418.65
Freight and forwarding charges	97.72	91.39
Commission and service charges	4.09	12.57
Insurance	56.27	59.90
Travelling and conveyance expenses	70.76	15.52
Rates and taxes	96.00	90.92
Legal and professional fees	425.27	319.26
Postage, telegrams and telephone charges	25.99	31.66
Payment to auditors:		
- Statutory audit	34.50	25.50
- Certification charges	15.50	18.30
Security charges	193.06	190.41
Loss on sale of PPE	8.92	-
Asset written off	2.97	186.06
Bank charges	525.43	384.18
Contribution towards Corporate Social Responsibility (refer note 39.2)	79.07	58.70
Directors sitting fees	6.00	5.90
Commission to directors	30.00	22.50
Miscellaneous expenses	160.55	74.42
	<b>6,141.94</b>	<b>3,783.86</b>

# Notes to the Standalone Financial Statements

for the year ended 31 March 2022

## 38 Income tax expense

₹ in Lacs

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
<b>The major components of income tax expenses for the year ended 31 March 2022 and 31 March 2021 are:</b>		
<b>(i) Amounts recognised in profit and loss</b>		
<b>Current income tax</b>	<b>517.00</b>	<b>1,406.00</b>
<b>Deferred income tax liability / (asset)</b>		
Origination and reversal of temporary differences	59.46	254.08
<b>Deferred tax expenses / (income)</b>	<b>59.46</b>	<b>254.08</b>
<b>Tax expense for the year</b>	<b>576.46</b>	<b>1,660.08</b>
<b>(ii) Amounts recognised in other comprehensive income</b>		
<b>Items that will not be reclassified to profit &amp; loss</b>		
Remeasurements of defined benefit plans	(28.80)	42.27
<b>(iii) Reconciliation of effective tax rate</b>		
Profit before tax	2,287.58	5,969.12
Company's domestic tax rate	25.168%	25.168%
<b>Tax using the company's domestic tax rate</b>	<b>575.74</b>	<b>1,502.31</b>
<b>Tax effect of:</b>		
Expense not allowed for tax purpose	20.42	67.23
Others	(21.70)	90.54
	<b>576.46</b>	<b>1,660.08</b>
Current tax	517.00	1,406.00
Deferred tax	59.46	254.08
<b>Total tax</b>	<b>576.46</b>	<b>1,660.08</b>

## 39 Notes to Accounts

### 39.1 Earning Per Share (EPS)

₹ in Lacs

Particulars	31 March 2022	31 March 2021
Profit after taxation (₹ in lacs)	1,711.12	4,309.04
Weighted Average Number of Equity Shares	66,730,620	66,730,620
Basic earnings per share (₹)	2.56	6.46
Diluted earnings per share (₹)	2.56	6.46

### 39.2 Corporate social responsibility (CSR)

- CSR amount required to be spent as per Section 135 of the Companies Act, 2013 read with Schedule VII thereof by the Company during the year is ₹ 79.07 lacs (Previous Year ₹ 58.25 lacs).
- Expenditure related to Corporate Social Responsibility is ₹ 79.07 lacs (Previous Year ₹ 58.70 lacs).

# Notes to the Standalone Financial Statements

for the year ended 31 March 2022

₹ in Lacs

Particulars	31 March 2022	31 March 2021
Health (including COVID - 19)	5.50	3.00
Education	48.98	7.60
Gender Equality and Empowering Women	24.59	48.10
<b>Total</b>	<b>79.07</b>	<b>58.70</b>

## 39.3 Contingent liabilities and commitments

### (i) Contingent Liabilities

Claims against the Company not acknowledged as debts

₹ in Lacs

Particulars	31 March 2022	31 March 2021
a) Bank Guarantees given	9,255.00	12,150.00
b) Other matters for which the Company is contingently liable		
i) Sales tax matters	417.48	301.08
ii) Local body tax matters	31.53	31.53
iii) Custom duty matters	25.00	25.00

The contingent liabilities, if materialised, shall entirely be borne by the Company, as there is no likely reimbursement from any other party.

The Company's pending litigations comprises of claims against the Company primarily for shortfall of Forms F and disallowance of input credit, with Sales, VAT tax, GST and other authorities. The Company has reviewed all its pending litigations and proceedings, and has adequately provided for where provisions are required and disclosed the contingent liabilities, where applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a materially adverse effect on its financial results.

The Company has a process whereby periodically all long-term contracts are assessed for material foreseeable losses. At the year end, the Company has reviewed and ensured that adequate provision as required under any law/ accounting standards for material foreseeable losses on such long-term contracts has been made in the books of account.

### (ii) Commitments

Estimated amount of Contracts remaining to be executed on capital account and not provided for (net of advances) as at 31 March 2022 is NIL (31 March 2021: NIL).

## 39.4 Dues to Micro, Small and Medium Enterprises

On the basis of the information and records available with management, the following disclosures are made for the amounts due to Micro, Small and Medium enterprises who have registered with the Competent authorities.

# Notes to the Standalone Financial Statements

for the year ended 31 March 2022

₹ in Lacs

Particulars	31 March 2022	31 March 2021
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year:		
Principal amount remaining unpaid	4,083.58	898.52
Interest due and unpaid interest	28.78	26.26
The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day, during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006;	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year; and	28.78	26.26
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

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

## 39.5 Gratuity and Other Post-employment benefit plans

### (a) Defined contribution plans

The Company makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards Provident Fund and Employees State Insurance, which are defined contribution plans. The Company has no obligations other than to make the specified contributions. The contributions are charged to the Statement of Profit and Loss as they accrue. The amount recognised as an expense towards contribution to Provident Fund and other funds for the year aggregated to ₹ 234.35 Lacs (31 March 2021: ₹ 249.06 Lacs) which is shown under notes to financial statements 35 – 'Employee benefits'.

### (b) Defined benefit plans

The Company operates gratuity plan through a Trust wherein every employee is entitled to the benefit equivalent to fifteen days salary last drawn for each completed year of service. The same is payable on termination of service or retirement, whichever is earlier. The benefit vests after five years of continuous service. In case of some employees, the Company's scheme is more favourable as compared to the obligation under Payment of Gratuity Act, 1972. The gratuity plan is funded. The Company contributes to the Fund based on the actuarial valuation report. The Company has contributed to the Insurer Managed Fund. The following tables summarise the components of net benefit expense recognised in the Statement of Profit and Loss, and the funded status and amounts recognised in the Balance Sheet for the respective plans:



# Notes to the Standalone Financial Statements

for the year ended 31 March 2022

	Gratuity (funded)	
	31 March 2022	31 March 2021
<b>I Change in Benefit Obligation</b>		
<b>Liability at the beginning of the year</b>	<b>1,350.54</b>	<b>1,088.22</b>
Interest cost	91.77	72.86
Current service cost	131.23	110.58
Benefit paid	(76.79)	(85.14)
Actuarial (gain) / loss on obligations	(155.64)	164.01
<b>Liability at the end of the year</b>	<b>1341.11</b>	<b>1350.54</b>
<b>Bifurcation of Present value of obligation at the end of the year</b>		
Current liabilities (Short term)	198.50	190.64
Non-Current liabilities (Long term)	1,142.62	1,159.90
<b>Present value of obligation</b>	<b>1,341.12</b>	<b>1,350.54</b>
<b>II Amount recognised in the Balance Sheet</b>		
Liability at the end of the year	1,341.11	1,350.54
Fair value of plan assets at the end of the year	(553.66)	(620.58)
<b>Amount recognised in the Balance Sheet</b>	<b>787.45</b>	<b>729.96</b>
Current provisions	198.50	190.64
Non-current provisions	588.96	539.32
	<b>787.46</b>	<b>729.96</b>
<b>III Expenses recognised in the Statement of Profit and Loss</b>		
Current service cost	131.23	110.58
Interest cost	91.77	72.86
Investment Income	(42.17)	(19.43)
Net actuarial (gain) / loss to be recognised	-	-
Gratuity paid	-	-
Adjustment to opening balance of plan assets	-	-
<b>Expense recognised in Statement of Profit and Loss</b>	<b>180.83</b>	<b>164.01</b>
<b>IV Expenses recognised in the Other Comprehensive Income</b>		
Change in demographic assumptions		
<b>Actuarial (Gains) / Losses</b>		
- Change in demographic assumptions	(5.42)	7.43
- Change in Financial assumptions	(96.79)	211.45
- Experience variance	(53.43)	(54.87)
Return on plan assets	41.19	3.96
<b>Expense recognised in the Other Comprehensive Income</b>	<b>(114.44)</b>	<b>167.97</b>
<b>V Balance Sheet Reconciliation</b>		
Opening net liability	729.96	797.98
Expense recognized in the Statement of Profit and Loss	180.83	164.01
Expense recognized in the Statement of OCI	(114.44)	167.97

# Notes to the Standalone Financial Statements

for the year ended 31 March 2022

	Gratuity (funded)	
	31 March 2022	31 March 2021
Gratuity paid	-	-
Contribution Paid	(8.90)	(400.00)
<b>Amount recognised in Balance Sheet</b>	<b>787.46</b>	<b>729.96</b>
<b>VI Composition of plan assets</b>		
Qualifying insurance policies*	553.66	620.58
A split of plan asset between various asset classes is as below:		
<b>Unquoted other debt instruments</b>	<b>553.66</b>	<b>620.58</b>
<b>VII Movement in fair value of plan assets</b>		
Fair value of plan assets at the beginning of the year	620.58	290.24
Contributions paid into the plan	8.90	400.00
Benefits paid by the plan	(76.79)	(85.14)
Investment Income	42.17	19.43
Actuarial (losses) / gains	(41.19)	(3.95)
<b>Fair value of plan assets at the end of the year</b>	<b>553.67</b>	<b>620.58</b>
<b>VIII Principal actuarial assumptions</b>		
Discount rate per annum	7.30%	6.80%
Expected rate of return on plan Assets	7.75%	7.75%
Salary escalation rate per annum	7.00%	7.00%
Mortality	Indian Assured lives Mortality (2012-14) Ultimate	Indian Assured lives Mortality (2012-14) Ultimate
Employee Turnover rate	0.00% - 19.00%	0.00% - 15.00%
<b>IX The principal actuarial risks to which the Company is exposed are investment risk, interest rate risk, salary risk and longevity risk.</b>		
Investment risk	The probability or likelihood of occurrence of losses relative to the expected return on any particular investment.	
Interest risk	The plan exposes the Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability.	
Longevity risk	The Company has used certain mortality and attrition assumptions in the valuation of the liability. The Company is exposed to the risk of actual experience turning out to be worse compared to the assumption.	
Salary Risk	The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.	

## IX Sensitivity Analysis

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and mortality. The sensitivity analysis below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The results of sensitivity analysis is given below:

# Notes to the Standalone Financial Statements

for the year ended 31 March 2022

₹ in Lacs

Particulars	31 March 2022	31 March 2021
Defined Benefit Obligation (Base)	1,341.11	1,350.54

Particulars	31 March 2022		31 March 2021	
	Decrease	Increase	Decrease	Increase
Discount Rate (- / + 1%)	1,548.10	1,171.23	1,566.88	1,173.94
(% change compared to base due to sensitivity)	15.40%	(-12.70%)	16.00%	(-13.10%)
Salary Growth Rate (- / + 1%)	1,169.34	1,546.62	1,172.74	1,564.22
(% change compared to base due to sensitivity)	(-12.80%)	15.30%	(-13.20%)	15.80%
Attrition Rate (- / + 50% of attrition rates)	1,343.61	1,338.84	1,354.71	1,346.66
(% change compared to base due to sensitivity)	0.20%	(-0.20%)	0.30%	(-0.30%)
Mortality Rate (- / + 10% of mortality rates)	1,340.84	1,341.39	1,350.60	1,350.48
(% change compared to base due to sensitivity)	0.00%	0.00%	0.00%	0.00%

	31 March 2022	31 March 2021
<b>X Maturity Profile of Defined Benefit Obligation</b>		
Weighted average duration (based on discounted cashflows)	15 years	15 years
Expected cash flows over the next (valued on undiscounted basis):		
1 year	198.50	190.64
2 to 5 years	150.66	108.47
6 to 10 years	197.27	259.91
More than 10 years	4029.72	3,803.90

The Company expects to pay ₹ 906.48 lac (31 March 2022 ₹ 862.12 lacs) to the fund in the year ending 31 March 2023.

\*The Company has maintained funds with Life Insurance Corporation of India and HDFC Life. The details of major category of plan assets held by the insurance companies is not available and hence the disclosure thereof is not made. The expected long-term rate of return on plan assets is based exclusively on the historical returns, without adjustments.

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

## c) Other long-term employee benefits

### Compensated absences

The liability towards compensated absences (annual and sick leave) for the year ended 31 March 2022 based on actuarial valuation carried out by using Projected unit credit method resulted in a (reversal)/charged of ₹ 40.00 Lacs (31 March 2021: ₹( 20.74) Lacs).

# Notes to the Standalone Financial Statements

for the year ended 31 March 2022

## Annual and sick leave assumptions

	31 March 2022	31 March 2021
Discount rate per annum	7.30%	6.80%
Salary escalation rate per annum	7.00%	7.00%
Mortality	Indian Assured lives Mortality (2012-14) Ultimate	Indian Assured lives Mortality (2012-14) Ultimate
Employee turnover rate	0.00% - 19.00%	0.00% - 15.00%

## 39.6 Long-term contracts

The Company has a process whereby periodically all long term contracts (including derivative contracts) are assessed for material foreseeable losses. At the year end, the Company has reviewed and determined that there are no long term contracts (including derivative contracts) which require provision under any law / accounting standards for material foreseeable losses.

## 39.7 Information on related party transactions as required by the Indian Accounting Standard (IND AS) - 24 for the year ended 31 March 2022

### I. Name of related parties

#### Key Managerial Personnel

1. Shrikant Zaveri, Chairman and Managing Director
2. Binaisha Zaveri, Whole Time Director
3. Raashi Zaveri, Whole Time Director
4. Saurav Banerjee, Chief Financial Officer
5. Niraj Oza, Company Secretary

#### Relative of Key Managerial Personnel

1. Kunal S Vaishnav

#### Entities over which Key Managerial personnel and/or their relatives exercise significant influence

1. TBZ Limited Employees Gratuity Trust

#### Subsidiary

1. Tribhovandas Bhimji Zaveri (Bombay) Limited

# Notes to the Standalone Financial Statements

for the year ended 31 March 2022

## Transactions during the year and balances as at year end with related parties:

₹ in Lacs

Nature of transaction	Key Managerial Personnel	Relative of Key Managerial Personnel	Entities over which Key Managerial personnel and/or their relatives exercise significant influence	Subsidiary
<b>Transaction during the year</b>				
Making and melting charges paid (net of GST)	-	-	-	1,935.39
	-	-	-	(1,103.25)
Remuneration paid				
		-	-	-
- Mr. Shrikant Zaveri	240.00	-	-	-
	(228.00)	-	-	-
- Ms. Binaisha Zaveri	240.00	-	-	-
	(213.00)	-	-	-
- Ms. Raashi Zaveri	240.00	-	-	-
	(213.00)	-	-	-
- Mr. Saurav Banerjee*	118.36	-	-	-
	(76.85)	-	-	-
- Mr. Niraj Oza*	39.14	-	-	-
	(26.82)	-	-	-
Sale of goods				
- Mr. Kunal Vaishnav	-	0.51	-	-
	-	(6.02)	-	-
- Ms. Raashi Zaveri	-	-	-	-
	(9.90)	-	-	-
- Mr. Saurav Banerjee	3.36	-	-	-
	-	-	-	-
- Mr. Neeraj Oza	0.18	-	-	-
	-	-	-	-
Gratuity trust fund	-	-	8.90	-
	-	-	(400.00)	-
Rent received (net of GST)	-	-	-	66.00
	-	-	-	(73.00)
Reimbursement of expenses	-	-	-	3.67
	-	-	-	(2.13)
Rent paid (net of GST) - Mr. Shrikant Zaveri	261.53	-	-	-
	(234.35)	-	-	-
Legal fees paid - Mr Kunal Vaishnav	-	10.35	-	-
	-	(18.17)	-	-

# Notes to the Standalone Financial Statements

for the year ended 31 March 2022

Nature of transaction	Key Managerial Personnel	Relative of Key Managerial Personnel	Entities over which Key Managerial personnel and/or their relatives exercise significant influence	Subsidiary
Share application money of Non-cumulative optionally convertible preference share				993.96
<b>Balance as at 31 March 2022</b>				
Security deposits receivable				
- Mr. Shrikant Zaveri	128.36	-	-	-
	(128.36)	-	-	-
Trade receivables				
- Ms. Raashi Zaveri	-	-	-	-
	(5.07)	-	-	-
Deposit payable	-	-	-	20.15
	-	-	-	(18.23)
Commission payable				
- Mr. Shrikant Zaveri	-	-	-	-
	(60.00)	-	-	-
- Ms. Binaisha Zaveri	-	-	-	-
	(45.00)	-	-	-
- Ms. Raashi Zaveri	-	-	-	-
	(45.00)	-	-	-
Inventory held with 3rd Party	-	-	-	126.50
	-	-	-	(1,032.22)
Trade payable	-	-	-	380.64
	-	-	-	(54.27)
Investment	-	-	-	1,196.29
- Equity instruments	-	-	-	202.33
	-	-	-	(202.33)
- Share application money of Non-cumulative optionally convertible preference share	-	-	-	993.96

**Notes:**

- No amount in respect of the related parties have been written off / back during the year.
- ESIC is not applicable to KMPs and Provident Fund is opted only by the Company Secretary.
- The borrowing is secured by personal guarantee of the Chairman & Managing Director and Executive Directors of the Company (refer note 23).
- Amounts pertaining to year ended 31 March 2021 are in brackets.
- \* Excludes provision for gratuity which is determined on the basis of actuarial valuation done on overall basis for the Company

# Notes to the Standalone Financial Statements

for the year ended 31 March 2022

## 39.8 Dividend on Equity Shares

₹ in Lacs

Particular	31 March 2022	31 March 2021
Dividend on equity shares paid during the year	1,668.27	-
Proposed dividend on equity shares recognised as liability	-	-
Proposed dividend on equity shares not recognised as liability	-	-
Final dividend of ₹ 2.50/- per share	1,668.27	-

The Board of Directors has recommended a dividend @ Rs. 1.00 /- per equity share (10%) of face value of Rs. 10 per share for financial year 2021-22.

## 39.9 Segment reporting

The Company's business activity falls within a single primary business segment of "Jewellery" and one reportable geographical segment which is "within India". Accordingly, the company is a single segment company in accordance with Indian Accounting Standard 108 "Operating Segment".

## 39.10 Disclosure pursuant to change with SEBI (Listing obligation and disclosure requirement, 2015) and section 186 of the Companies Act, 2013

No loans have been given by the Company to any third party or its subsidiary companies.

The details of investment in subsidiary companies are given in Note 7.

## 39.11 Fair value hedge of gold price risk in inventory

The Company enters into contracts for purchase of gold wherein the Company has the option to fix the purchase price based on market price of gold during a stipulated time period. The prices are linked to gold prices. Accordingly, these contracts are considered to have an embedded derivative (represented in the said option to fix the price) that is required to be separated from the host contract which is the gold loan liability. Such feature is kept to hedge against exposure in the value of inventory of gold due to volatility in gold prices. The Company designates the embedded derivative in the payable for such purchases as the hedging instrument in fair value hedging of inventory. The Company designates only the spot-to-spot movement of the gold inventory as the hedged risk. The carrying value of inventory which are designated under fair value hedge relationship are measured at fair value at each reporting date. There is no ineffectiveness in the relationships designated by the Company for hedge accounting.

Disclosure of effects of fair value hedge accounting on financial position:

Hedged item - Changes in fair value of inventory attributable to change in gold prices

Hedging instrument - Changes in fair value of the option to fix prices of gold purchases, as described above

# Notes to the Standalone Financial Statements

for the year ended 31 March 2022

## As at 31 March 2022

Commodity price risk	Carrying amount of hedged item		Carrying amount of hedging instrument		Notional value of hedge item	Notional value of hedging instrument	Maturity date	Balance sheet classification	Impact of change in fair value relating to the hedged risk (spot)
	Assets	Liabilities	Assets	Liabilities					
Hedged item - Inventory of gold	25,092.90	-	NA	NA	25,092.90	NA	Range - with in 6 months	Inventory	1,630.46
Hedging Instrument - Option to fix gold price	NA	NA	-	1,630.46	NA	1,630.46	Range - with in 6 months	Current borrowing	1,630.46

## As at 31 March 2021

₹ in Lacs

Commodity Price Risk	Carrying amount of hedge item		Carrying amount of hedging instrument		Notional value of hedge item	Notional value of hedging instrument	Maturity Date	Balance Sheet Classification	Impact of change in fair value relating to the hedged risk (spot)
	Assets	Liabilities	Assets	Liabilities					
Hedged item - Inventory of gold	18,740.52	-	9.49	NA	18,740.52	NA	Range - with in 6 months	Inventory	(1,054.61)
							Range - with in 6 months	Other Financial Assets	9.49
Hedging instrument - Option to fix gold price	NA	NA	-	(1,054.61)	NA	(1,054.61)	Range - with in 6 months	Current borrowing	(1,054.61)

## Derivative contracts entered into by the Company and outstanding as at 31st March 2022:

For hedging commodity related risks:- Category-wise break up is given below.

Derivative Financial Instruments	As at 31 March 2022		As at 31 March 2021	
	Purchases	Sales	Purchases	Sales
Forwards / Futures				
Gold (Grams)	-	-	12,000	-



# Notes to the Standalone Financial Statements

for the year ended 31 March 2022

## 39.12 Capital management

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors the return on capital as well as the level of dividends to ordinary shareholders.

The board of directors seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position. The primary objective of the Company's Capital Management is to maximise shareholder value. The Company manages its capital structure and makes adjustments in the light of changes in the economic environment and the requirements of the financial covenants, if any.

The Company monitors capital using a ratio of 'adjusted net debt' to 'equity'. For this purpose, adjusted net debt is defined as total borrowings, comprising interest-bearing loans and borrowings less cash and cash equivalents. Equity comprises all components of equity.

The company's adjusted net debt to equity ratio was as follows.

Particular	₹ in Lacs	
	31 March 2022	31 March 2021
Total borrowings	50,901.17	37,549.73
Less: Cash and cash equivalent	812.34	557.50
<b>Adjusted net debt</b>	<b>50,088.83</b>	<b>36,992.23</b>
Total equity	53,496.82	53,368.34
<b>Adjusted net debt to equity ratio</b>	<b>0.94</b>	<b>0.69</b>

## 39.13 Financial Instruments - Fair values and risk management

### 39.13.1 Financial Instruments - Fair values

#### Accounting classification and fair values

Carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy, are presented below.

The fair value of financial instruments have been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to unobservable inputs (Level 3 measurements)

The categories used are as follows:

- Level 1: Quoted prices for identical instruments in an active market;
- Level 2: Directly or indirectly observable market inputs, other than Level 1 inputs; and
- Level 3: Inputs which are not based on observable market data.

# Notes to the Standalone Financial Statements

for the year ended 31 March 2022

₹ in Lacs

31 March 2022	Carrying amount		Fair value			Total
	FVOCI	Amortised cost	Level 1	Level 2	Level 3	
<b>Non-current financial assets</b>						
Other financial assets	-	461.01	-	-	-	-
<b>Current financial assets</b>						
Trade receivables	-	161.29	-	-	-	-
Cash and cash equivalents	-	812.34	-	-	-	-
Bank balances other than above	-	3,719.54	-	-	-	-
Others financial assets	-	332.42	-	-	-	-
<b>Non-current financial liabilities</b>						
Borrowings	-	9.30	-	-	-	-
Lease liability	-	6,070.39	-	-	-	-
<b>Current financial liabilities</b>						
Borrowings	-	50,891.87	-	-	-	-
Lease liability	-	1,817.56	-	-	-	-
Trade payables	-	20,214.49	-	-	-	-
Others financial liabilities	-	787.40	-	-	-	-
<b>Assets for which fair values are disclosed</b>						
Investment property (refer Note 4):						
Factory	-	1,792.64	-	-	2,861.57	2,861.57

31 March 2021

₹ in Lacs

	Carrying amount		Fair value			Total
	FVOCI	Amortised cost	Level 1	Level 2	Level 3	
<b>Non-current financial assets</b>						
Other financial assets	-	441.66	-	-	-	-
<b>Current financial assets</b>						
Trade receivables	-	339.86	-	-	-	-
Cash and cash equivalents	-	557.50	-	-	-	-
Bank balances other than above	-	3,391.70	-	-	-	-
Others financial assets	-	441.14	-	-	-	-
<b>Non-current financial liabilities</b>						
Borrowings	-	230.23	-	-	-	-
Lease Liability	-	4,828.50	-	-	-	-
<b>Current financial liabilities</b>						
Borrowings	-	37,319.49	-	-	-	-
Lease Liability	-	1,388.55	-	-	-	-
Trade payables	-	14,011.59	-	-	-	-
Other financial liabilities	-	900.71	-	-	-	-
<b>Assets for which fair values are disclosed</b>						
Investment property (refer Note 4):						
Factory	-	1,810.90	-	-	2,835.86	2,835.86

# Notes to the Standalone Financial Statements

for the year ended 31 March 2022

## 39.13.2 Financial risk management

The company's principal financial liabilities, other than derivatives, comprise loans and borrowings, trade and other payable. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include trade and other receivables and cash and cash equivalents that derive directly from its operations.

The company is exposed to market risk, credit risk and liquidity risk. The company's senior management oversees the management of these risks. It is the Company's policy that no trading in derivatives for speculative purposes may be undertaken. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

### A Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's exposures to trade receivables (mainly institutional customers and credit sales), deposits with landlords for store properties taken on leases and other receivables including balances with banks.

#### Trade receivables and other deposits

The Company's retail business is predominantly on 'cash and carry' basis which is largely through cash and credit card collections. The credit risk on such credit card collections is minimal, since they are primarily owned by customers' card issuing banks. The Company has adopted a policy of dealing with only credit worth counterparties in case of institutional customers and credit sales and the credit risk exposure for institutional customers and credit sales are managed by the Company by credit worthiness checks. The Company also carries credit risk on lease deposits with landlords for store properties taken on leases, for which agreements are signed and property possessions timely taken for store operations. The risk relating to refunds of deposits after store shut down is managed through successful negotiations or appropriate legal actions, where necessary.

#### Other financial assets

The Company maintains exposure in cash and cash equivalents and term deposits with banks. The Cash and cash equivalents and term deposits are held with the banks with good credit ratings.

The Company's maximum exposure to credit risk as at 31st March 2022 and 31st March 2021 is the carrying value of each class of financial assets.

### B Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company maintained a cautious liquidity strategy, with a positive cash balance throughout the year ended 31 March, 2022 and 31 March, 2021. Cash flow from operating activities provides the funds to service the financial liabilities on a day-to-day basis.

The Company regularly monitors the rolling forecasts to ensure it has sufficient cash on an on-going basis to meet operational needs. Any short term surplus cash generated, over and above the amount required for working capital management and other operational requirements, is retained as cash and cash equivalents (to the extent required) and any excess is invested in interest bearing term deposits with appropriate maturities to optimise the cash returns on investments while ensuring sufficient liquidity to meet its liabilities.

#### Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments:

# Notes to the Standalone Financial Statements

for the year ended 31 March 2022

₹ in Lacs

31 March 2022	Less than 1 year	More than 1 year but less than 5 years	More than 5 years	Carrying amount
<b>Non current financial liabilities</b>				
<u>Borrowings</u>				
Secured Term loans from banks	-	9.30	-	9.30
Lease Liability	-	3,395.93	2,674.46	6,070.39
<b>Current financial liabilities</b>				
<u>Borrowings</u>				
Working capital demand loan from banks	16,433.70	-	-	16,433.70
Cash credit from banks	8,791.87	-	-	8,791.87
Gold loan	25,092.90	-	-	25,092.90
Bill Discounting	349.90	-	-	349.90
Current maturity of long term borrowing	223.50	-	-	223.50
Lease Liability	1,817.56	-	-	1,817.56
Trade payables	20,214.49	-	-	20,214.49
Other current financial liabilities	787.40	-	-	787.40

31 March 2021	Less than 1 year	More than 1 year but less than 5 years	More than 5 years	Carrying amount
<b>Non current financial liabilities</b>				
<u>Borrowings</u>				
Secured Term loans from banks	-	230.23	-	230.23
Lease Liability	-	4,001.22	827.28	4,828.50
<b>Current financial liabilities</b>				
<u>Borrowings</u>				
Working capital demand loan from banks	13,777.56	-	-	13,777.56
Gold loan	18,740.52	-	-	18,740.52
Cash credit from banks	1,976.59	-	-	1,976.59
Bill Discounting	479.67	-	-	479.67
Current maturity of long term borrowing	2,345.15	-	-	2,345.15
Lease Liability	1,388.55	-	-	1,388.55
Trade payables	14,011.59	-	-	14,011.59
Other current financial liabilities	900.72	-	-	900.72

As of 31 March 2022 and 31 March 2021 the Company had unutilized credit limits from banks of ₹ 15,012.88 lacs and ₹ 38,703.07 lacs.

# Notes to the Standalone Financial Statements

for the year ended 31 March 2022

## C Market risk

### i. Market risk

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

### ii. Interest rate risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing financial assets or borrowings because of fluctuations in the interest rates, if such assets/borrowings are measured at fair value through profit or loss. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing borrowings will fluctuate because of fluctuations in the interest rates.

#### Exposure to interest rate risk

The interest rate profile of the Company's interest-bearing financial instruments as reported to the management of the Company is as follows.

₹ in Lacs

	Nominal amount	
	31 March 2022	31 March 2021
<b>Fixed-rate instruments</b>		
<b>Financial assets</b>		
Deposits with banks	3,710.75	3,385.94
<b>Financial liabilities</b>		
Secured term loans from banks	146.80	2,489.39
Working capital demand loans from banks	16,519.70	13,863.56
Bill Discounting	349.90	479.67
<b>Floating-rate instruments</b>		
<b>Financial liabilities</b>		
Cash credit from banks	8,791.87	1,976.59
Gold loan	25,092.90	18,740.52

The Company's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

#### Sensitivity

The sensitivity to profit and loss in case of a reasonable possible change in interest rate of +/- 80 basis points (previous year +/- 80 basis points), keeping all other variables constant, would have resulted in an impact on profits by ₹ 324.26 Lacs (previous year ₹ 386.02 Lacs)

### iii. Price risk

Exposure from Borrowings:

The Company's exposure to price risk also arises from borrowings of the Company that are at unfixed prices, and therefore, payment is sensitive to changes in gold price. The option to fix gold prices are classified in the balance sheet as fair value through profit or loss. The option to fix gold prices are at unfixed prices to hedge against potential losses in value of inventory of gold held by the Company.

The Company applies fair value hedge for the gold purchased whose price is to be fixed in future. Therefore, there will no impact of the fluctuation in the price of the gold on the Company's profit for the period.

# Notes to the Standalone Financial Statements

for the year ended 31 March 2022

## 39.14 Ratio Analysis and its components

Sr No.	Particulars	31 March 2022	31 March 2021	% Change
1	Current ratio	1.49	1.69	(11.82%)
2	Debt- Equity Ratio #	0.95	0.70	35.23%
3	Debt Service Coverage Ratio# #	0.98	0.42	130.46%
4	Return on Equity Ratio*	3.20%	8.40%	(61.89%)
5	Inventory Turnover Ratio**	1.68	1.23	36.47%
6	Trade Receivable Turnover Ratio \$	735.84	419.19	75.54%
7	Trade Payable Turnover Ratio \$\$	10.57	5.57	89.73%
8	Net Capital Turnover Ratio \$	4.35	3.07	41.75%
9	Net Profit Ratio*	0.93%	3.21%	(71.10%)
10	Return on Capital Employed %	5.60%	11.83%	(52.64%)
11	Return on Investment % %	2.98%	4.55%	(34.34%)

# Due to increase in borrowing in current year

# # Due to low finance cost and low repayment of borrowing in current year.

\* Due to decrease in Net profit after tax in current year

\*\* Due to increase in inventory in current year.

\$ Due to increase in operating revenue in current year

\$\$ Due to increase in cost of material consumed

% Due to decrease in Profit Before interest & Tax

% % Due to decrease in interest income on fixed deposit

### Components of Ratio

₹ in Lacs

Sr No.	Ratios	Numerator	Denominator	March 2022		March 2021	
				Numerator	Denominator	Numerator	Denominator
1	Current ratio	Current Assets	Current Liabilities	128,698.39	86,312.00	107,026.83	63,296.08
2	Debt-Equity Ratio	Total Debts	Total Equity (Equity Share capital + Other equity)	50,901.17	53,496.82	37,549.72	53,368.34
3	Debt Service Coverage Ratio	Earnings available for debt service (Net profit after tax expense + depreciation & amortization + Finance cost + Non cash operating items + other adjustment)	Finance cost & lease payment + principle repayment of long term borrowings during the year	7,488.54	7,677.06	11,694.85	27,630.49

# Notes to the Standalone Financial Statements

for the year ended 31 March 2022

Sr No.	Ratios	Numerator	Denominator	March 2022		March 2021	
				Numerator	Denominator	Numerator	Denominator
4	Return on Equity Ratio	Net profit after tax	Average Total Equity [(Opening Equity Share capital + Opening Other equity + Closing Equity Share Capital + Closing Other Equity)/2]	1,711.12	53,432.58	4,309.04	51,276.72
5	Inventory Turnover Ratio	Revenue from sales of products	Average Inventory (opening balance + closing balance)/2	184,383.95	110,078.24	134,199.39	109,334.18
6	Trade Receivable Turnover Ratio	Revenue from operations	Average trade receivable (Opening balance + closing balance) /2	184,383.95	250.58	134,199.39	320.14
7	Trade Payable Turnover Ratio	Cost of materials consumed + Purchase of Stock-in-Trade	Average trade payable (Opening balance + closing balance) /2	180,927.66	17,113.04	92,770.46	16,648.11
8	Net Capital Turnover Ratio	Revenue from operations	Working capital (Current asset - current liabilities)	184,383.95	42,386.38	134,199.39	43,730.75
9	Net Profit Ratio	Net profit after tax	Revenue from operations	1,711.12	184,383.95	4,309.04	134,199.39
10	Return on Capital Employed	Profit Before interest & Tax	Total Equity + Total Debts	5,847.48	104,397.99	10,753.30	90,918.06
11	Return on Investment	Interest Income on fixed deposits + Profit on sale of investments + Income of investment - impairment on value of investment	Current investments + Non current Investments + Fixed deposits with bank	199.96	6,699.69	245.40	5,399.17

# Notes to the Standalone Financial Statements

for the year ended 31 March 2022

## 39.15 Events after the reporting period

The Company has evaluated subsequent events from the balance sheet date through 05 May 2022, the date at which the financial statement were available to be issued, and determine that there are no material items to disclose other than those disclosed.

## 39.16 Other Statutory information

- (a) The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
- (i) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
  - (ii) Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (b) The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
- (i) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
  - (ii) Provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (c) The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

## 39.17 Relationship with Struck off companies

There are no balance outstanding on account of any transaction with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

**39.18** MCA has issued notification dated March 24, 2021 to amend the schedule III to the Companies Act, 2013 to enhance the disclosures required to be made by the Company in the financial statements. These amendments are applicable to the Company with effect from 1st day of April 2021. The figures for the previous year have been re-grouped/ re-arranged, wherever necessary, to correspond with the current period's classification/disclosure.

**39.19** The standalone financial statements were approved for issue by the Board of Directors on 5th May, 2022.

As per our report of even date  
For **Chaturvedi & Shah LLP**  
Chartered Accountants  
Firm Registration No: 101720W/W100355

**Vijay Napawaliya**  
Partner  
Membership No: 109659

**Shrikant Zaveri**  
Chairman and Managing Director  
DIN:00263725

**Saurav Banerjee**  
Chief Financial Officer

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

**Raashi Zaveri**  
Whole Time Director  
DIN:00713688

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

Place: Mumbai  
Date: 5<sup>th</sup> May 2022



# Independent Auditor's Report

To the Members of **Tribhovandas Bhimji Zaveri Limited**

## Report on the Audit of the Consolidated Financial Statements

### OPINION

We have audited the accompanying consolidated financial statements of **Tribhovandas Bhimji Zaveri Limited** (hereinafter referred to as "the Holding Company"), its subsidiary (the Holding Company and its subsidiary together referred to as "the Group") which comprise the Consolidated Balance Sheet as at March 31, 2022, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information. (hereinafter referred to as "consolidated financial statements")

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013, ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2022, its consolidated profit including other comprehensive income, its consolidated cash flows and the consolidated changes in equity for the year ended on that date.

### BASIS FOR OPINION

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Consolidated Financial Statements' section of our report. We are independent of the Group in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

### KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the financial year ended March 31, 2022. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For matter below, our description of how our audit addressed the matter is provided in that context.

Key audit matters	How our audit addressed the key audit matter
<p><b>Existence and valuation of Inventories</b></p> <p>The carrying values of Inventories of the Company are ₹ 120581.30 lakh as at March 31, 2022 (Refer no. 11 of consolidated financial statements) which constitutes 82.27 % of the Group's total assets. The Group's inventories mainly comprised of gold, diamond, silver and platinum in the distribution centers and retail outlets. Valuation of Inventories is at lower of cost and net realizable value. Significant portion of Inventories costs includes gold diamond, platinum and silver which are subject to risk of changes in the market value. The assessment of net realizable value of inventories is based on estimates and judgments by the management in respect of, among others, the economic condition, sales forecast, marketability of products and the quality of gold and diamond used to make jewellery products. Furthermore, there is higher inherent risk of theft and pilferage given the high intrinsic value and portable nature of individual inventory items.</p> <p>Considering the above, we concluded that existence and valuation of inventories as a key audit matter for our audit.</p>	<p>Our audit procedures over existence and valuation of inventories included the following:</p> <ul style="list-style-type: none"> <li>• We evaluated the design, implementation and tested the operating effectiveness of key controls that the Group has in relation to safeguarding and physical verification of inventories including the appropriateness of the Group's standard operating procedures for conducting, recording and reconciling physical verification of inventories and tested the implementation thereof.</li> <li>• Participated and observed the physical verification of inventory conducted by the management at retail outlet on sample basis as at March 31, 2022.</li> <li>• We compared the net realizable values on sample basis of gold, silver and platinum inventories calculated based on the current market price with their carrying value of inventories.</li> <li>• We compared the results of independent gemological appraisal report of selected samples to the weight and purity of diamond jewellery with records in the inventories system.</li> <li>• We evaluated the independence and objectivity of the gemologist appointed by management.</li> </ul>

## **INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON**

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report but does not include the consolidated financial statements and our auditor's report thereon. The Annual report is expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the other information identified above, if we conclude that there is a material misstatement therein we are required to communicate the matter to those charged with governance.

## **RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS**

The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. The respective Board of Directors of the Companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the Companies included in the Group are responsible for assessing the ability of the Group continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

That respective Board of Directors of the Companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

## **AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS**

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Companies Act 2013, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the financial year ended March 31, 2022 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by section 143 (3) of the Act, based on our audit we report, to the extent applicable, that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;
  - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books;
  - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
  - (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act;
  - (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2022, taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiary Company, none of the directors of the Group's Companies is disqualified as on March 31, 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 Holding Company and its subsidiary Company with reference to these consolidated financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" to this report;
  - (g) In our opinion, the managerial remuneration for the year ended March 31, 2022 has been paid / provided by the Holding Company to their directors in accordance with the provisions of section 197 read with Schedule V to the Act;

- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i) The Group has disclosed the impact of pending litigations on its financial position in its consolidated financial statements – Refer Note no. 38.3 to the consolidated financial statements;
  - ii) The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses
  - iii) There has been no delay in transferring amounts, required to be transferred, to the Investors Education and Protection Fund by of the Holding Company and its subsidiary Company incorporated in India during the year ended March 31, 2022.
  - iv) (a) The respective managements of the Company and its subsidiary which are companies incorporated in India whose financial statements have been audited under the Act have represented to us that, to the best of their knowledge and belief, as disclosed in the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company or subsidiary to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company or subsidiary ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries
  - (b) The respective managements of the Company and its subsidiary which are companies incorporated in India whose financial statements have been audited under the Act have represented to us that to the best of their knowledge and belief, as disclosed in the financial statements, no funds have been received by the Company or subsidiary from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company or subsidiary shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
  - (c) Based on the audit procedures that has been considered reasonable and appropriate in the circumstances performed by us and those performed by the auditors of the subsidiary which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our notice that has caused us to believe that the representations under paragraph (2) (h) (iv) (a) and (b) above, contain any material misstatement.
  - v) The final dividend paid by the Holding Company during the year which was declared for the previous year is in accordance with section 123 of the Companies Act 2013 to the extent it applies to payment of dividend.
- As stated in note no 38.8 to the consolidated financial statements, the Board of Directors of the Holding Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.
- The Subsidiary has not declared or paid any dividend during the current year.
2. With respect to the matters specified in paragraphs 3(xx) and 4 of the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, to be included

in the Auditor's report, according to the information and explanations given to us and based on the CARO reports issued by the auditors of the subsidiary included in the consolidated financial statements of the Company, to which reporting under CARO is applicable and based on the identification of matters of qualifications or adverse remarks in their CARO reports, we report that the auditor of such subsidiary

have not reported any qualified / adverse remarks in their CARO report.

For **Chaturvedi and Shah LLP**  
Chartered Accountants  
Registration Number: 101720W/W100355

**Vijay Napawaliya**  
Partner

Place: Mumbai

Membership Number: 109859

Date: May 5, 2022

UDIN: 22109859AIILOUF5359

# “Annexure A” to The Independent Auditor’s Report

**Referred to in paragraph 2(e) under the heading “Report on Other Legal and Regulatory Requirements” of our report of even date to the members of the Tribhovandas Bhimji Zaveri Limited on the consolidated financial statements for the year ended March 31, 2022.**

## **REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 (“THE ACT”)**

In conjunction with our audit of the consolidated financial statements of Tribhovandas Bhimji Zaveri Limited as of and for the year ended March 31, 2022, we have audited the internal financial controls with reference to consolidated financial statements of Tribhovandas Bhimji Zaveri Limited (hereinafter referred to as the “Holding Company”) and its subsidiary Company, which are companies incorporated in India, as of that date.

### **MANAGEMENT’S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS**

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

### **AUDITOR’S RESPONSIBILITY**

Our responsibility is to express an opinion on the Holding Company’s internal financial controls with reference to the

consolidated financial statements. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the ICAI and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to the consolidated financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to the consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements.

### **MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO CONSOLIDATED FINANCIAL STATEMENTS**

A company’s internal financial control with reference to the consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control with reference to the consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable

assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the consolidated financial statements.

#### **INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THESE CONSOLIDATED FINANCIAL STATEMENTS**

Because of the inherent limitations of internal financial controls with reference to Consolidated Financial Statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to Consolidated Financial Statements to future periods are subject to the risk that the internal financial control with reference to Consolidated Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

#### **OPINION**

In our opinion, the Holding Company, its subsidiary Company, which are companies incorporated in India, have maintained in all material respects, adequate internal financial controls with reference to these consolidated financial statements and such internal financial controls with reference to these consolidated financial statements were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Chaturvedi and Shah LLP**

Chartered Accountants

Registration Number: 101720W/W100355

**Vijay Napawaliya**

Partner

Place: Mumbai

Membership Number: 109859

Date: May 5, 2022

UDIN: 22109859AIILOUF5359

# Consolidated Balance Sheet

as at 31 March 2022

₹ in Lacs

	Notes	As at 31 March 2022	As at 31 March 2021
<b>A. ASSETS</b>			
<b>1 Non-current assets</b>			
(a) Property, plant and equipment	3	8,216.78	8,837.50
(b) Right-to-use assets	4	6,848.11	5,002.81
(c) Intangible assets	5	96.21	158.54
(d) Financial assets			
(i) Investments	6	2.24	1.53
(ii) Other financial assets	7	467.30	447.92
(e) Deferred tax assets (net)	8	367.73	427.18
(f) Non current tax assets	9	957.30	584.40
(g) Other non-current assets	10	58.00	3.69
<b>Total Non-current assets</b>		<b>17,013.67</b>	<b>15,463.57</b>
<b>2 Current assets</b>			
(a) Inventories	11	120,442.33	98,400.96
(b) Financial assets			
(i) Trade receivables	12	161.29	339.86
(ii) Cash and cash equivalents	13	816.55	568.80
(iii) Bank balance other than (ii) above	14	3,719.54	3,391.70
(iv) Others financial assets	15	332.42	441.14
(c) Other current assets	16	3,179.23	2,845.47
<b>Total Current assets</b>		<b>128,651.36</b>	<b>105,987.93</b>
<b>Total Assets</b>		<b>145,665.03</b>	<b>121,451.50</b>
<b>B. EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity share capital	17	6,673.06	6,673.06
(b) Other equity	18	46,085.20	45,615.29
<b>Total Equity</b>		<b>52,758.26</b>	<b>52,288.35</b>
<b>Liabilities</b>			
<b>1 Non current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	19	9.30	230.23
(ii) Lease liability	20	6,070.39	4,828.50
(b) Provisions	21	734.78	716.45
<b>Total Non Current Liabilities</b>		<b>6,814.47</b>	<b>5,775.18</b>
<b>2 Current liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	22	50,891.87	37,319.42
(ii) Lease liability	23	1,817.56	1,388.55
(iii) Trade payables	24		
(a) Total outstanding dues of micro enterprises and small enterprises		4,102.61	898.66
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises		15,818.96	13,132.23
(iv) Other financial liabilities	25	768.43	882.76
(b) Provisions	26	414.73	392.95
(c) Other current liabilities	27	12,278.14	9,373.40
<b>Total Current liabilities</b>		<b>86,092.30</b>	<b>63,387.97</b>
<b>Total Equity and Liabilities</b>		<b>145,665.03</b>	<b>121,451.50</b>
Significant accounting policies	2		
Notes to the consolidated financial statements	1 to 38		

As per our report of even date

For **Chaturvedi & Shah LLP**

Chartered Accountants

Firm Registration No: 101720W/W100355

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

**Vijay Napawaliya**  
Partner  
Membership No: 109659

**Shrikant Zaveri**  
Chairman and Managing Director  
DIN:00263725

**Raashi Zaveri**  
Whole Time Director  
DIN:00713688

**Saurav Banerjee**  
Chief Financial Officer

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

Place: Mumbai  
Date: 5<sup>th</sup> May 2022



# Consolidated Statement of Profit and Loss

for the year ended 31 March 2022

₹ in Lacs

	Notes	Year ended 31 March 2022	Year ended 31 Mar 2021
<b>1. Revenue from Operations</b>			
(a) Revenue from operations	28.1	184,367.96	134,188.19
(b) Other operating revenue	28.2	15.99	11.20
<b>(c) Total revenue from operations (a+b)</b>		<b>184,383.95</b>	<b>134,199.39</b>
(d) Other income	29	777.75	1,232.32
<b>2. Total Income (c+d)</b>		<b>185,161.70</b>	<b>135,431.71</b>
<b>3. Expenses</b>			
(a) Cost of material consumed	30	129,854.44	84,071.85
(b) Purchase of stock-in-trade	31	52,151.34	8,698.62
(c) Changes in inventories of finished goods and stock-in-trade	32	(22,586.19)	17,387.55
(d) Labour Charges		3,344.35	1,719.48
(e) Employee benefits expense	33	6,703.82	5,822.08
(f) Finance costs	34	3,557.99	4,779.02
(g) Depreciation and amortisation expense	35	2,251.40	2,661.19
(h) Other expenses	36	7,289.85	4,315.03
<b>4. Total expenses</b>		<b>182,567.00</b>	<b>129,454.82</b>
<b>5. Profit before tax (2-4)</b>		<b>2,594.70</b>	<b>5,976.89</b>
Exceptional items		-	-
<b>Profit before exceptional items and tax</b>		<b>2,594.70</b>	<b>5,976.89</b>
<b>Tax expense</b>			
(a) Current tax	37	517.00	1,406.00
(b) Deferred tax	8	59.46	244.17
<b>6. Total tax expenses</b>		<b>576.46</b>	<b>1,650.17</b>
<b>7. Profit after tax (5-6)</b>		<b>2,018.24</b>	<b>4,326.72</b>
<b>8. Other Comprehensive Income</b>			
A) Items that will not be reclassified subsequently to profit or loss			
i) Re-measurement of defined benefit obligation		148.41	(154.68)
ii) Re-measurement (loss)/profit on quoted investment		0.71	0.39
ii) Income tax relating to above		(28.80)	42.27
<b>9. Other Comprehensive Income</b>		<b>120.32</b>	<b>(112.02)</b>
<b>10. Total Comprehensive Income for the year (7+9)</b>		<b>2,138.56</b>	<b>4,214.70</b>
<b>11. Net Profit attributable to:</b>			
- Owners of the parent		2,018.24	4,326.72
- Non-controlling interests		-	-
<b>12. Other Comprehensive Income attributable to:</b>			
- Owners of the parent		120.32	(112.02)
- Non-controlling interests		-	-
<b>13. Total Comprehensive Income attributable to:</b>			
- Owners of the parent		2,138.56	4,214.70
- Non-controlling interests		-	-
Earnings per equity share			
Basic & Diluted (₹)	38.1	3.02	6.48
Significant accounting policies	2		
Notes to the consolidated financial statements	1 to 38		

As per our report of even date

For **Chaturvedi & Shah LLP**

Chartered Accountants

Firm Registration No: 101720W/W100355

For and on behalf of the Board of Directors of

**Tribhovandas Bhimji Zaveri Limited**

**Vijay Napawaliya**

Partner

Membership No: 109659

**Shrikant Zaveri**

Chairman and Managing Director

DIN:00263725

**Raashi Zaveri**

Whole Time Director

DIN:00713688

**Saurav Banerjee**

Chief Financial Officer

**Niraj Oza**

Head-Legal & Company Secretary

Membership No.:A20646

Place: Mumbai

Date: 5<sup>th</sup> May 2022

# Consolidated Statement of Cash flow

for the year ended 31 March 2022

₹ in Lacs

	Year ended 31 March 2022	Year ended 31 Mar 2021
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net profit before tax	2,594.70	5,976.89
Adjustments to:		
Depreciation and amortisation	2,251.40	2,661.19
Finance cost	3,559.90	4,784.19
Interest income	(131.89)	(170.55)
(Profit) / Loss on sales of property, plant and equipment	8.67	171.12
Assets written off	2.97	-
Gain on sale of Investment	-	(1.35)
Other Income – Rent waiver / Lease liability cancellation	(524.85)	(704.92)
Liabilities/Provisions no longer required written back (net)	(25.25)	(278.82)
<b>Operating cash flow before working capital changes</b>	<b>7,735.65</b>	<b>12,437.75</b>
<b>Changes in working capital</b>		
Adjustments for (increase)/ decrease in operating assets:		
Trade receivables	178.57	(34.40)
Inventories	(22,041.37)	19,671.02
Other Receivables	(315.86)	161.50
Adjustments for (increase)/ decrease in operating liabilities:		
Trade receivables	5,890.68	(5,342.04)
Inventories	2,800.78	(2,073.92)
Other Receivables	21.78	(129.90)
<b>Cash generated from operating activities</b>	<b>(5,729.77)</b>	<b>24,690.02</b>
Direct taxes paid (net of refund)	(889.90)	(1,588.48)
<b>Net cash flow from / (used in) operating activities (A)</b>	<b>(6,619.67)</b>	<b>23,101.53</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Capital Expenditure on property, plant and equipment and intangible assets	(108.65)	(116.23)
Proceeds from sale of property, plant and equipment	4.00	38.37
Bank deposits	(238.97)	486.74
Rental income	2.55	-
Interest received	131.89	116.99
Purchase of Investment	-	(549.97)
Sale of Investment	-	551.32
<b>Net cash flow from / (used in) investing activities (B)</b>	<b>(209.18)</b>	<b>527.22</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from non current borrowings	-	3,480.00
Repayment of non current borrowings	(2,342.50)	(971.00)
Proceeds from / (repayment of) current borrowings (net)	15,694.03	(19,811.30)
Dividend paid	(1,668.28)	-

# Consolidated Statement of Cash flow

for the year ended 31 March 2022

₹ in Lacs

		Year ended 31 March 2022	Year ended 31 Mar 2021
Payment of lease liability		(1,774.57)	(2,064.00)
Finance cost paid		(2,832.08)	(3,930.05)
<b>Net cash flow from / (used in) financing activities</b>	<b>(C)</b>	<b>7,076.60</b>	<b>(23,296.35)</b>
<b>Net (decrease) / increase in cash and cash equivalents</b>	<b>(A+B+C)</b>	<b>247.75</b>	<b>332.40</b>
<b>Cash and cash equivalent at the beginning of the year</b>		<b>568.80</b>	<b>236.40</b>
<b>Cash and cash equivalent at the end of the year</b>		<b>816.55</b>	<b>568.80</b>

## Notes to Consolidated Statement of Cash flows

### A. Components of cash and cash equivalents : (refer note 13)

Cash on hand	13	258.59		235.56
Balances with banks				
- on current accounts	13	557.96		333.24
		<b>816.55</b>		<b>568.80</b>

### B. Changes in Liabilities arising from Financing Activities

₹ in Lacs

Particulars	As at 1 <sup>st</sup> April 2021	Cash Flows	Non-cash	As at 31 <sup>st</sup> March 2022
Borrowings - Non-Current (Refer Note 19)	2,575.39	(2,342.59)	-	232.80
Borrowings - Current (Refer Note 22)	34,974.34	15,694.03	-	50,668.37

Particulars	As at 1 <sup>st</sup> April 2020	Cash Flows	Non-cash	As at 31 <sup>st</sup> March 2021
Borrowings - Non-Current (Refer Note 19)	66.40	2,508.99	-	2,575.39
Borrowings - Current (Refer Note 20)	54,785.64	(19,811.30)	-	34,974.34

Notes to the consolidate financial statements

1 to 38

As per our report of even date  
For **Chaturvedi & Shah LLP**  
Chartered Accountants  
Firm Registration No: 101720W/W100355

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

**Vijay Napawaliya**  
Partner  
Membership No: 109659

**Shrikant Zaveri**  
Chairman and Managing Director  
DIN:00263725

**Raashi Zaveri**  
Whole Time Director  
DIN:00713688

**Saurav Banerjee**  
Chief Financial Officer

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

Place: Mumbai  
Date: 5<sup>th</sup> May 2022

# Consolidated Statement of Changes in Equity

for the year ended 31 March 2022

## A. Equity Share Capital

Particulars	As at 31 March 2022		As at 31 March 2021	
	No. of shares	₹ in Lacs	No. of shares	₹ in Lacs
Equity shares of ₹ 10 each issued, subscribed and fully paid				
<b>As at 1 April 2021</b>	<b>66,730,620</b>	<b>6,673.06</b>	<b>66,730,620</b>	<b>6,673.06</b>
Issue of share capital	-	-	-	-
<b>As at 31 March 2022</b>	<b>66,730,620</b>	<b>6,673.06</b>	<b>66,730,620</b>	<b>6,673.06</b>

## B. Other Equity

Particular	Reserves and Surplus			Other	Total Other equity
	Securities premium (refer note 18)	General reserve (refer note 18)	Retained earnings (refer note 18)	Re-measurement of defined benefit plan (refer note 18)	
<b>Balance as at 1 April 2020</b>	<b>16,791.35</b>	<b>1,401.47</b>	<b>23,448.80</b>	<b>(240.64)</b>	<b>41,400.98</b>
Profit for the year	-	-	4,326.72	-	4,326.72
Other comprehensive income for the year	-	-	-	(112.02)	(112.02)
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>4,326.72</b>	<b>(112.02)</b>	<b>4,214.70</b>
<b>Balance as at 31 March 2021</b>	<b>16,791.35</b>	<b>1,401.47</b>	<b>27,775.52</b>	<b>(352.66)</b>	<b>45,615.29</b>
<b>Balance as at 1 April 2021</b>	<b>16,791.35</b>	<b>1,401.47</b>	<b>27,775.52</b>	<b>(352.66)</b>	<b>45,615.29</b>
Profit for the year	-	-	2,018.24	-	2,018.24
Dividend	-	-	(1,668.27)	-	(1,668.27)
Other comprehensive income for the year	-	-	-	120.32	120.32
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>349.97</b>	<b>120.32</b>	<b>470.29</b>
<b>Balance as at 31 March 2022</b>	<b>16,791.35</b>	<b>1,401.47</b>	<b>28,125.50</b>	<b>(232.34)</b>	<b>46,085.20</b>

As per our report of even date  
For **Chaturvedi & Shah LLP**  
Chartered Accountants  
Firm Registration No: 101720W/W100355

**Vijay Napawaliya**  
Partner  
Membership No: 109659

**Shrikant Zaveri**  
Chairman and Managing Director  
DIN:00263725

**Saurav Banerjee**  
Chief Financial Officer

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

**Raashi Zaveri**  
Whole Time Director  
DIN:00713688

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

Place: Mumbai  
Date: 5<sup>th</sup> May 2022

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

## 1 Corporate information

Tribhovandas Bhimji Zaveri Limited ('TBZ or the "the Company") known under the brand 'TBZ- the Original' was incorporated on 24 July 2007 by conversion of a partnership firm Tribhovandas Bhimji Zaveri under Part IX of the Companies Act, 1956 whereby the partners of the partnership firm became shareholders with the shareholdings as agreed amongst the partners. The Company has been converted to a public limited company w.e.f. 3 December 2010. The Company is in the business of retail sales of ornaments made of gold, diamond, silver, platinum and precious stones through its 28 showrooms and 3 franchisee outlets located across in India.

Tribhovandas Bhimji Zaveri (Bombay) Limited ("the subsidiary Company") was incorporated on 24 April 1986, in Mumbai. The Company has been converted to a public company w.e.f. 27 December 2010. The Company is involved in the business of goldsmiths, silversmiths, gem merchants and other related activities.

These consolidated financial statements comprise the company and its subsidiary (referred to collectively as the 'Group').

## 2 Basis of Preparation of financial statements and significant accounting policies

### 2.1 Basis of Preparation of financial statements

#### a. Statement of compliance

The financial statements of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS), notified under the Companies (Indian Accounting Standards) Rules, 2015, and other relevant provisions of the Companies Act, 2013 ("the Act") as amended.

#### b. Functional and presentation currency

The financial statements are presented in Indian Rupees (INR), and all the values are rounded to the nearest Lacs with two decimals, except when otherwise indicated.

#### c. Basis of measurement

The financial statements have been prepared on accrual basis under the historical cost convention, except for the following assets and

liabilities which have been measured at fair value as required by relevant Ind AS:

- derivative financial instruments,
- certain financial assets and liabilities (refer accounting policy regarding financial instruments), and
- defined employee benefit liability

#### d. Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, (regardless of whether that price is directly observable or estimated using another valuation technique). In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability, if market participants would take those characteristics into account when pricing the asset or liability, at the measurement date.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of Ind AS 102, leasing transactions that are within the scope of Ind AS 116, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

## **e. Significant accounting judgements, estimates and assumptions**

The preparation of the Group's financial statements requires the management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets, liabilities, the Grouping disclosures and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods. Estimates and assumptions are reviewed on periodic basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

The key assumptions concerning the future and other key sources of estimation, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities, within the next financial year, are described below. The Group has based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

Information about critical judgments in applying accounting policies, as well as estimates and assumptions that have the most significant effect to the carrying amounts of assets and liabilities within the next financial year, are included in the following notes:

### **(a) Measurement of defined benefit obligations**

The cost of the defined benefit gratuity plan and other post-employment retirement benefits and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases

and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation. The mortality rate is based on publicly available mortality tables for India. Those mortality tables tend to change only at intervals in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

Further details about gratuity obligations are given in Note – 38.5.

For the purpose of assessing the leave availment rate, the Group considered the past leave availment history of the employees.

### **(b) Measurement and likelihood of occurrence of provisions and contingencies**

A provision is recognised when the Group has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

A disclosure for contingent liabilities is made where there is a possible obligation or a present obligation that may probably not require an outflow of resources. When

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

there is a possible or a present obligation where the likelihood of outflow of resources is remote, no provision or disclosure is made in the financial statements.

**(c) Recognition of taxes**

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

**(d) Provision for sales return**

The Group developed a statistical model for forecasting sales returns. The model used the historical return data of each franchise to come up with expected return percentages. These percentages are applied to determine the expected value of the variable consideration. Any significant changes in experience as compared to historical return pattern will impact the expected return percentages estimated by the Group

**(e) Provision for inventory**

The Group provides provision based on policy, past experience, current trend and future expectations of the inventory held by them.

**(f) Useful life of property, plant and Equipments and Intangible assets**

The Group reviews the estimated useful lives of property, plant and equipment and intangible assets at the end of each reporting period. During financial year ended 31 March 2022, there were no changes in useful lives of property plant and equipment and intangible assets other than those resulting from store closures / shifting of premises.

The Group at the end of each reporting period, based on external and internal

sources of information, assesses indicators and mitigating factors of whether a store (cash generating unit) may have suffered an impairment loss. If it is determined that an impairment loss has been suffered, it is recognised in statement of profit & loss

**(g) Embedded derivative**

The Group enters into purchase gold contract, in which the amount payable is not fixed based on gold price on the date of purchase, but instead is affected by changes in gold prices in future. Such transactions are entered into to protect against the risk of gold price movement in the purchased gold. Accordingly, such unfixed payables (gold loan) are considered to have an embedded derivative. The Group designates the gold price risk in such instruments as hedging instruments, with gold inventory considered to be the hedged item. The hedged risk is gold prices movement.

**(h) Going concern**

During the current year ended March 31, 2022, management has performed an assessment of the entity's ability to continue as a going concern. Based on the assessment, management believe that there is no material uncertainty with respect to any events or conditions that may cast a significant doubt on the entity to continue as a going concern, hence the financial statements have been prepared on going concern basis.

**f. Current -non-current classification**

All assets and liabilities are classified into current and non-current.

**Assets**

An asset is classified as current when it satisfies any of the following criteria :

- a. it is expected to be realised in, or is intended for sale or consumption in, the Group's normal operating cycle;
- b. it is held primarily for the purpose of being traded;

# Notes to the Consolidated Financial Statements

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- c. it is expected to be realised within 12 months after reporting date; or
- d. it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of non-current financial assets.

All other assets are classified as non-current.

## Liabilities

A liability is classified as current when it satisfies any of the following criteria:

- a. it is expected to be settled in the Group's normal operating cycle;
- b. it is held primarily for the purpose of being traded;
- c. it is due to be settled within 12 months after the reporting date; or
- d. the Group does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instrument do not affect its classification.

Current liabilities include current portion of non-current financial liabilities.

All other liabilities are classified as non-current.

## Operating Cycle :

Based on the nature of services and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Group has ascertained its operating cycle as 12 months for the purpose of current – non-current classification of assets and liabilities.

## Recent Accounting pronouncements

On 23<sup>rd</sup> March, 2022, the Ministry of Corporate Affairs (MCA) has notified certain amendment to existing Ind AS. These amendments shall be

applicable to the Company from 1<sup>st</sup> April, 2022. Amendment to Existing issued Ind AS

The MCA has carried out amendments of the following accounting standards

- i. Ind AS 101- First time adoption of Indian Accounting Standards
- ii. Ind AS 103 – Business Combinations
- iii. Ind AS 109 - Financial Instruments
- iv. Ind AS 16 – Property, Plant and Equipment
- v. Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets
- vi. Ind AS 41 - Agriculture

Application of above standards are not expected to have any significant impact on the Company's financial statements.

## Basis of consolidation:

These consolidated financial statements relate to Tribhovandas Bhimji Zaveri Limited ("the Company") and entities controlled by the Company. Control is achieved when the Company has power over the entity, is exposed, or has rights, to variable returns from its involvement with the investee; and has the ability to affect the entity's returns by using its power over the entity.

The financial statements of the Company and its subsidiaries have been combined on a line by line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances, intra-group transactions and unrealised profit or losses. These consolidated financial statements are prepared by applying uniform accounting policies in use at the Group.

Goodwill is recognised when a change in Group's ownership interest (or otherwise), results in the Group acquiring control over a Company

Changes in the Group's ownership interests in subsidiary that do not result in the Group losing



# Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

control over the subsidiary are accounted for as equity transaction (i.e transactions with owners in their capacity as owners)

Goodwill arising on consolidation is tested for impairment at each reporting date. If the recoverable amount of cash generating unit to which the goodwill is attributed is less than the carrying the amount of the unit an impairment loss is recognised, first to reduce the carrying amount of goodwill (and thereafter to the balance assets of the unit, pro rata to their carrying amounts).

Non-controlling interests are presented in the consolidated balance sheet within equity, separately from the equity of the owners of the Company. Total Comprehensive Income of subsidiary is attributed to the owners and to the non-controlling interests, (even if this results in the non-controlling interests having a deficit balance).

Entities controlled by the Company are consolidated from the date the control commences until the date control ceases.

The subsidiary companies which are included in the consolidation and the Company's holdings therein are as under:

Name of the Company	Country incorporation	Ownership interest 31 March 2021	Ownership interest 31 March 2020
Tribhovandas Bhimji Zaveri (Bombay) Limited	India	100%	100%

## a) Property, plant and Equipment

Property, plant and equipment are carried at cost less accumulated depreciation and impairment losses, if any.

The cost of Property, plant and equipment comprises its purchase price/acquisition cost, net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from tax authorities), any directly attributable expenditure on making the asset ready for its intended use. Subsequent

expenditure on property, plant and equipment after its purchase/completion is capitalized only if it is probable that future economic benefit associated with the expenditure will flow to the Group.

Property, plant and equipment not ready for the intended use on the date of balance sheet are disclosed as "Capital work-in-progress". Capital work in progress is stated at cost, net of accumulated impairment loss, if any.

If significant parts of an item of property, plant and equipment have different lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Gains or losses arising from disposal or retirement of property, plant and equipment are recognised in the Statement of Profit and Loss.

Depreciation on PPE has been provided on the basis using straight line method over the useful life of the assets, as prescribed in schedule II to the Company act 2013. Freehold land is not depreciated. Leasehold Improvement are amortised over primary period of lease.

Property, plant and equipment	Management estimate of useful life	Useful life as per Schedule II
Furniture and fittings	5 to 10 years	10 years
Plant and machinery	3 to 15 years	15 years

Depreciation method, useful lives and residual values are reviewed at each financial year end and adjusted, if appropriate.

Depreciation for the year is recognised in the Statement of Profit and Loss.

## b) Intangible assets

Intangible assets are recognised only when it is probable that the future economic benefits that are attributable to the assets will flow to the Group and the cost of such assets can be measured reliably. Intangible assets are stated at cost less accumulated amortisation and impairment loss, if any. All costs relating to the acquisition are capitalised.

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

Intangible assets are amortised in the Statement of Profit & Loss over their estimated useful lives, from the date that they are available for use based on the expected pattern of consumption of economic benefits of the asset.

The Group's intangible assets comprise of Computer software which are being amortised on a straight line basis over their estimated useful life of five years. Amortisation method and useful lives are reviewed at each reporting date. If the useful life of an asset is estimated to be significantly different from previous estimates, the amortisation period is changed accordingly. If there has been a significant change in the expected pattern of economic benefits from the asset, the amortisation method is changed to reflect the changed pattern.

## c) Impairment of non financial assets

Assessment for impairment is done at each balance sheet date as to whether there is any indication that a non-financial asset may be impaired. For the purpose of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets is considered as a cash generating unit.

If any indication of impairment exists, an estimate of the recoverable amount of the individual asset/cash generating unit is made. Asset/cash generating unit whose carrying value exceeds their recoverable amount are written down to the recoverable amount by recognising the impairment loss as an expense in the Statement of profit and loss. Recoverable amount is higher of an asset's or cash generating unit's fair value less cost of disposal and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset or cash generating unit and from its disposal at the end of its useful life.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist

or have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit & loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

## d) Inventories

Inventories which comprise raw materials, finished goods, stock-in-trade and packing materials are carried at the lower of cost or net realizable value. Cost is determined on weighted average basis.

Cost of inventories comprises all costs of purchase and, other duties and taxes (other than those subsequently recoverable from tax authorities), costs of conversion and all other costs incurred in bringing the inventory to their present location and condition. In respect of purchase of goods at prices that are yet to be fixed at the year end, adjustments to the provisional amounts are recognised based on the year end closing gold rate.

Diamond finished jewellery is valued at specific cost.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale. Raw materials and other supplies held for use in the production of finished products are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realisable value.

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

## e) Borrowing Costs

Borrowing costs consist of interest and other costs (including exchange differences to the extent regarded as an adjustment to the interest costs) incurred in connection with the borrowing of funds.

Borrowing costs directly attributable to the acquisition or construction of an asset, as defined in Ind AS 23, that necessarily takes a substantial period of time to get ready for its intended use are capitalized as a part of the cost of such assets. All other borrowing costs are recognized as an expense in the period in which they are incurred.

## f) Revenue from contract with customer

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. The Group has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods or services before transferring them to the customer and sales under sale or return basis arrangements.

### i) Sale of goods

Revenue from sale of goods is recognised at the point in time when control of the goods is transferred to the customer, generally on delivery of the goods. In determining the transaction price for the sale of product, the Group considers the effects of variable consideration.

### (a) Variable consideration

Revenue is measured at fair value of consideration received or receivable net of returns, trade and scheme discounts, volume rebate excluding taxes or duties collected on behalf of the government.

If the consideration in a contract includes a variable amount, the Group estimates the amount of consideration to which it will be entitled in exchange for transferring

the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved. Some contracts for the sale of product provide customers with a right of return. The rights of return give rise to variable consideration.

### (b) Rights of return

Certain contracts provide a customer with a right to return the goods within a specified period. The Group uses the expected value method to estimate the goods that will not be returned because this method best predicts the amount of variable consideration to which the Group will be entitled. The requirements in Ind AS 115 on constraining estimates of variable consideration are also applied in order to determine the amount of variable consideration that can be included in the transaction price. For goods that are expected to be returned, instead of revenue, the Group recognises a refund liability. A right of return asset and corresponding adjustment to change in inventory is also recognised for the right to recover products from a customer.

### (c) Assets and liabilities arising from rights of return

#### Right of return assets:

Right of return asset represents the Groups right to recover the goods expected to be returned by customers. The asset is measured at the former carrying amount of the inventory, less any expected costs to recover the goods, including any potential decreases in the value of the returned goods. The Group updates the measurement of the asset recorded for any revisions to its expected level of returns, as well as any additional decreases in the value of the returned products

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

## Refund liabilities:

A refund liability is the obligation to refund some or all of the consideration received (or receivable) from the customer and is measured at the amount the Group ultimately expects it will have to return to the customer. The Group updates its estimates of refund liabilities (and the corresponding change in the transaction price) at the end of each reporting period. Refer to above accounting policy on variable consideration.

- ii) **Service Income** : Service income is recognized on rendering of services at a point in time.
- iii) **Gift Card** : Sales are recognized when the vouchers are redeemed and goods are sold to the customers.
- iv) **Interest Income** : Interest income is recorded using the Effective Interest Rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial assets or to the amortised cost of a financial liability. When calculating the EIR, the Group estimates the expected cash flows by considering all the contractual terms of the financial instruments (for example : prepayment and extension), but does not consider the expected credit losses. Interest income is included in other income in the Statement of Profit and Loss.

## g) Foreign currency transactions

Foreign currency transactions are recorded at the exchange rates prevailing on the dates of the transactions. Exchange differences arising on foreign currency transactions settled during the period are recognized in the Statement of profit and loss.

Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated into functional currency

at the exchange rates at the reporting date. The resultant exchange differences are recognized in the Statement of profit and loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

## h) Employee benefits

### Short-term employee benefits

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

### Post-employment benefits

#### Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which the Group pays specified contribution to a Government administered scheme and has no obligation to pay any further amounts. The Group makes specified monthly contributions towards provident fund and employee state insurance, which are defined contribution plans, at the prescribed rates. The Group's contribution is recognised as an expense in the Statement

# Notes to the Consolidated Financial Statements

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of profit and loss during the period in which the employee renders the related service.

## Defined benefit plans

### Gratuity

The Group operates a defined benefit gratuity plan in India. The Group contributes to a gratuity trust maintained by an independent insurance Group. The Group's liabilities under the Payment of Gratuity Act are determined on the basis of actuarial valuation made at the end of each financial year using the projected unit credit method. Obligation is measured at the present value of estimated future cash flows using a discounted rate that is determined by reference to market yields at the Balance Sheet date on Government bonds, where the terms of the Government bonds are consistent with the estimated terms of the defined benefit obligation. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and fair value of plan assets. This cost is included in 'Employee benefits expense' in the Statement of Profit and Loss. Re-measurement gains or losses and return on plan assets (excluding amounts included in net interest on the net defined benefit liability) arising from changes in actuarial assumptions are recognised in the period in which they occur, directly in OCI. They are included in retained earnings in the Statement of changes in equity and in the Balance Sheet. Re-measurements are not reclassified to the Statement of Profit and Loss in subsequent periods.

## Other long-term employee benefits

### Compensated absences

The Group provides for encashment of leave or leave with pay subject to certain rules. The employees are entitled to accumulate leave subject to certain limits for future encashment / availment. The Group makes provision for compensated absences based on an independent actuarial valuation carried out at the end of the year using the projected unit credit method. Actuarial

gains and losses are recognised in the Statement of profit and loss.

## i) Leases

As per Ind AS 116-Lease, the determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

### Where the Group is the lessee

A lease is classified at the inception date as a finance lease or an operating lease. Leases, where substantial portion of risk and reward of ownership are retained by the lessor, are classified as operating leases. Operating lease payments are recognised as an expense in the Statement of Profit and Loss on a straight-line basis over the lease period.

### Where the Group is the lessor

Leases in which the Group does not transfer substantially all the risks and rewards of ownership of an asset is classified as an operating lease. Assets subject to operating leases are included in the property, plant and equipment. Rental income on an operating lease is recognised in the Statement of Profit and Loss on a straight-line basis over the lease term. Costs, including depreciation, are recognised as an expense in the Statement of Profit and Loss.

## j) Income taxes

Income tax expense comprises current tax and deferred tax. It is recognised in the Statement of profit & loss except to the extent that it relates to an item recognized directly in equity or in other comprehensive income.

# Notes to the Consolidated Financial Statements

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## Current tax

The Income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date in India.

Current income tax relating to items recognised outside the Statement of Profit and Loss is recognised outside the Statement of Profit and Loss (either in OCI or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. The management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions, where appropriate, on the basis of amounts expected to be paid to the tax authorities.

## Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except: When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

Deferred tax assets are recognised for all deductible temporary differences,

the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised, except when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date, and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Current tax and deferred tax relating to items recognised outside the Statement of Profit and Loss is recognised outside the Statement of Profit and Loss (either in OCI or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

## k) Earnings per share (EPS)

Basic earnings per share is calculated by dividing the net profit for the year attributable to equity shareholders of the Group by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares, that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit for the period attributable to equity shareholders and the weighted average number of shares outstanding during the year is adjusted for the effects of all dilutive potential equity shares.

## l) Provision, contingent liabilities and contingent assets

The Group creates a provision when there is a present obligation (legal or constructive) as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the balance sheet date and are discounted to its present value if the effect of time value of money is considered to be material. These are reviewed at each year end date and adjusted to reflect the best current estimate. The unwinding of the discount is recognized as finance cost. Expected future operating losses are not provided for.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may or may not require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Contingent assets are neither recognised nor disclosed in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the period in which the change occurs.

## m) Cash and cash equivalents

Cash and Cash Equivalents in the balance sheet and for the purpose of cash flow statement comprise cash in hand and cash at bank including fixed deposit with original maturity period of three months and short-term highly liquid investments with an original maturity of three months or less net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

## n) Financial instruments

A Financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

## Financial Assets

### Initial recognition and measurement:

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under Ind AS 115.

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

## Financial asset :

### Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- a) Debt instruments at amortised cost
- b) Debt instruments at fair value through other comprehensive income (FVTOCI)
- c) Debt instruments, derivatives and equity instruments at fair value through profit & loss (FVTPL)
- d) Equity instruments measured at fair value through other comprehensive income (FVTOCI)

### Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Group. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

### Debt instrument at FVTOCI

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

- a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Group recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the P&L. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to P&L. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

### Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Group may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency. The Group has not designated any debt instrument as at FVTPL.



# Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L

## Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applies are classified as at FVTPL. For all other equity instruments, the Group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity. Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

## De-recognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a Group of similar financial assets) is primarily derecognised (i.e. removed from the Group's consolidated balance sheet) when:

- a) The rights to receive cash flows from the asset have expired, or
- b) The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

## Impairment of financial assets

In accordance with Ind-AS 109, the Company applies Expected Credit Loss ("ECL") model for measurement and recognition of impairment loss on the financial assets measured at amortized cost and financial assets measured at FVOCI. For financial assets other than trade receivables, as per Ind AS 109, the Company recognises 12 month expected credit losses for all originated or acquired financial assets if at the reporting date the credit risk of the financial asset has not increased significantly since its initial recognition. The expected credit losses are measured as lifetime expected credit losses if the credit risk on financial asset increases significantly since its initial recognition. The Company's trade receivables do not contain significant financing component and loss allowance on trade receivables is measured at an amount equal to life time expected losses i.e. expected cash shortfall.

The impairment losses and reversals are recognised in Statement of Profit and Loss

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

## **Financial liabilities :**

### **Initial recognition and measurement**

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

The measurement of financial liabilities depends on their classification, as described below:

### **Financial liabilities at fair value through profit or loss**

Financial liabilities at fair value through profit & loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit & loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial

date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to Profit & Loss. However, the Group may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit & loss. The Group has not designated any financial liability as at fair value through profit and loss.

### **Loans and borrowings**

This is the category most relevant to the Group. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

### **Financial guarantee contracts**

Financial guarantee contracts issued by the Group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

## De-recognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

## Offsetting

Financial assets and financial liabilities are offset and the net amount is presented in the Balance Sheet, if the Group currently has a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

## p) Derivative financial instruments and hedge accounting

### Initial recognition, subsequent measurement and fair value hedge

In order to hedge its exposure to commodity price risks, the Group also enters into forward contracts. The Group does not hold derivative financial instruments for speculative purposes. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to statement of profit and loss. Changes in the fair value of derivatives that

are designated and qualify as fair value hedges are recognised in statement of profit and loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

### Embedded derivative

An embedded derivative is a component of a hybrid (combined) instrument that also includes a non-derivative host contract – with the effect that some of the cash flows of the combined instrument vary in a way similar to a standalone derivative. An embedded derivative causes some or all of the cash flows that otherwise would be required by the contract to be modified according to a specified variable.

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

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

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

## 3 Property, plant and equipment

Particulars	₹ in Lacs							
	Freehold land	Leasehold improvements	Building	Plant and machinery	Furniture and fittings	Computers	Vehicles	Total
<b>Cost</b>								
<b>As at 1 April 2020</b>	<b>1,443.72</b>	<b>2,119.87</b>	<b>4,685.44</b>	<b>2,469.18</b>	<b>1,753.48</b>	<b>554.68</b>	<b>171.84</b>	<b>13,198.20</b>
Additions	-	-	-	4.10	33.95	4.77	-	42.82
Deductions / adjustment during the year	-	209.27	-	18.53	105.14	0.24	-	333.17
<b>As at 31 March 2021</b>	<b>1,443.72</b>	<b>1,910.60</b>	<b>4,685.44</b>	<b>2,454.75</b>	<b>1,682.30</b>	<b>559.20</b>	<b>171.84</b>	<b>12,907.84</b>
<b>As at 1 April 2021</b>	<b>1,443.72</b>	<b>1,910.60</b>	<b>4,685.44</b>	<b>2,454.75</b>	<b>1,682.30</b>	<b>559.20</b>	<b>171.84</b>	<b>12,907.84</b>
Additions	-	-	-	33.67	49.20	18.70	-	101.57
Deductions / adjustment during the year	-	8.17	-	12.40	42.96	10.89	-	74.43
<b>As at 31 March 2022</b>	<b>1,443.72</b>	<b>1,902.43</b>	<b>4,685.44</b>	<b>2,476.02</b>	<b>1,688.54</b>	<b>567.01</b>	<b>171.84</b>	<b>12,934.98</b>
<b>Depreciation</b>								
<b>As at 1 April 2020</b>	-	<b>1,026.03</b>	<b>388.25</b>	<b>623.15</b>	<b>890.81</b>	<b>477.23</b>	<b>19.55</b>	<b>3,425.02</b>
Depreciation for year	-	267.39	92.68	159.43	212.79	17.00	19.72	769.01
Deductions / adjustment during the year	-	66.82	-	4.08	52.57	0.22	-	123.69
<b>As at 31 March 2021</b>	-	<b>1,226.61</b>	<b>480.93</b>	<b>778.50</b>	<b>1,051.02</b>	<b>494.01</b>	<b>39.27</b>	<b>4,070.34</b>
<b>As at 1 April 2021</b>	-	<b>1,226.61</b>	<b>480.93</b>	<b>778.50</b>	<b>1,051.02</b>	<b>494.01</b>	<b>39.27</b>	<b>4,070.34</b>
Depreciation	-	222.39	92.65	156.05	206.57	9.98	19.72	707.36
Deductions / adjustment during the year	-	5.20	-	10.39	34.51	9.38	-	59.48
<b>As at 31 March 2022</b>	-	<b>1,443.80</b>	<b>573.58</b>	<b>924.16</b>	<b>1,223.08</b>	<b>494.61</b>	<b>58.99</b>	<b>4,718.20</b>
<b>Net book value as at:-</b>								
<b>31 March 2021</b>	<b>1,443.72</b>	<b>683.99</b>	<b>4,204.51</b>	<b>1,676.25</b>	<b>631.28</b>	<b>65.19</b>	<b>132.57</b>	<b>8,837.50</b>
<b>31 March 2022</b>	<b>1,443.72</b>	<b>458.63</b>	<b>4,111.86</b>	<b>1,551.86</b>	<b>465.46</b>	<b>72.40</b>	<b>112.85</b>	<b>8,216.78</b>

### Notes:

- Property plant and equipment are pledged as security for working capital loans and vehicles against vehicle loans (refer note 19 and 22).
- As at 31 March 2022, Buildings with carrying amount of ₹ 3,656.56 lacs (31 March 2021 ₹ 3,726.17 lacs) are subject to first pari passu charge to secured borrowings (refer note 22)
- As at 31 March 2022, Freehold Land with carrying amount of ₹ 1,419.34 lacs (31 March 2021 ₹ 1,419.34 lacs) are subject to first pari passu charge to secured borrowings (refer note 22)

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

## 4 Right to Use Assets and Lease Liability

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the year:

₹ in Lacs	
Particulars	Building
<b>Cost</b>	
<b>As at 1 April 2020</b>	<b>9,616.23</b>
Additions	627.61
Deductions / adjustment during the year	1,752.23
<b>As at 31 March 2021</b>	<b>8,491.61</b>
<b>As at 1 April 2021</b>	<b>8,491.61</b>
Additions	3,630.57
Deductions / adjustment during the year	2,531.64
<b>As at 31 March 2022</b>	<b>9,590.54</b>
<b>Depreciation</b>	
<b>As at 1 April 2020</b>	<b>2,163.14</b>
Depreciation for the year	1,813.62
Deductions / adjustment during the year	487.96
<b>As at 31 March 2021</b>	<b>3,488.80</b>
<b>As at 1 April 2021</b>	<b>3,488.80</b>
Depreciation for the year	1,470.87
Deductions / adjustment during the year	2,217.24
<b>As at 31 March 2022</b>	<b>2,742.43</b>
<b>Net book value</b>	
<b>As at 31 March 2021</b>	<b>5,002.81</b>
<b>AS at 31 March 2022</b>	<b>6,848.11</b>

Set out below are the carrying amounts of lease liabilities and the movements during the year:

₹ in Lacs		
Particular	31 March 2022	31 March 2021
<b>As at 31 March 2021</b>	6,217.05	-
(As at 31 March 2020)	-	8,863.97
Additions	3,493.63	609.77
Accretion of interest	727.76	815.48
Lease payment	(1,774.57)	(2,634.52)
Less: Lease liability adjusted during the year	(775.93)	(1,437.64)
<b>As at 31 March 2022</b>	<b>7,887.95</b>	<b>6,217.05</b>
Non Current	6,070.39	4,828.50
Current	1,817.56	1,388.55

The maturity analysis of lease liabilities are disclosed in Note 38.15.2.B

The following are the amounts recognised in statement profit or loss:

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

₹ in Lacs

Particular	31 March 2022	31 March 2021
Depreciation expense of right-of-use assets	1,470.87	1,813.62
Interest expense on lease liabilities	727.76	815.48
Expense relating to short-term leases (included in other expenses)	287.03	190.35
<b>Total amount recognised in profit or loss</b>	<b>2,485.66</b>	<b>2,819.45</b>

The Group had total cash outflows for leases of ₹ 1,774.57 lacs in March 31, 2022 ( ₹ 2,064.00 lacs in March 31 2021). The Group also had non-cash additions to right-of-use asset of ₹ 3,630.57 lacs & and lease liabilities of ₹ 3,493.63 lacs in March 31, 2022 ( ₹ 627.61 lacs & ₹ 609.77 lacs in 31 March 2021 respectively).

## 5 Intangible assets

₹ in Lacs

Particular	Total
<b>Cost</b>	
<b>As at 1 April 2020</b>	<b>351.65</b>
Additions	16.71
Deductions / adjustment during the year	-
<b>As at 31 March 2021</b>	<b>368.36</b>
<b>As at 1 April 2021</b>	<b>368.36</b>
Additions	10.84
Deductions / adjustment during the year	-
<b>As at 31 March 2022</b>	<b>379.20</b>
<b>Amortisation</b>	
<b>As at 1 April 2020</b>	<b>131.25</b>
Depreciation for the year	78.56
Deductions / adjustment during the year	-
<b>As at 31 March 2021</b>	<b>209.82</b>
<b>As at 1 April 2021</b>	<b>209.82</b>
Depreciation for the year	73.17
Deductions / adjustment during the year	-
<b>As at 31 March 2022</b>	<b>282.99</b>
<b>Net book value as at:-</b>	
<b>As at 31 March 2021</b>	<b>158.54</b>
<b>As at 31 March 2022</b>	<b>96.21</b>

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

## 6 Other Investments:

Particulars	₹ in Lacs	
	As at 31 March 2022	As at 31 March 2021
Investments at fair value through OCI (fully paid - Quoted)		
Bank of Baroda	2.12	1.41
1,903 (31 March 21 : 1,903) Equity shares of ₹ 2 each		
Investments in equity instruments (Unquoted)		
Saraswat Co-operative Bank Ltd	0.12	0.12
1,155 (31 March 21: 1,155) Equity shares of ₹ 10		
	<b>2.24</b>	<b>1.53</b>
Aggregate book value of quoted investments	5.06	5.06
Aggregate market value of quoted investments	2.12	1.41
Aggregate book value of unquoted investments	0.12	0.12

## 7 Other financial asset

Particulars	₹ in Lacs	
	As at 31 March 2022	As at 31 March 2021
<b>To parties other than related parties</b>		
Security deposits	467.30	447.92
	<b>467.30</b>	<b>447.92</b>

## 8 Deferred tax assets (net)

Particulars	₹ in Lacs	
	As at 31 March 2022	As at 31 March 2021
<b>a. The major components of income tax (income) / expense are:</b>		
Deferred tax assets	640.47	710.82
Deferred tax Liability	(272.74)	(283.64)
	<b>367.73</b>	<b>427.18</b>

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

## b. Deferred tax relates to following

Particulars	Balance sheet		Statement of Profit and Loss	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
Property, plant and equipment	(272.74)	(283.64)	(10.89)	(44.35)
Employee benefits	313.67	300.58	(13.09)	33.01
Commission to directors	7.55	43.41	35.86	(43.41)
Provision for doubtful debts	25.41	26.00	0.58	(3.70)
Deferred tax on elimination	-	-	-	(9.91)
Leases	261.63	305.60	43.97	297.45
Provision for sales return	32.21	32.84	0.63	17.47
MTM Option Derivative	-	2.39	2.39	(2.39)
<b>Deferred tax expense / (income)</b>			<b>59.45</b>	<b>244.17</b>
<b>Net deferred tax assets/(Liabilities)</b>	<b>367.73</b>	<b>427.18</b>		

## 9 Non-current tax assets

Particulars	₹ in Lacs	
	As at 31 March 2022	As at 31 March 2021
Advance tax (net of provision for Tax ₹ 4,510.35 Lacs 31st March 2021, ₹ 4,126.77 Lacs)	957.30	584.40
	<b>957.30</b>	<b>584.40</b>

## 10 Other non current assets

Particulars	₹ in Lacs	
	As at 31 March 2022	As at 31 March 2021
Advances for capital expenditure	23.40	3.40
- To other than related party	34.60	0.29
	<b>58.00</b>	<b>3.69</b>

## 11 Inventories\*

Particulars	₹ in Lacs	
	As at 31 March 2022	As at 31 March 2021
Raw material **	17,146.24	17,695.17
Finished goods **	60,683.31	48,050.87
Stock-in-trade **	42,582.78	32,629.04
Packing material	30.00	25.88
	<b>120,442.33</b>	<b>98,400.96</b>

During the year ended 31 March 2022 NIL (Previous year: ₹ 380.00 Lacs) is recognised as an expense for inventories carried at net realisable value.

\* Working Capital Borrowing are secured by hypothecation of inventories of the Company (refer note 22).

\*\* Cost of precious stones is determined by management based on technical estimate of the purity and clarity of diamonds used, on which the auditors have placed reliance, as this being a technical matter.



# Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

## 12 Trade receivables\*

₹ in Lacs

Particulars	As at 31 March 2022	As at 31 March 2021
Unsecured, considered good**	161.29	339.86
Credit impaired	26.45	27.77
	187.74	367.64
Less: Provision for expected credit loss	(26.45)	(27.77)
<b>Total</b>	<b>161.29</b>	<b>339.86</b>

\* Working capital borrowing are secured by hypothecation of trade receivables of the Company (refer note 19 and 22).

\*\* Includes receivable from credit card and unified payment interface (UPI) companies amounting to ₹ 128.50 Lacs (31 March 2021: ₹ 126.02 Lacs)

Trade receivables are generally not interest-bearing.

### The movement in allowance for doubtful receivables is as follows:

Balance as at beginning of the year	27.77	32.81
Provision created/(reversed) during the year	(1.32)	(5.04)
Balance as at the end of the year	<b>26.45</b>	<b>27.77</b>

### Trade receivable ageing schedule are as below:

#### As at 31 March 2022

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	160.86	0.43	-	-	-	161.29
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	26.45	26.45
<b>Sub Total</b>	<b>160.86</b>	<b>0.43</b>	-	-	<b>26.45</b>	<b>187.74</b>
Less: Allowance for credit impaired/Expected credit loss	-	-	-	-	(26.45)	(26.45)
<b>Total</b>	<b>160.86</b>	<b>0.43</b>	-	-	-	<b>161.29</b>

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

## As at 31 March 2021

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	339.48	0.38	-	-	-	339.86
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables–considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	27.77	27.77
<b>Sub Total</b>	<b>339.48</b>	<b>0.38</b>	-	-	<b>(27.77)</b>	<b>367.63</b>
Less: Allowance for credit impaired/Expected credit loss	-	-	-	-	(27.77)	(27.77)
<b>Total</b>	<b>339.48</b>	<b>0.38</b>	-	-	-	<b>339.86</b>

## 13 Cash and cash equivalents

Particulars	₹ in Lacs	
	As at 31 March 2022	As at 31 March 2021
Balances with banks		
- on current accounts	557.96	333.24
Cash on hand	258.59	235.56
	<b>816.55</b>	<b>568.80</b>

## 14 Bank balances other than cash and cash equivalents

Particulars	₹ in Lacs	
	As at 31 March 2022	As at 31 March 2021
Bank deposits (with original maturity for more than 3 months but less than 12 months)*	3,710.75	3,385.94
Earmarked balance with banks		
- Unclaimed dividend#	8.79	5.76
	<b>3,719.54</b>	<b>3,391.70</b>

#Includes restricted amounts towards Unclaimed Dividend of ₹ 8.79 Lacs (31 March 2021: ₹ 5.76 Lacs).

Deposit with carrying value of ₹ 2,778.11 Lacs (31 March 2021 ₹ 3,195.90 Lacs) are under lien to secure working capital facilities availed from banks.

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

## 15 Other financial assets (Unsecured, considered good)

Particulars	₹ in Lacs	
	As at 31 March 2022	As at 31 March 2021
<b>To related parties</b>		
Security deposits	128.36	128.36
<b>To parties other than related parties</b>		
Security deposits	222.14	320.13
Less: Impairment allowance	(29.75)	(29.75)
	192.39	290.39
Interest accrued on fixed deposits	11.67	12.91
Derivative receivables	-	9.49
	<b>332.42</b>	<b>441.14</b>

## 16 Other current assets

Particulars	₹ in Lacs	
	As at 31 March 2022	As at 31 March 2021
<b>To parties other than related parties</b>		
Advance to suppliers	468.34	247.77
Advances to employees and others	35.58	30.67
Prepayments	189.16	179.40
Balance with government authorities (other than income tax)	1,192.22	1,068.13
Refund Assets	1,293.93	1,319.50
	<b>3,179.23</b>	<b>2,845.47</b>

## 17 Equity share capital Authorised share capital

Particulars	As at 31 March 2022		As at 31 March 2021	
	No. of shares	₹ in Lacs	No. of shares	₹ in Lacs
As at the beginning of the year	75,000,000	7,500.00	75,000,000	7,500.00
Increase during the year	-	-	-	-
<b>As at the end of the year</b>	<b>75,000,000</b>	<b>7,500.00</b>	<b>75,000,000</b>	<b>7,500.00</b>

### Issued equity share capital

Particulars	As at 31 March 2022		As at 31 March 2021	
	No. of shares	₹ in Lacs	No. of shares	₹ in Lacs
As at the beginning of the year end	66,730,620	6,673.06	66,730,620	6,673.06
Increase during the year	-	-	-	-
<b>As at the end of the year</b>	<b>66,730,620</b>	<b>6,673.06</b>	<b>66,730,620</b>	<b>6,673.06</b>

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

## a. Terms / rights attached to equity shares

The company has only one class of equity shares having par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. The voting rights of an equity shareholder on a poll (not on show of hands) are in proportion to his share of paid-up equity capital of the Company. Voting rights cannot be exercised in respect of shares on which any call or other sums presently payable have not been paid.

Failure to pay any amount called up on shares may lead to forfeiture of the shares.

On winding up of the Company, the holders of equity shares will be entitled to receive the residual assets of the Company, remaining after distribution of all preferential amounts in proportion to the number of equity shares held.

## b. Details of shareholders holding more than 5% shares in the Company

Particulars	As at 31 March 2022		As at 31 March 2021	
	No. of Shares	% holding in the class	No. of Shares	% holding in the class
Equity shares of ₹ 10 each fully paid up held by:				
Shrikant Zaveri	33,402,275	50.06%	33,402,275	50.06%
Binaisha Zaveri	5,285,000	7.92%	5,285,000	7.92%
Raashi Zaveri	4,572,500	6.85%	4,572,500	6.85%
Bindu Zaveri	3,500,000	5.24%	3,500,000	5.24%

## c. Details of shares held by promoters in the Company

Particulars	As at 31 March 2022		As at 31 March 2021	
	No. of Shares	%	No. of Shares	%
Shrikant Zaveri	33,402,275	50.06%	33,402,275	50.06%
Binaisha Zaveri	5,285,000	7.92%	5,285,000	7.92%
Raashi Zaveri	4,572,500	6.85%	4,572,500	6.85%
Bindu Zaveri	3,500,000	5.24%	3,500,000	5.24%

\* There is no change in promoters share holding during the year ended March 31, 2022 & March 31, 2021.

## 18 Other equity

Particulars	₹ in Lacs	
	As at 31 March 2022	As at 31 March 2021
<b>Securities premium</b>		
<b>As at the beginning of the year</b>	<b>16,791.35</b>	<b>16,791.35</b>
Add: Securities premium collected during the year	-	-
<b>As at the end of the year</b>	<b>16,791.35</b>	<b>16,791.35</b>
<b>General reserves</b>		

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

Particulars	₹ in Lacs	
	As at 31 March 2022	As at 31 March 2021
<b>As at the beginning of the year</b>	1,401.47	1,401.47
Add: Transfer during the year	-	-
<b>As at the end of the year</b>	<b>1,401.47</b>	<b>1,401.47</b>
<b>Surplus in profit and loss</b>		
<b>As at the beginning of the year</b>	<b>27,775.52</b>	<b>23,448.80</b>
Add / (Less): Profit for the year	2,018.24	4,326.72
Add / (Less): Equity dividend	(1,668.27)	-
<b>As at the end of the year</b>	<b>28,125.50</b>	<b>27,775.52</b>
<b>Other comprehensive</b>		
<b>As at the beginning of the year</b>	<b>(352.66)</b>	<b>(240.64)</b>
Add: Re-measurement gains/ (losses) on defined benefit plans	148.41	(154.68)
Add: Re-measurement (loss)/profit on quoted investment	0.71	0.39
Add: Income tax effect	(28.80)	42.27
<b>As at the end of the year</b>	<b>(232.34)</b>	<b>(352.66)</b>
	<b>46,085.20</b>	<b>45,615.29</b>

## Notes:

### Securities premium reserve

Securities premium reserve is used to record the premium on issue of shares. The reserve can be utilised only for limited purposes such as issuance of bonus shares in accordance with provisions of the Companies Act 2013.

### General reserves

The general reserve is mainly created / built by the Company from time to time by transferring the profits from the retained earnings. The reserve may be utilised mainly to declare dividend as permitted under Companies Act 2013.

### Surplus in profit and loss

Retained earnings comprise of the Group's undistributed profits after taxes.

### Other comprehensive income

Items of other comprehensive income consist of re-measurement gain/(losses) on defined benefit plan of the Group. Retained earnings comprise of the Company's undistributed profits after taxes.

## 19 Non current borrowings

Particulars	Effective interest rate %	Maturity	₹ in Lacs	
			As at 31 March 2022	As at 31 March 2021
Secured				
Term loans				
- From bank	8.00%	Apr'22	-	112.08
- Vehicle Loan	8.75%	Nov'23	9.30	32.15
Working capital demand loan				
- From bank	7.40%	Apr'22	-	86.00
			<b>9.30</b>	<b>230.23</b>

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

Working capital demand loan and Term loan facilities are part of a consortium arrangement with banks. The above facilities are secured by primary security by way of hypothecation charge on the entire current assets of the Company, present and future, on first pari passu basis among the members of the consortium. Further, the facility is secured by collateral security on first pari passu charge basis among the members of the consortium

Further, the facility is secured by collateral security on first pari passu charge basis among the members of the consortium

- By way of mortgage over premises at Zaveri Bazar, Mumbai, premises at Surat, premises at Kandivali Industrial Estate, Mumbai, premises at Nariman Point, Mumbai, premises at Punjagutta, Hyderabad.

- By way of hypothecation charge over Property, Plant and Equipment installed/erected at Surat, at Kandivali Industrial Estate, Mumbai, at Pune, and all movable and immovable assets present in all the Company's showrooms.

The facility is also secured by way of extension of mortgage charge on Second pari passu basis over commercial premises at Santacruz, Mumbai belonging to Shri Shrikant Zaveri (Chairman and Managing Director) and the personal guarantee of Shri Shrikant Zaveri the Chairman and Managing Director, Raashi Zaveri Executive Director and Binaisha Zaveri, Executive Director of the Company.

The term loans of COVID-19 Emergency Line of Credit scheme shall be repayable on monthly Installments till April, 2022

The vehicle loans from banks are secured by hypothecation of vehicle purchased. The vehicle loans shall be repayable on monthly Installments of ₹ 1.73 lacs till 1 November 2023 (32 Monthly installments).

The Company has not defaulted for any loans payable, and there has been no breach of any loan covenants.

## 20 Lease liability

Particulars	₹ in Lacs	
	As at 31 March 2022	As at 31 March 2021
Lease liability (refer note 4)	6,070.39	4,828.50
	<b>6,070.39</b>	<b>4,828.50</b>

## 21 Non-current provisions

Particulars	₹ in Lacs	
	As at 31 March 2022	As at 31 March 2021
<b>Employee benefits obligations</b>		
- Provision for gratuity (refer note 38.5 (b))	647.86	627.28
- Provision for compensated absences	86.92	89.17
	<b>734.78</b>	<b>716.45</b>

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

## 22 Current borrowings

₹ in Lacs

Particulars	Effective interest rate %	Maturity	As at 31 March 2022	As at 31 March 2021
<b>Secured</b>				
<b>Loans repayable on demand from Banks</b>				
Working capital demand loan	7.60% to 11.05%	Various dates	16,433.70	13,777.56
Gold Loan	2.35% to 4.46%	Various dates	25,092.90	18,740.52
Cash credit	8.95% to 12.00%	On demand	8,791.87	1,976.59
<b>Unsecured</b>				
Bill Discounting	10.30%	Various dates	349.90	479.67
			<b>50,668.37</b>	<b>34,974.34</b>

Working capital demand loan and the Cash credit facilities are part of a consortium arrangement with banks. The above facilities are secured by primary security by way of hypothecation charge on the entire current assets of the Company, present and future, on first pari passu basis among the members of the consortium.

Further, the facility is secured by collateral security on first pari passu charge basis among the members of the consortium

- By way of mortgage over premises at Zaveri Bazar, Mumbai, premises at Surat, premises at Kandivali Industrial Estate, Mumbai, premises at Nariman Point, Mumbai, premises at Punjagutta, Hyderabad.

- By way of hypothecation charge over Property, Plant and Equipment installed/erected at Surat, at Kandivali Industrial Estate, Mumbai, at Pune, and all movable and immovable assets present in all the Company's showrooms.

The facility is also secured by way of extension of mortgage charge on Second pari passu basis over commercial premises at Santacruz, Mumbai belonging to Shri Shrikant Zaveri (Chairman and Managing Director) and the personal guarantee of Shri Shrikant Zaveri the Chairman and Managing Director, Raashi Zaveri Executive Director and Binaisha Zaveri, Executive Director of the Company.

Further, bank deposits of ₹ 2,778.11 lacs (31 March 2021: ₹ 3,195.90 lacs) are under lien with the banks as a security for the above facilities. The facilities are also secured by Bank Guarantee of ₹ 9,255.00 lacs (31 March 2021: ₹ 12,150 lacs).

**Amount disclosed as current maturities of long term borrowings under the head Non-current borrowings (refer note 19)**

₹ in Lacs

Particulars	Effective interest rate %	Maturity	As at 31 March 2022	As at 31 March 2021
<b>Secured</b>				
Term loans				
- From bank	8.00%	Apr'22	116.07	1,224.00
- Vehicle Loan	8.75%	Nov'23	21.43	17.16
Working capital demand loan				
- From bank	7.40%	Apr'22	86.00	1,104.00
			<b>223.50</b>	<b>2,345.16</b>
			<b>50,891.87</b>	<b>37,319.42</b>

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

## 23 Lease liability

Particulars	₹ in Lacs	
	As at 31 March 2022	As at 31 March 2021
Lease liability (refer note 4)	1,817.56	1,388.55
	<b>1,817.56</b>	<b>1,388.55</b>

## 24 Trade payables

Particulars	₹ in Lacs	
	As at 31 March 2022	As at 31 March 2021
Due to		
- Total outstanding dues of micro enterprises and small enterprises; and (refer note 38.4)	4,102.61	898.66
Other than Micro, Small and Medium Enterprises		
- Total outstanding dues of creditors other than micro enterprises and small enterprises	15,818.96	13,132.23
	<b>19,921.57</b>	<b>14,030.89</b>

### Trade payable ageing schedule

#### As at 31 March 2022

Particulars	Outstanding for following periods from due date of payment					Total
	Unbilled dues	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	3,963.67	116.98	20.20	1.76	4,102.61
(ii) Others	835.93	13,545.62	1,054.11	268.75	114.55	15,818.96
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
<b>Total</b>	<b>835.93</b>	<b>17,509.29</b>	<b>1,171.09</b>	<b>288.95</b>	<b>116.31</b>	<b>19,921.57</b>

#### As at 31 March 2021

Particulars	Outstanding for following periods from due date of payment					Total
	Unbilled dues	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	833.34	63.10	2.22	-	898.66
(ii) Others	977.13	10,934.23	1,124.50	96.37	-	13,132.23
(iii) Disputed dues – MSME	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
<b>Total</b>	<b>977.13</b>	<b>11,767.57</b>	<b>1,187.60</b>	<b>98.59</b>	<b>-</b>	<b>14,030.89</b>



# Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

## 25 Other financial liabilities

₹ in Lacs

Particulars	As at 31 March 2022	As at 31 March 2021
From related parties		
Security deposits (refer note 38.7)	3.26	-
From parties other than related parties		
Interest accrued but not due on borrowings	26.81	17.88
Interest accrued and due on borrowings	103.38	112.25
Creditors for capital expenditure	55.81	36.63
Accrual for expenses	570.37	709.96
- Unclaimed dividend	8.80	5.76
Deposit Other than related party	-	0.20
	<b>768.43</b>	<b>882.76</b>

## 26 Current provisions

₹ in Lacs

Particulars	As at 31 March 2022	As at 31 March 2021
<b>Provision for employee benefits</b>		
- Provision for gratuity (refer note 38.5 (b))	202.34	193.56
- Provision for compensated absences	212.39	199.39
	<b>414.73</b>	<b>392.95</b>

## 27 Other current liabilities

₹ in Lacs

Particulars	As at 31 March 2022	As at 31 March 2021
Advance from customers	2,476.41	1,499.70
Customers dues under schemes / arrangements	8,094.68	6,096.76
Refund liability	1,421.90	1,450.00
Statutory dues#	213.28	253.78
Accrual for expenses	71.87	73.16
	<b>12,278.14</b>	<b>9,373.40</b>

# Statutory dues includes Tax deducted at source, Goods and service tax, Employee state insurance, Provident fund and Profession tax.

Other current liabilities are non-interest bearing and have an average of 10-months term.

Undisputed statutory dues are generally settled in the next months.

Company's scheme do not qualify as deposits and Company has obtained legal opinion to that effect.

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

## 28 Revenue from contract with customers

### 28.1 Sale of product

₹ in Lacs

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Sale of goods	184,367.96	134,188.19
<b>Total</b>	<b>184,367.96</b>	<b>134,188.19</b>
India	184,367.96	134,188.19
Outside India	-	-
<b>Contract balances</b>		
Trade receivables*	161.29	339.86
* Trade receivables are generally not interest-bearing.		
<b>Reconciliation of revenue as recognised in Statement of Profit and Loss with the contracted price</b>		
Revenue as per contracted price	184,877.40	132,964.17
Less: Adjustments		
Price adjustments such as discounts , rebates and sales promotion schemes	509.44	649.37
Sales return	-	(1,873.39)
<b>Revenue from contract with customers</b>	<b>184,367.96</b>	<b>134,188.19</b>
<b>Refund assets and Refund liabilities:</b>		
Refund assets	1,293.93	1,319.50
Refund liabilities	1,421.90	1,450.00
<b>Disaggregated revenue information:</b>		
Revenue from retail operations	181,518.12	113,542.76
Revenue from non-retail operations	2,849.84	20,645.44
<b>Revenue from contract with customers</b>	<b>184,367.96</b>	<b>134,188.19</b>

### 28.2 Other operating revenue

₹ in Lacs

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
- Repairing revenue	15.99	11.20
<b>Total</b>	<b>15.99</b>	<b>11.20</b>

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

## 29 Other income

₹ in Lacs

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Interest Income		
Interest income on bank deposits	131.89	170.55
Interest Income (Other)	58.91	91.71
Other Non-Operating Income		
Interest on Income Tax Refund	-	17.23
Dividend income -Investments - Mutual Funds	0.02	-
Rental income	2.55	-
Gain on Sale of Investment	-	1.35
Liabilities/Provisions no longer required written back	25.25	209.60
Profit on sale of Property, Plant, and Equipment	0.25	14.93
Gain on termination of lease liability	38.87	143.71
Rent concession (refer note below)	485.28	561.21
Miscellaneous Income	34.73	22.03
	<b>777.75</b>	<b>1,232.32</b>

**29.1** During the year ended 31st March 2022, the Group has negotiated rent waiver agreement with some landlords due to the stores remain closed resulting out of lockdown induced by covid-19 pandemic. The management believes that such waiver is short-term in nature and in accordance with the notification issued by central government in consultation with National financial reporting authority, the Group has elected to apply the practical expedient available of not considering the rent waiver as a lease modification as envisaged in the standard, Accordingly the group has recognised ₹ 485.28 lacs (31st March 2021 ₹ 561.21 lacs) in the above consolidated financials statement for the year ended 31st March 2022.

## 30 Cost of material consumed

₹ in Lacs

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
<b>Inventory at the beginning of the year</b>	17,695.17	19,973.56
Add: Purchases	129,305.51	81,793.45
	<b>147,000.68</b>	<b>101,767.01</b>
Less: Inventory at the end of the year	(17,146.24)	(17,695.17)
<b>Cost of material consumed</b>	<b>129,854.44</b>	<b>84,071.85</b>

## 31 Purchase of stock-in-trade

₹ in Lacs

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Purchase of stock-in-trade	52,151.34	8,698.62
	<b>52,151.34</b>	<b>8,698.62</b>

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

## 32 Changes in inventories of finished goods and stock-in-trade

₹ in Lacs

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Opening inventory		
- Finished goods	48,050.87	36,622.10
- Stock-in-trade	32,629.04	61,445.35
	<b>80,679.91</b>	<b>98,067.45</b>
Closing inventory		
- Finished goods	60,683.31	48,050.87
- Stock-in-trade	42,582.78	32,629.04
	<b>103,266.09</b>	<b>80,679.91</b>
<b>(Increase)/Decrease in stock</b>	<b>(22,586.19)</b>	<b>17,387.55</b>

## 33 Employee benefits expenses

₹ in Lacs

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Salaries, wages and bonus	6,060.98	5,265.52
Contribution to provident and other funds (refer note 38.5(a))		
- Provident fund	233.51	247.56
- Other fund	20.38	21.41
Gratuity expenses (refer note 38.5 (b))	196.07	182.26
Compensated absences (refer 38.5 (c))	44.34	(12.70)
Staff welfare expenses	148.54	118.05
<b>Decrease in stock</b>	<b>6,703.82</b>	<b>5,822.08</b>

## 34 Finance costs

₹ in Lacs

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Interest expenses	2,450.09	3,521.92
Other borrowing costs	380.14	441.18
Interest expense on lease liability	727.76	815.91
	<b>3,557.99</b>	<b>4,779.02</b>

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

## 35 Depreciation and amortisation expenses

₹ in Lacs

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Depreciation on property, plant and equipment (refer note 3)	707.36	769.01
Depreciation on right to use assets (refer note 4)	1,470.87	1,813.62
Amortisation on intangible assets (refer note 5)	73.17	78.56
	<b>2,251.40</b>	<b>2,661.19</b>

## 36 Other expenses

₹ in Lacs

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Power and fuel	287.32	242.47
Water charges	8.57	5.76
Boxes and packing material	154.53	155.67
Repairs and maintenance		
- Plant & machinery	119.40	91.20
- Others	127.03	123.57
Jobwork charges	925.48	356.66
Rent (refer note 4)	293.68	197.98
Advertisement and sales promotion	3,306.67	1,418.65
Freight and forwarding charges	97.72	91.39
Stores and spares consumed	100.05	50.07
Commission and service charges	4.09	12.57
Insurance	57.00	60.60
Travelling and conveyance expenses	71.29	15.75
Rates and taxes	117.69	112.63
Legal and professional fees	473.51	349.64
Postage, telegrams and telephone charges	27.59	33.71
Payment to auditors:		
- Statutory audit	42.00	33.00
- Certification charges	15.50	18.84
Security charges	207.26	202.62
Loss on sale of property plant and equipment	8.92	-
Asset written off	2.97	186.06
Printing & Stationery	1.84	1.08
Bank charges	525.44	384.22
Interest on late payment of TDS & MSME payments	1.84	0.42
Contribution towards Corporate Social Responsibility (refer note 38.2)	79.07	58.70
Directors sitting fees	6.00	5.90
Commission to directors	30.00	22.50
Miscellaneous expenses	197.39	83.38
	<b>7,289.85</b>	<b>4,315.03</b>

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

## 37 Income tax expense

Particulars	₹ in Lacs	
	Year ended 31 March 2022	Year ended 31 March 2021
<b>The major components of income tax expenses for the year ended 31 March 2021 and 31 March 2020 are:</b>		
<b>(i) Amounts recognised in profit and loss</b>		
Current income tax	517.00	1,406.00
Changes in estimates relating to prior years	-	-
<b>Deferred income tax liability / (asset), net</b>		
Origination and reversal of temporary differences	59.46	244.17
<b>Deferred tax expense</b>	<b>59.46</b>	<b>244.17</b>
<b>Tax expense for the year</b>	<b>576.46</b>	<b>1,650.17</b>
<b>(ii) Amounts recognised in other comprehensive income</b>		
<b>Items that will not be reclassified to profit or loss</b>		
Remeasurements of defined benefit plans	(28.80)	42.27
<b>(iii) Reconciliation of effective tax rate</b>		
Profit before tax	2,594.70	5,976.89
Company's domestic tax rate	25.168%	25.168%
<b>Tax using the company's domestic tax rate</b>	<b>653.03</b>	<b>1,504.26</b>
<b>Tax effect of:</b>		
Expense not allowed for tax purpose	(54.87)	67.23
Others	(21.70)	78.68
	<b>576.46</b>	<b>1,650.17</b>
Current tax	517.00	1,406.00
Deferred tax	59.46	244.17
<b>Total tax</b>	<b>576.46</b>	<b>1,650.17</b>

## 38 Notes to Accounts

### 38.1 Earning Per Share (EPS)

Particulars	₹ in Lacs	
	31 March 2022	31 March 2021
Profit after taxation (₹ in lacs)	2,018.24	4,326.72
Weighted Average Number of Equity Shares	66,730,620.00	66,730,620
Basic earnings per share (₹)	3.02	6.48
Diluted earnings per share (₹)	3.02	6.48

### 38.2 Corporate social responsibility (CSR)

- (a) CSR amount required to be spent as per Section 135 of the Companies Act, 2013 read with Schedule VII thereof by the Company during the year is ₹ 79.07 lacs (Previous Year ₹ 58.25 lacs).

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

(b) Expenditure related to Corporate Social Responsibility is ₹ 79.07 lacs (Previous Year ₹ 58.70 lacs).

Particulars	₹ in Lacs	
	31 March 2022	31 March 2021
Health (including COVID - 19)	5.50	3.00
Education	48.98	7.60
Gender Equality and Empowering Women	24.59	48.10
<b>Total</b>	<b>79.07</b>	<b>58.70</b>

## 38.3 Contingent liabilities and commitments

### (i) Contingent Liabilities

Claims against the Company not acknowledged as debts

Particulars	₹ in Lacs	
	31 March 2022	31 March 2021
a) Bank Guarantees given	9,255.00	12,150.00
b) Other matters for which the Group is contingently liable		
i) Sales tax matters	417.48	301.08
ii) Local body tax matters	31.53	31.53
iii) Custom duty matters	25.00	25.00

The contingent liabilities, if materialised, shall entirely be borne by the Group, as there is no likely reimbursement from any other party.

The Group's pending litigations comprises of claims against the Group primarily for shortfall of Forms F and disallowance of input credit, with Sales, VAT tax, GST and other authorities. The Group has reviewed all its pending litigations and proceedings, and has adequately provided for where provisions are required and disclosed the contingent liabilities, where applicable, in its financial statements. The Group does not expect the outcome of these proceedings to have a materially adverse effect on its financial results.

The Group has a process whereby periodically all long-term contracts are assessed for material foreseeable losses. At the year end, the Group has reviewed and ensured that adequate provision as required under any law/ accounting standards for material foreseeable losses on such long-term contracts has been made in the books of account.

### (ii) Commitments

Estimated amount of Contracts remaining to be executed on capital account and not provided for (net of advances) as at 31 March 2022 is NIL (31 March 2021: ₹ NIL).

## 38.4 Dues to Micro, Small and Medium Enterprises

On the basis of the information and records available with management, the following disclosures are made for the amounts due to Micro, Small and Medium enterprises who have registered with the Competent authorities.

Particulars	₹ in Lacs	
	31 March 2022	31 March 2021
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year:		
Principal amount remaining unpaid	4,102.61	898.66
Interest due and unpaid interest	28.90	26.36
The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year;	-	-

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

Particulars	₹ in Lacs	
	31 March 2022	31 March 2021
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day, during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006;	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year; and	28.90	26.36
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

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

## 38.5 Gratuity and Other Post-employment benefit plans

### (a) Defined contribution plans

The Group makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards Provident Fund and Employees State Insurance, which are defined contribution plans. The Group has no obligations other than to make the specified contributions. The contributions are charged to the Statement of Profit and Loss as they accrue. The amount recognised as an expense towards contribution to Provident Fund and other funds for the year aggregated to ₹ 253.89 Lacs (31 March 2021: ₹ 268.97 Lacs) which is shown under notes to financial statements 33 – 'Employee benefits'.

### (b) Defined benefit plans

The Group operates gratuity plan through a Trust wherein every employee is entitled to the benefit equivalent to fifteen days salary last drawn for each completed year of service. The same is payable on termination of service or retirement, whichever is earlier. The benefit vests after five years of continuous service. In case of some employees, the Group's scheme is more favourable as compared to the obligation under Payment of Gratuity Act, 1972. The gratuity plan is funded. The Group contributes to the Fund based on the actuarial valuation report. The Group has contributed to the Insurer Managed Fund. The following tables summarise the components of net benefit expense recognised in the Statement of Profit and Loss, and the funded status and amounts recognised in the Balance Sheet for the respective plans:

	Gratuity (funded)	
	31 March 2022	31 March 2021
<b>I Change in Benefit Obligation</b>		
<b>Liability at the beginning of the year</b>	<b>1,441.42</b>	<b>1,212.55</b>
Interest cost	97.77	81.06
Current service cost	140.48	119.64
Benefit paid	(86.20)	(122.55)
Actuarial (gain) / loss on obligations	(189.61)	150.72
<b>Liability at the end of the year</b>	<b>1403.86</b>	<b>1441.42</b>
<b>Bifurcation of Present value of obligation at the end of the year</b>		



# Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

	Gratuity (funded)	
	31 March 2022	31 March 2021
Current liabilities (Short term)	202.34	193.56
Non-Current liabilities (Long term)	1201.52	1,247.86
<b>Present value of obligation</b>	<b>1,403.86</b>	<b>1,441.42</b>
<b>II Amount recognised in the Balance Sheet</b>		
Liability at the end of the year	1,403.86	1,441.42
Fair value of plan assets at the end of the year	(553.66)	(620.58)
<b>Amount recognised in the Balance Sheet</b>	<b>850.20</b>	<b>820.84</b>
Current provisions	202.34	193.56
Non-current provisions	647.86	627.28
	<b>850.20</b>	<b>820.84</b>
<b>III Expenses recognised in the Statement of Profit and Loss</b>		
Current service cost	140.48	119.64
Interest cost	97.76	81.06
Investment Income	(42.17)	(18.43)
<b>Expense recognised in Statement of Profit and Loss</b>	<b>196.07</b>	<b>182.26</b>
<b>IV Expenses recognised in the Other Comprehensive Income</b>		
<b>Actuarial (Gains) / Losses</b>		
- Change in demographic assumptions	(4.61)	7.43
- Change in Financial assumptions	(134.73)	211.45
- Experience variance	(50.26)	(68.16)
Return on plan assets	41.19	3.96
<b>Expense recognised in the Other Comprehensive Income</b>	<b>(148.41)</b>	<b>154.68</b>
<b>V Balance Sheet Reconciliation</b>		
Opening net liability	820.84	921.31
Expense recognized in the Statement of Profit and Loss	196.07	182.26
Expense recognized in the Statement of OCI	(148.41)	154.68
Gratuity paid	(9.41)	(37.41)
Contribution Paid	(8.90)	(400.00)
<b>Amount recognised in Balance Sheet</b>	<b>850.20</b>	<b>820.84</b>
<b>VI Composition of plan assets</b>		
Qualifying insurance policies*	553.66	620.58
A split of plan asset between various asset classes is as below:		
<b>Unquoted other debt instruments</b>	<b>553.66</b>	<b>620.58</b>
<b>VII Movement in fair value of plan assets</b>		
Fair value of plan assets at the beginning of the year	620.58	290.24
Contributions paid into the plan	8.90	400.00
Benefits paid by the plan	(76.79)	(85.14)
Investment Income	42.17	19.43
Actuarial (losses) / gains	(41.19)	(3.95)
<b>Fair value of plan assets at the end of the year</b>	<b>553.66</b>	<b>620.58</b>

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

		Gratuity (funded)	
		31 March 2022	31 March 2021
<b>VIII Principal actuarial assumptions</b>			
Discount rate per annum		7.15% - 7.30%	6.60% - 6.80%
Expected rate of return on plan Assets		7.75%	7.75%
Salary escalation rate per annum		6% -7%	7% -10%
Mortality		Indian Assured lives Mortality (2012-14) Ultimate	Indian Assured lives Mortality (2012-14) Ultimate
Employee Turnover rate		0.00% - 19.00%	0.00% - 15.00%
<b>IX The principal actuarial risks to which the Group is exposed are investment risk, interest rate risk, salary risk</b>			
Investment risk	The probability or likelihood of occurrence of losses relative to the expected return on any particular investment.		
Interest risk	The plan exposes the Group to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability.		
Longevity risk	The Group has used certain mortality and attrition assumptions in the valuation of the liability. The Group is exposed to the risk of actual experience turning out to be worse compared to the assumption.		
Salary Risk	The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.		

## IX Sensitivity Analysis

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and mortality. The sensitivity analysis below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The results of sensitivity analysis is given below:

₹ in Lacs

Particulars	31 March 2022	31 March 2021
Defined Benefit Obligation (Base)	1,403.86	1,441.42

Particulars	31 March 2022		31 March 2021	
	Decrease	Increase	Decrease	Increase
Discount Rate (- / + 1%)	1,616.80	1,228.79	1,669.54	1,254.84
(% change compared to base due to sensitivity)	9.50% to 15.40%	(8.30%) to (12.70%)	13% to 16%	(11.00%) to (13.10%)
Salary Growth Rate (- / + 1%)	1,226.80	1,615.33	1,253.84	1,666.38
(% change compared to base due to sensitivity)	(8.40%) to (12.80%)	9.50% to 15.30%	(10.80%) to (13.20%)	12.40% to 15.80%
Attrition Rate (- / + 50% of attrition rates)	1,405.56	1,402.25	1,451.54	1,433.59
(% change compared to base due to sensitivity)	(1.30%) to 0.20%	(0.20%) to 1.10%	0.00% to 6.50%	(0.30%) to (4.30%)
Mortality Rate (- / + 10% of mortality rates)	1,403.57	1,404.15	1,441.58	1,441.27
(% change compared to base due to sensitivity)	0.00% to 0.00%	0.00% to 0.10%	0.00% to 0.10%	0.00% to (0.10%)

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

	31 March 2022	31 March 2021
<b>X Maturity Profile of Defined Benefit Obligation</b>		
Weighted average duration (based on discounted cashflows)	15 years	15 years
Expected cash flows over the next (valued on undiscounted basis):		
1 year	202.34	193.56
2 to 5 years	167.83	126.36
6 to 10 years	235.12	292.36
More than 10 years	4105.11	3,979.22

The Group expects to pay ₹ 906.48 lac (31 March 2022 ₹ 862.12 lacs) to the fund in the year ending 31 March 2023.

\* The Parent Company has maintained funds with Life Insurance Corporation of India and HDFC Life. The details of major category of plan assets held by the insurance companies is not available and hence the disclosure thereof is not made. The expected long-term rate of return on plan assets is based exclusively on the historical returns, without adjustments.

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

## c) Other long-term employee benefits

### Compensated absences

The liability towards compensated absences (annual and sick leave) for the year ended 31 March 2022 based on actuarial valuation carried out by using

Projected unit credit method resulted in a (reversal)/charged of ₹ 44.34 Lacs (31 March 2021 ₹ (12.70) Lacs).

### Annual and sick leave assumptions

	31 March 2022	31 March 2021
Discount rate per annum	7.15% - 7.30%	6.60% - 6.8%
Salary escalation rate per annum	6% -7%	7% -10%
Mortality	Indian Assured lives Mortality (2012-14) Ultimate	Indian Assured lives Mortality (2012-14) Ultimate
Employee turnover rate	0.00% - 19.00%	0.00% - 15.00%

## 38.6 Long-term contracts

The Group has a process whereby periodically all long term contracts (including derivative contracts) are assessed for material foreseeable losses. At the year end, the Group has reviewed and determined that there are no long term contracts (including derivative contracts) which require provision under any law / accounting standards for material foreseeable losses.

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

## 38.7 Information on related party transactions as required by the Indian Accounting Standard (IND AS) - 24 for the year ended 31 March 2022

### I. Name of related parties

#### Key Managerial Personnel

1. Shrikant Zaveri, Chairman and Managing Director
2. Binaisha Zaveri, Whole Time Director
3. Raashi Zaveri, Whole Time Director
4. Mayur Choksi, Director of Wholly owned Subsidiary
5. Saurav Banerjee, Chief Financial Officer
6. Niraj Oza, Company Secretary

#### Relative of Key Managerial Personnel

1. Kunal S Vaishnav

#### Entities over which Key Managerial personnel and/or their relatives exercise significant influence

1. TBZ Limited Employees Gratuity Trust

### Transactions during the year and balances as at year end with related parties:

₹ in Lacs

Nature of transaction	Key Managerial Personnel	Relative of Key Managerial Personnel	Entities over which Key Managerial personnel and/or their relatives exercise significant influence
<b>Transaction during the year</b>			
Remuneration paid			
- Mr. Shrikant Zaveri	240.00	-	-
	(228.00)	-	-
- Ms. Binaisha Zaveri	240.00	-	-
	(213.00)	-	-
- Ms. Raashi Zaveri	240.00	-	-
	(213.00)	-	-
- Mr. Mayur Chokshi	124.30	-	-
	(80.83)	-	-
- Mr. Saurav Banerjee*	118.36	-	-
	(76.85)	-	-
- Mr. Niraj Oza*	39.14	-	-
	(26.82)	-	-
Sale of goods			
- Mr. Kunal Vaishnav	-	0.51	-
	-	(6.02)	-

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

Nature of transaction	Key Managerial Personnel	Relative of Key Managerial Personnel	Entities over which Key Managerial personnel and/or their relatives exercise significant influence
- Ms. Raashi Zaveri	-	-	-
	(9.90)	-	-
- Mr. Saurav Banerjee	3.36	-	-
	-	-	-
- Mr. Neeraj Oza	0.18	-	-
	-	-	-
Gratuity trust fund	-	-	8.90
	-	-	(400.00)
Rent received (net of GST) - Mr. Shrikant Zaveri	261.53	-	-
	(234.35)	-	-
Legal fees paid - Mr Kunal Vaishnav	-	10.35	-
	-	-	-
<b>Balance as at 31 March 2021</b>			
Security deposits receivable - Mr. Shrikant Zaveri	128.36	-	-
	(128.36)	-	-
Trade receivables - Ms. Raashi Zaveri	-	-	-
	(5.07)	-	-
Commission payable			
- Mr. Shrikant Zaveri	-	-	-
	(60.00)	-	-
- Ms. Binaisha Zaveri	-	-	-
	(45.00)	-	-
- Ms. Raashi Zaveri	-	-	-
	(45.00)	-	-

## Notes:

- 1) No amount in respect of the related parties have been written off / back during the year.
- 2) ESIC is not applicable to KMPs and Provident Fund is opted only by the Company Secretary.
- 3) The borrowing is secured by personal guarantee of the Chairman & Managing Director and Executive Directors of the Group (refer note 22).
- 4) Amounts pertaining to year ended 31 March 2021 are in brackets.
- 5) \* Excludes provision for gratuity which is determined on the basis of actuarial valuation done on overall basis for the Company

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

## 38.8 Dividend on Equity Shares

₹ in Lacs

Particular	31 March 2022	31 March 2021
Dividend on equity shares paid during the year (includes Dividend distribution tax)	1,668.27	-
Proposed dividend on equity shares recognised as liability	-	-
Proposed dividend on equity shares not recognised as liability	-	-
Final dividend of ₹ 2.50/- per share	1,668.27	-

The Board of Directors has recommended a dividend @ Rs. 1.00 /- per equity share (10%) of face value of Rs. 10 per share for financial year 2021-22.

## 38.9 Segment reporting

The Group's business activity falls within a single primary business segment of "Jewellery" and one reportable geographical segment which is "within India". Accordingly, the Group is a single segment company in accordance with Indian Accounting Standard 108 "Operating Segment".

## 38.10 Disclosure pursuant to change with SEBI (Listing obligation and disclosure requirement, 2015) and section 186 of the Companies Act, 2013

No loans have been given by the Group to any third party.

## 38.11 Entities consolidated as subsidiaries in accordance with Ind AS 110- Consolidated financial statements

Name of the Entity	Country of Incorporation	% of holding as on		% of holding as on	
		31 March 2022	31 March 2021	31 March 2022	31 March 2021
Tribhovandas Bhimji Zaveri (Bombay) Limited	India	100%	100%	1 April 2021 to 31 March 2022	1 April 2020 to 31 March 2021

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

## 38.12 Additional Information, as required under Schedule III to the Companies Act, 2013, of entities consolidated as subsidiary

Name of Entity	As at 31 March, 2022		For the year ended 31 March 2022					
	Net Assets i.e. total assets minus total liabilities	Share in profit or loss	Share in other Comprehensive Income	Share in Total Comprehensive Income	As % of consolidated net assets	As % of consolidated profit or loss	As % of consolidated other comprehensive income	As % of consolidated other comprehensive income
	Amount (₹ in lacs)	Amount (₹ in lacs)	Amount (₹ in lacs)	Amount (₹ in lacs)	Amount (₹ in lacs)	Amount (₹ in lacs)	Amount (₹ in lacs)	Amount (₹ in lacs)
<b>Parent</b>								
Tribhovandas Bhimji Zaveri Limited	101.40%	53,496.82	84.78%	1,711.12	71.18%	85.64	84.02%	1,796.76
<b>Subsidiary</b>								
Tribhovandas Bhimji Zaveri (Bombay) Limited	0.88%	463.48	8.50%	171.47	28.82%	34.68	9.64%	206.15
Total Eliminations	(-2.28%)	(1,202.05)	6.72%	135.65	0.00%	-	6.34%	135.64
<b>Total</b>	<b>100.00%</b>	<b>52,758.26</b>	<b>100.00%</b>	<b>2,018.24</b>	<b>100.00%</b>	<b>120.32</b>	<b>100.00%</b>	<b>2,138.56</b>

Name of Entity	As at 31 March, 2021		For the year ended 31 March 2021					
	Net Assets i.e. total assets minus total liabilities	Share in profit or loss	Share in other Comprehensive Income	Share in Total Comprehensive Income	As % of consolidated net assets	As % of consolidated profit or loss	As % of consolidated other comprehensive income	As % of consolidated other comprehensive income
	Amount (₹ in lacs)	Amount (₹ in lacs)	Amount (₹ in lacs)	Amount (₹ in lacs)	Amount (₹ in lacs)	Amount (₹ in lacs)	Amount (₹ in lacs)	Amount (₹ in lacs)
<b>Parent</b>								
Tribhovandas Bhimji Zaveri Limited	102.07%	53,368.34	99.59%	4,309.04	112.21%	(125.70)	99.26%	4,183.34
<b>Subsidiary</b>								
Tribhovandas Bhimji Zaveri (Bombay) Limited	(-1.41%)	(736.63)	0.54%	23.27	(-12.21%)	13.68	0.88%	36.96
Total Eliminations	(-0.66%)	(343.36)	(-0.13%)	(5.59)	0.00%	0.00	(-0.13%)	(5.59)
<b>Total</b>	<b>100.00%</b>	<b>52,288.35</b>	<b>100.00%</b>	<b>4,326.72</b>	<b>100.00%</b>	<b>(112.02)</b>	<b>100.00%</b>	<b>4,214.70</b>

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

## 38.13 Fair value hedge of gold price risk in inventory

The Parent Company enters into contracts for purchase of gold wherein the Parent Company has the option to fix the purchase price based on market price of gold during a stipulated time period. The prices are linked to gold prices. Accordingly, these contracts are considered to have an embedded derivative (represented in the said option to fix the price) that is required to be separated from the host contract which is the gold loan liability. Such feature is kept to hedge against exposure in the value of inventory of gold due to volatility in gold prices. The Parent Company designates the embedded derivative in the payable for such purchases as the hedging instrument in fair value hedging of inventory. The Parent Company designates only the spot-to-spot movement of the gold inventory as the hedged risk. The carrying value of inventory which are designated under fair value hedge relationship are measured at fair value at each reporting date. There is no ineffectiveness in the relationships designated by the Parent Company for hedge accounting.

Disclosure of effects of fair value hedge accounting on financial position:

Hedged item - Changes in fair value of inventory attributable to change in gold prices

Hedging instrument - Changes in fair value of the option to fix prices of gold purchases, as described above

### As at 31 March 2022

Commodity price risk	Carrying amount of hedged item		Carrying amount of hedging instrument		Notional value of hedge item	Notional value of hedging instrument	Maturity date	Balance sheet classification	Impact of change in fair value relating to the hedged risk (spot)
	Assets	Liabilities	Assets	Liabilities					
Hedged item - Inventory of gold	25,092.90	-	NA	NA	25,092.90	NA	Range - with in 6 months	Inventory	1,630.46
Hedging instrument - Option to fix gold price	NA	NA	-	1,630.46	NA	1,630.46	Range - with in 6 months	Current borrowing	1,630.46

### As at 31 March 2021

₹ in Lacs

Commodity Price Risk	Carrying amount of hedge item		Carrying amount of hedging instrument		Notional value of hedge item	Notional value of hedging instrument	Maturity Date	Balance Sheet Classification	Impact of change in fair value relating to the hedged risk (spot)
	Assets	Liabilities	Assets	Liabilities					
Hedged item - Inventory of gold	18,740.52	-	9.49	NA	18,740.52	NA	Range - with in 6 months	Inventory	(1,054.61)
Hedging instrument - Option to fix gold price	NA	NA	-	(1,054.61)	NA	(1,054.61)	Range - with in 6 months	Other Financial Assets	9.49
							Range - with in 6 months	Current borrowing	(1,054.61)



# Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

## Derivative contracts entered into by the Company and outstanding as at 31st March 2022:

For hedging commodity related risks:- Category-wise break up is given below.

Derivative Financial Instruments	As at 31 March 2022		As at 31 March 2021	
	Purchases	Sales	Purchases	Sales
Forwards / Futures				
Gold (Grams)	-	-	12,000	-

## 38.14 Capital management

The Group's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors the return on capital as well as the level of dividends to ordinary shareholders.

The board of directors seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position. The primary objective of the Group's Capital Management is to maximise shareholder value. The Group manages its capital structure and makes adjustments in the light of changes in the economic environment and the requirements of the financial covenants, if any.

The Group monitors capital using a ratio of 'adjusted net debt' to 'equity'. For this purpose, adjusted net debt is defined as total borrowings, comprising interest-bearing loans and borrowings less cash and cash equivalents. Equity comprises all components of equity.

The Group's adjusted net debt to equity ratio was as follows.

Particular	₹ in Lacs	
	As at 31 March 2022	As at 31 March 2021
Total borrowings	50,901.17	37,549.73
Less: Cash and cash equivalent	816.55	568.80
<b>Adjusted net debt</b>	<b>50,084.62</b>	<b>36,980.94</b>
Total equity	52,758.26	52,288.35
<b>Adjusted net debt to equity ratio</b>	<b>0.95</b>	<b>0.71</b>

## 38.15 Financial Instruments - Fair values and risk management

### 38.15.1 Financial Instruments - Fair values

#### Accounting classification and fair values

Carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy, are presented below.

- a) The fair value of financial instruments have been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to unobservable inputs (Level 3 measurements)

The categories used are as follows:

- Level 1: Quoted prices for identical instruments in an active market;
- Level 2: Directly or indirectly observable market inputs, other than Level 1 inputs; and
- Level 3: Inputs which are not based on observable market data.

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

₹ in Lacs

31 March 2022	Carrying amount		Fair value			Total
	FVOCI	Amortised cost	Level 1	Level 2	Level 3	
<b>Non-current financial assets</b>						
Investment	2.24	-	2.12	-	0.12	2.24
Other financial assets	-	467.30	-	-	-	-
<b>Current financial assets</b>						
Trade receivables	-	161.29	-	-	-	-
Cash and cash equivalents	-	816.55	-	-	-	-
Bank balances other than above	-	3,719.54	-	-	-	-
Others financial assets	-	332.42	-	-	-	-
<b>Non-current financial liabilities</b>						
Borrowings	-	9.30	9.30	-	-	9.30
Lease liability	-	6,070.39	-	-	-	-
<b>Current financial liabilities</b>						
Borrowings	-	50,891.87	50,891.87	-	-	50,891.87
Lease liability	-	1,817.56	-	-	-	-
Trade payables	-	19,921.57	-	-	-	-
Others financial liabilities	-	768.43	-	-	-	-

31 March 2021

₹ in Lacs

	Carrying amount		Fair value			Total
	FVOCI	Amortised cost	Level 1	Level 2	Level 3	
<b>Non-current financial assets</b>						
Investment	1.53	-	1.41	-	0.12	1.53
Other financial assets	-	447.92	-	-	-	-
<b>Current financial assets</b>						
Trade receivables	-	339.86	-	-	-	-
Cash and cash equivalents	-	568.80	-	-	-	-
Bank balances other than above	-	3,391.70	-	-	-	-
Others financial assets	-	441.14	-	-	-	-
<b>Non-current financial liabilities</b>						
Borrowings	-	230.23	230.23	-	-	230.23
Lease Liability	-	4,828.50	-	-	-	-
<b>Current financial liabilities</b>						
Borrowings	-	37,319.42	37,319.42	-	-	37,319.42
Lease liability	-	1,388.55	-	-	-	-
Trade payables	-	14,030.89	-	-	-	-
Others financial liabilities	-	882.68	-	-	-	-

## 38.15.2 Financial risk management

The Group Principal financial liabilities, other than derivatives, comprise loans and borrowings, trade and other payable. The main purpose of these financial liabilities is to finance the Group's operations. The Group's principal financial assets include trade and other receivables and cash and cash equivalents that derive directly from its operations.

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

The company is exposed to market risk, credit risk and liquidity risk. The company's senior management oversees the management of these risks. It is the Company's policy that no trading in derivatives for speculative purposes may be undertaken. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

## A Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's exposures to trade receivables (mainly institutional customers and credit sales), deposits with landlords for store properties taken on leases and other receivables including balances with banks.

### Trade receivables and other deposits

The Group's retail business is predominantly on 'cash and carry' basis which is largely through cash and credit card collections. The credit risk on such credit card collections is minimal, since they are primarily owned by customers' card issuing banks. The Group has adopted a policy of dealing with only credit worth counterparties in case of institutional customers and credit sales and the credit risk exposure for institutional customers and credit sales are managed by the Group by credit worthiness checks. The Group also carries credit risk on lease deposits with landlords for store properties taken on leases, for which agreements are signed and property possessions timely taken for store operations. The risk relating to refunds of deposits after store shut down is managed through successful negotiations or appropriate legal actions, where necessary.

### Other financial assets

The Company maintains exposure in cash and cash equivalents and term deposits with banks. The Cash and cash equivalents and term deposits are held with the banks with good credit ratings.

The Group's maximum exposure to credit risk as at 31st March 2022 and 31st March 2021 is the carrying value of each class of financial assets.

## B Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Group maintained a cautious liquidity strategy, with a positive cash balance throughout the year ended 31 March, 2022 and 31 March, 2021. Cash flow from operating activities provides the funds to service the financial liabilities on a day-to-day basis.

The Group regularly monitors the rolling forecasts to ensure it has sufficient cash on an on-going basis to meet operational needs. Any short term surplus cash generated, over and above the amount required for working capital management and other operational requirements, is retained as cash and cash equivalents (to the extent required) and any excess is invested in interest bearing term deposits with appropriate maturities to optimise the cash returns on investments while ensuring sufficient liquidity to meet its liabilities.

### Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments:

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

₹ in Lacs

31 March 2022	Less than 1 year	More than 1 year but less than 5 years	More than 5 years	Carrying amount
<b>Non current financial liabilities</b>				
<u>Borrowings</u>				
Secured Term loans from banks	-	9.30	-	9.30
Lease Liability	-	3,395.93	2,674.46	6,070.39
<b>Current financial liabilities</b>				
<u>Borrowings</u>				
-Working capital demand loan from banks	16,433.70	-	-	16,433.70
-Gold loan	25,092.90	-	-	25,092.90
-Cash credit from banks	8,791.87	-	-	8,791.87
-Bill Discounting	349.90	-	-	349.90
Current maturity of long term borrowing	223.50	-	-	223.50
Lease Liability	1,817.56	-	-	1,817.56
Trade payables	19,921.57	-	-	19,921.57
Other current financial liabilities	768.43	-	-	768.43

31 March 2021	Less than 1 year	More than 1 year but less than 5 years	More than 5 years	Carrying amount
<b>Non current financial liabilities</b>				
<u>Borrowings</u>				
Secured Term loans from banks	-	230.23	-	230.23
Lease Liability	-	4,001.22	827.28	4,828.50
<b>Current financial liabilities</b>				
<u>Borrowings</u>				
-Working capital demand loan from banks	13,777.56	-	-	13,777.56
-Gold loan	18,740.52	-	-	18,740.52
-Cash credit from banks	1,976.59	-	-	1,976.59
-Bill Discounting	479.67	-	-	479.67
Current maturity of long term borrowing	2,345.15	-	-	2,345.15
Lease Liability	1,388.55	-	-	1,388.55
Trade payables	14,030.89	-	-	14,030.89
Other current financial liabilities	882.68	-	-	882.68

As of 31 March 2022 and 31 March 2021 the Company had unutilized credit limits from banks of ₹ 15,012.88 lacs and ₹ 38,703.07 lacs.

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

## C Market risk

### i. Market risk

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

### ii. Interest rate risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing financial assets or borrowings because of fluctuations in the interest rates, if such assets/borrowings are measured at fair value through profit or loss. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing borrowings will fluctuate because of fluctuations in the interest rates.

#### Exposure to interest rate risk

The interest rate profile of the Group's interest-bearing financial instruments as reported to the management of the Group is as follows.

₹ in Lacs

	Nominal amount	
	31 March 2022	31 March 2021
<b>Fixed-rate instruments</b>		
<b>Financial assets</b>		
Deposits with banks	3,710.75	3,385.94
<b>Financial liabilities</b>		
Secured term loans from banks	146.80	2,489.39
Working capital demand loans from banks	16,519.70	13,863.56
Bill Discounting	349.90	479.67
<b>Floating-rate instruments</b>		
<b>Financial liabilities</b>		
Cash credit from banks	8,791.87	1,976.59
Gold loan	25,092.90	18,740.52

The Group's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

#### Sensitivity

The sensitivity to profit and loss in case of a reasonable possible change in interest rate of +/- 80 basis points (previous year +/- 80 basis points), keeping all other variables constant, would have resulted in an impact on profits by ₹ 324.26 Lacs (previous year ₹ 386.02 Lacs).

### iii. Price risk

Exposure from Borrowings:

The Group's exposure to price risk also arises from borrowings of the Group that are at unfixed prices, and therefore, payment is sensitive to changes in gold price. The option to fix gold prices are classified in the balance sheet as fair value through profit or loss. The option to fix gold prices are at unfixed prices to hedge against potential losses in value of inventory of gold held by the Group.

The Group applies fair value hedge for the gold purchased whose price is to be fixed in future. Therefore, there will no impact of the fluctuation in the price of the gold on the Group's profit for the period.

# Notes to the Consolidated Financial Statements

for the year ended 31 March 2022

## 38.16 Events after the reporting period

The Group has evaluated subsequent events from the balance sheet date through 05 May 2022, the date at which the financial statement were available to be issued, and determine that there are no material items to disclose other than those disclosed..

## 38.17 Relationship with Struck off companies

There are no balance outstanding on account of any transaction with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act,1956.

## 38.18 Other Statutory information

- (a) The Group have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
- (i) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or
  - (ii) Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (b) The Group have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:
- (i) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
  - (ii) Provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (c) The Group does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

**38.19** MCA has issued notification dated March 24, 2021 to amend the schedule III to the Companies Act, 2013 to enhance the disclosures required to be made by the Company in the financial statements. These amendments are applicable to the Company with effect from 1st day of April 2021. The figures for the previous year have been re-grouped/ re-arranged, wherever necessary, to correspond with the current period's classification/disclosure.

**38.20** The consolidated financial statements were approved for issue by the Board of Directors on 5th May, 2022

As per our report of even date  
For **Chaturvedi & Shah LLP**  
Chartered Accountants  
Firm Registration No: 101720W/W100355

**Vijay Napawaliya**  
Partner  
Membership No: 109659

**Shrikant Zaveri**  
Chairman and Managing Director  
DIN:00263725

**Saurav Banerjee**  
Chief Financial Officer

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

**Raashi Zaveri**  
Whole Time Director  
DIN:00713688

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

Place: Mumbai  
Date: 5<sup>th</sup> May 2022

**TRIBHOVANDAS BHIMJI ZAVERI LIMITED**  
CIN: L27205MH2007PLC172598  
Regd. Off.: 241/43, Zaveri Bazar, Mumbai - 400 002.  
Tel. No.:(022) 3956 5001/ 40465000/ 01.  
Corporate Off.: 1106 to 1121, 11th Floor, West Wing, Tulsiani Chambers,  
212, Backbay Reclamation, Free Press Journal Road,  
Nariman Point, Mumbai – 400 021. Tel. No.: (022) 30735000/ 49255000.  
Website: [www.tbztheoriginal.com](http://www.tbztheoriginal.com). Email: [investors@tbzoriginal.com](mailto:investors@tbzoriginal.com).



## CONSENT FOR RECEIVING DOCUMENTS IN ELECTRONIC FORM

Dear Shareholder,

Pursuant to Section 101 of the Companies Act, 2013 read with Rule 18 of the Companies (Management and Administration) Rules, 2014, your Company has sent the Annual Report through electronic mode to those Shareholders whose E-mail IDs are registered. Please note that as a Shareholder you will be entitled to receive physical copies of all notices and documents free of cost, upon specific request to the Company.

The Annual Report and the Notice of General Meetings and other documents will also be available on the Company's website at [www.tbztheoriginal.com](http://www.tbztheoriginal.com).

Shareholders holding shares in physical mode and wishing to register / update their E-mail ID to receive the Annual Report and other documents in electronic mode are requested to fill the form below and send the same to our Registrar and Share Transfer Agents viz., **KFin Technologies Limited, Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Serilingampally, Hyderabad – 500 032**. The Company will not be in a position to send the documents in electronic mode unless the duly filled in form given below is received.

Shareholders holding shares in the dematerialized mode and wishing to register / update their E-mail ID to receive the Annual Report and other documents in electronic mode are requested to register / update their E-mail ID with the Depository Participants where their demat account is maintained.

Best Regards,  
**Niraj Oza**  
Head - Legal & Company Secretary

---

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Website: [www.tbztheoriginal.com](http://www.tbztheoriginal.com). Email: [investors@tbzoriginal.com](mailto:investors@tbzoriginal.com).



## CONSENT FOR RECEIVING DOCUMENTS IN ELECTRONIC FORM

I / We agree to receive documents in electronic mode pursuant to Section 101 of the Companies Act, 2013 read with Rule 18 of the Companies (Management and Administration) Rules, 2014. Please register / update\* the E-mail ID as mentioned below:

\*Strike out whichever is not applicable.

1. **Name(s) of Shareholder(s)** : \_\_\_\_\_  
(including joint holders, if any)
2. **No. of Shares held** : \_\_\_\_\_

3. **Registered Folio No. / DP ID & CLIENT ID No.** : \_\_\_\_\_

4. **E-mail ID for receipt of documents in electronic mode**

:

**Place:** \_\_\_\_\_

**Date:** \_\_\_\_\_

\_\_\_\_\_  
**(Signature of First Holder)**

\_\_\_\_\_  
**(Name of First Holder)**

For physical share: Kindly send to KFin Technologies Limited.

For Demat shares: Kindly register / update the E-mail ID with the Depository Participant where demat account is maintained.











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TRIBHOVANDAS BHIMJI ZAVERI  
SHRIKANT ZAVERI GROUP

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Tel. No. (022) 40465000 / 01

**Corporate Office**

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