

# NITYAS GEMS AND JEWELLERY PRIVATE LIMITED

CIN: U36996GJ2022PTC131404

Regd. Office: 8, Harikrushna Soc at Nanavaracha Surat M Corp OG Part Surat-395006

E-mail: [nityasjewels@gmail.com](mailto:nityasjewels@gmail.com) , Ph: 9727176754

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## NOTICE OF A.G.M.

NOTICE IS HEREBY GIVEN THAT THE 01<sup>ST</sup> ANNUAL GENERAL MEETING OF THE MEMBERS OF NITYAS GEMS AND JEWELLERY PRIVATE LIMITED WILL BE HELD ON THURSDAY, 02<sup>ND</sup> NOVEMBER, 2023 AT REGISTERED OFFICE OF THE COMPANY SITUATED AT 8, HARIKRUSHNA SOC AT NANAVARACHA SURAT M CORP OG PART SURAT-395006 AT 10.00 A.M. TO TRANSACT THE FOLLOWING BUSINESS:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as on **31/03/2023** and the Profit & Loss Account for the period ended on that date together with the reports of the Directors and Auditors thereon.
2. To consider and if thought fit, to pass with or without modification following Resolution as an Ordinary Resolution:

"**RESOLVED THAT M/s. Sheladiya & Jyani**, Chartered Accountants (FRN: 134430W), be and are hereby appointed as Auditors of the Company from the conclusion of this meeting till the conclusion of Sixth Annual General Meeting of the company to be held in calendar year 2028 at a remuneration to be decided by Board of Director of the company and the Auditor plus out of pocket expenses."

FOR BOARD OF DIRECTORS OF  
NITYAS GEMS AND JEWELLERY PRIVATE LIMITED

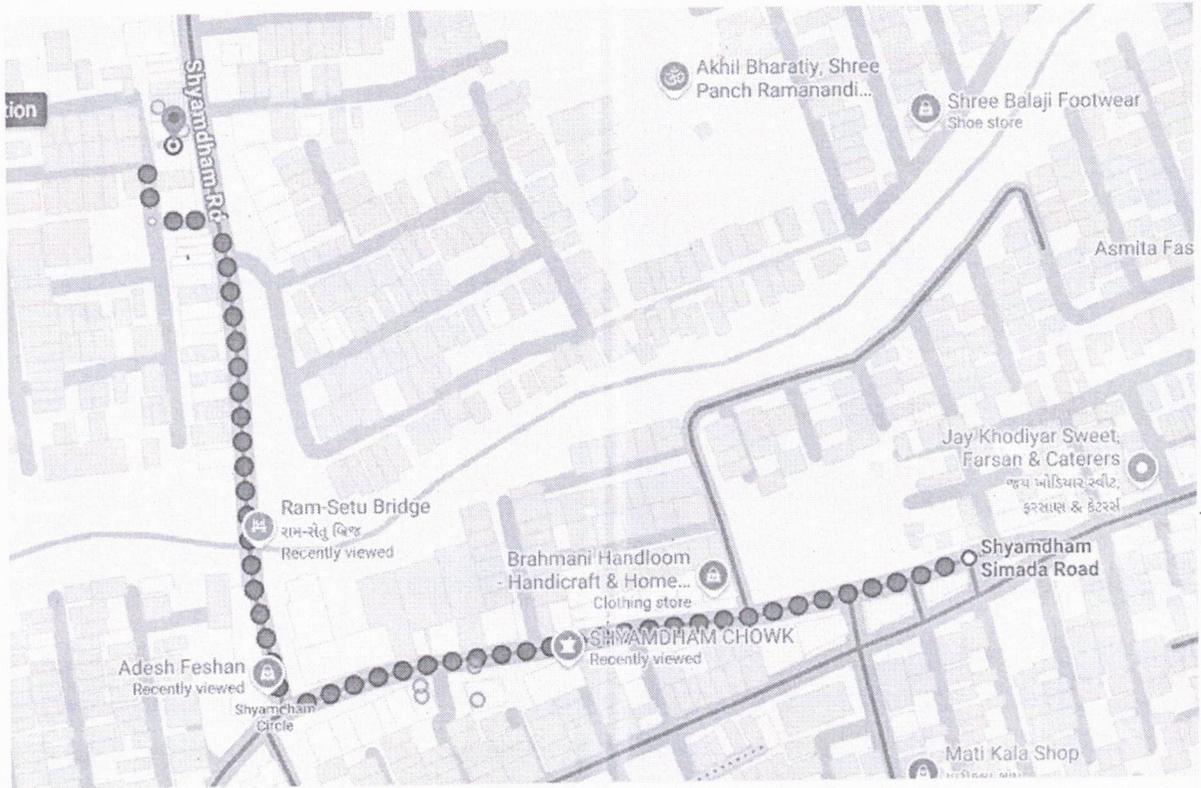
*R. Chanchad*

Rajnikant Lalubhai Chanchad  
Chairman/Director  
DIN: 08715741

PLACE: SURAT  
DATE: 05/09/2023

Notes:

1. A Member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote only on poll instead of himself and proxy need not be a member of the Company.
2. Proxy to be effective must be deposited at Registered Office of the Company at least 48 hours before the time of meeting.
3. The Map of Venue of AGM is given below and the prominent land mark near the venue is Shyamdharm Circle, Nanavaracha.



# NITYAS GEMS AND JEWELLERY PRIVATE LIMITED

CIN: U36996GJ2022PTC131404

Regd. Office: 8, Harikrushna Society, At Nana Varachha,  
Surat - 395006, Gujarat, India

E-mail ID: [nityasjewels@gmail.com](mailto:nityasjewels@gmail.com)

Contact No.: +91 9727176754

## Board's Report

To,  
The Members,  
Nityas Gems and Jewellery Private Limited

Your directors have pleasure in presenting their First Annual Report on the business and operations of the company together with Audited Financial Statements for the financial year ended 31<sup>st</sup> March, 2023.

### 1. FINANCIAL HIGHLIGHTS:

Particulars	Amount (in Lacs)
	2022-2023
Revenue from Operations	1166.82
Other Income	0.00
Profit/(Loss) before Depreciation and Tax	48.92
Less: Depreciation	13.70
Profit/(Loss) before tax	35.22
Less: Provision for Income Tax	6.08
Less/(Add): Deferred tax Liability/(Assets)	0.40
Profit/(Loss) after tax	28.74
Add: Balance B/F from the previous year	0.00
Balance Profit/ (Loss) C/F to the next year	28.74

### 2. PERFORMANCE REVIEW, OPERATION AND PROSPECTS:

During the year under review, the company has been incorporated and has turnover of Rs. 1166.82 Lacs and has earned net profit of Rs. 28.74 Lacs. Your directors have initiated various measures to improve the performance of the company and hopeful that current year performance will improve further.

### 3. DIVIDEND:

During the year under review, the company has earned net profit. However, to strengthen long term financial position of company, your directors decided to retain the profit and hence do not recommend any dividend for the year.

### 4. TRANSFER TO RESERVES:

The company has not transferred any amount to General Reserve during the financial year.

### 5. BOARD MEETINGS:

The Board of Directors comprised of Mr. Rajnikant Chanchad and Mr. Nileshbhai Panchani. The Board of Directors of the company met 07 times during the year on 29.04.2022, 17.08.2022, 16.09.2022, 09.12.2022, 07.03.2023, 25.03.2023 and 30.03.2023.

### 6. CHANGES IN DIRECTORS & KEY MANAGERIAL PERSONNEL:

During the year under review, there was no change in the directorship of the company.

**7. DIRECTORS' RESPONSIBILITY STATEMENT:**

Pursuant to the provisions of Section 134(5) of the Companies Act, 2013 the directors of the company confirm that:

- (a) In the preparation of the Annual Accounts for the financial year ended on 31<sup>st</sup> March, 2023, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) The directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at 31<sup>st</sup> March, 2023 and of the profit and loss account of the company for that period.
- (c) The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
- (d) The directors have prepared the Annual accounts on a 'going concern basis' and
- (e) The directors have devised proper systems to ensure compliance with the provisions of all the applicable laws and that such systems were adequate and operating effectively.

**8. STATUTORY AUDITORS:**

During the current reporting period, **M/s. Sheladiya & Jyani**, Chartered Accountants (FRN: 134430W) were appointed as first auditors of the Company from the date of incorporation to hold office till the conclusion of First Annual General Meeting.

**M/s. Sheladiya & Jyani**, Chartered Accountants (FRN: 134430W) retires at the conclusion of ensuing Annual general meeting and had confirmed their eligibility for the reappointment and willingness to accept office, if reappointed.

**9. AUDITOR'S REMARK:**

The observations made in the Auditor's Report are self-explanatory and do not require further explanation. There was no adverse remark in audit report.

**10. MAINTENANCE OF COST RECORD:**

The Central Government has not prescribed maintenance of Cost Records under sub-section (1) of section 148 of the Companies Act, 2013.

**11. DETAILS OF SUBSIDIARY COMPANIES, JOINT VENTURE AND ASSOCIATE COMPANIES:**

The company did not have any subsidiary company, joint venture or associate company for the financial year.

**12. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS U/S 186:**

The company has not made any investment, given any loan or guarantee provided any securities to any person for the financial year pursuant to section 186 of Companies Act, 2013.

**13. RELATED PARTY TRANSACTIONS:**

All the transactions entered into with the Related Parties as defined under the Companies Act, 2013 during the financial year were in the ordinary course of business and on arm's length basis. There were no Material Related Party Transactions during the year. Thus, disclosure in Form AOC-2 is not required. All the Related Party Transactions are placed before the Board of Directors for review and approval. Omnibus approval was obtained on a quarterly basis for transactions which are of repetitive nature.

**14. CONSERVATION OF ENERGY TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUT GO:**

**A. CONSERVATION OF ENERGY:**

The Company continues its efforts to improve methods of energy conservation and utilization. The Company's energy requirement is not large and the power consumption is in conformity with the industry norm.

**B. TECHNOLOGY ABSORPTION:**

The company has installed indigenous technology provided and developed locally. The Company is well equipped and self-sufficient in the matter of technology of manufacturing. The technology is being modernized and improved along with production without incurring additional expenses on research.

**C. FOREIGN EXCHANGE EARNINGS & OUT GO:**

Total foreign exchange earnings is Rs. Nil.

Total foreign exchange out go is Rs. Nil.

**15. RISK MANAGEMENT POLICY:**

An effective Risk Management Framework is put in place in the Company in order to analyze, control or mitigate risk. The framework provides an integrated approach for managing the risks in various aspects of the business.

**16. INTERNAL FINANCIAL CONTROLS:**

The company has developed and maintained adequate measures for internal financial control for the year.

**17. SHARE CAPITAL:**

During the period under review, there was no change in the capital structure of the company.

**18. PUBLIC DEPOSITS:**

The details relating to the deposits covered under Chapter V of the Act are as under:

(a) Accepted during the year:

Your company has not accepted any deposits within the meaning of Section 2(31) read with Section 73 of the Companies Act, 2013 and as such no amount of principal or interest was outstanding as on the date of the Balance Sheet.

(b) Remained unpaid or unclaimed as at the end of the year: None

(c) whether there has been any default in repayment of deposits or payment of interest thereon during the year: None

(d) The details of deposits which are not in compliance with the requirements of Chapter V of the Act: None

**19. DISCLOSURE OF UNSECURED LOAN UNDER RULE 2(1)(C)(VIII) OF THE COMPANIES (ACCEPTANCE OF DEPOSITS) RULES, 2014:**

The Company has received Unsecured Loan from Directors and their relatives as stated in Note No. 03 of Audited Financial Statements of the company. (Please refer the same)

**20. SIGNIFICANT AND MATERIAL ORDERS PASSED BY REGULATORS OR COURTS:**

No significant and material order has been issued by any regulator/court/other authority which impacts the going concern status and company's operation in future.

**21. MATERIAL CHANGES:**

There have been no material changes in the company from the end of the financial year till the date of this report.

**22. PARTICULARS OF EMPLOYEES:**

The Company does not have any employee drawing salary as stipulated under provisions of rule 5(2) of chapter XIII, the companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

**23. DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013:**

The Company has duly complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of woman at Workplace (Prevention Prohibition and redressal) Act, 2013 and the company has in place an Anti-sexual Harassment policy in line with the requirement of the Act. The following is the summary of the complaints received and disposed off during the financial year:

- a) No. of complaints received: NIL.
- b) No. of complaints disposed off: NIL.

**24. ACKNOWLEDGEMENT:**

The Directors express their gratitude to the company's stakeholders and employees of the company. They also take the opportunity to thank the Company's valued customers, suppliers and the shareholders who have extended their support to the company.

**For and on behalf of Board of Directors**

*R. L. Chanchad*

**Rajnikant Chanchad**  
**Director**  
**DIN: 08715741**

*निलेशभाई पंचानी*

**Nileshbhai Panchani**  
**Director**  
**DIN: 08715742**

**Place: Surat**

**Date: 05<sup>th</sup> September, 2023**



## INDEPENDENT AUDITORS' REPORT

To,  
The Members,  
**Nityas Gems and Jewellery Private Limited**  
Surat

### **Report on Audit of the Financial Statements for financial year 2022-23**

#### **Opinion**

We have audited the accompanying financial statements of **Nityas Gems and Jewellery Private Limited** ("the Company"), which comprise the balance sheet as at **March 31<sup>st</sup>, 2023**, and the Statement of Profit and Loss for the year ended and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (collectively referred to as 'Financial Statements').

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Financial statements give the information required by the Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March, 2023, its profit/loss, (changes in equity) 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 Companies Act, 2013. 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 together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 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 opinion.

#### **Other Information**

##### **Information other than the financial statements and auditors' report thereon**

The Company's board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Business Responsibility



Report but does not include the financial statements and our auditor's report thereon.

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

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

### **Responsibilities of Management and Those Charged with Governance for the 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 financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting standards specified under section 133 of the Act. 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 design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The boards of directors are also responsible for overseeing the Company's financial reporting process.

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

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



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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters.

We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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

1. The Company is a Small and Medium Sized Company (SM) as defined in the Companies (Accounting Standard) Rule, 2021 notified under the Companies Act, 2013. Accordingly, the Company has Complied with the Accounting Standard as applicable to a Small and Medium Sized Company.
2. The provisions of 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 Companies Act, 2013 is not applicable to the small Company since
  - (a) Paid up share capital not more than 4 Cr. and
  - (b) Turnover as per preceding year profit & loss not more than 40 Cr.
3. As required by Section 143 (3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e) On the basis of written representations received from the directors as on **31<sup>st</sup> March, 2023** taken on record by the Board of Directors, none of the



directors is disqualified as on 31<sup>st</sup> March, 2023 from being appointed as a director in terms of Section 164(2) of the Act.

- f) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the Company is a Private Limited Company and hence provisions of Section 197 of the Act are not applicable to the Company.

- g) With respect to Report on Internal Financial Controls under Clause (i) of Sub-Section 3 of Section 143 of the Act not applicable to company as per Ministry of Corporate Affairs (MCA) vide notification has exempted a private limited company having a turnover of less than Rs 50 crores as per latest audited financial statement or having aggregate borrowings from banks or financial institutions or body corporate at any point of time during the financial year less than Rs 25 crore.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i) The Company does not have any pending litigations which would impact its financial position other than those mentioned in notes to accounts.
  - ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii) There were no amounts which were required to be transferred to the Investors Education and Protection Fund by the Company.
  - iv) (a) As per the information and explanation given to us by the management, 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 person or entity, 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) As per the information and explanation given to us by the management, no funds have been received by the company from any person or entity, including foreign entities ("Funding Parties").

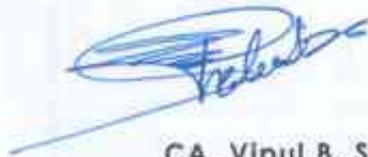


with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(c) On the basis of above representations, nothing has come to our notice that has caused us to believe that the above representations contained any material mis-statement.

- v) The Company has not declared or paid any dividend during the year.
- vi) Pursuant to Ministry of Corporate Affairs notification dated 24.03.2021 read with notification dated 31.03.2022 requirement of reporting by the auditor on use of accounting software for maintaining its books of account with audit trail (edit log) facility has been deferred till 01.04.2023.

**For, Sheladiya & Jyani  
Chartered Accountants  
Firm Reg.No. 134430W**



**CA. Vipul B. Sheladiya  
Partner  
M. No. - 113763  
Date: 05/09/2023  
Place: Surat  
UDIN: 23113763BGWWDP9396**



**Nityas Gems and Jewellery Pvt. Ltd.**  
**(CIN: U36996GJ2022PTC131404)**  
**Balance Sheet as at 31st March, 2023**

Sr.No.	Particulars	Notes No.	As at 31-03-2023 (Rs. In '000)
<b>I.</b>	<b>EQUITY AND LIABILITIES</b>		
1.	<b>Shareholders' Funds</b>		
	(a) Share Capital	1	10,000.00
	(b) Reserve and Surplus	2	2,874.10
			<b>12,874.10</b>
2.	<b>Non- Current Liabilities</b>		
	(a) Long Term Borrowings	3	13,072.94
	(b) Deferred Tax Liabilities (Net)	4	39.74
			<b>13,112.68</b>
3.	<b>Current Liabilities</b>		
	(a) Trade Payables	5	23,323.90
	(b) Advance From Customers		10,250.85
	(c) Other current liabilities	6	45.62
	(d) Short-term Provisions	7	1,826.03
			<b>35,446.40</b>
	<b>TOTAL</b>		<b>61,433.18</b>
<b>II</b>	<b>ASSETS</b>		
1.	<b>Non-Current Assets</b>		
	(a) Property, Plant & Equipment		
	(i) Tangible Assets	8	11,299.05
			<b>11,299.05</b>
2.	<b>Current Assets</b>		
	(a) Inventories		38,149.68
	(b) Trade Receivables	9	6,590.09
	(c) Cash and Cash Equivalents	10	2,031.78
	(d) Other Current Assets	11	3,362.58
			<b>50,134.13</b>
	<b>TOTAL</b>		<b>61,433.18</b>

Significant Accounting Policies and Other notes to Financial Statements

As per our report of even date attached

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The Balance Sheet and Profit and Loss Account, and Notes thereto are hereby checked and authenticated by us.

For, Sheladiya & Jyani  
Chartered Accountants  
Firm Reg. No. 134430W

CA. Vipul B. Sheladiya  
Partner  
M. No.: 113763  
Place : Surat  
Date: 05-09-2023  
UDIN: 23113763BGWDDP9396



For & On Behalf of the Board of Directors  
Nityas Gems and Jewellery Pvt. Ltd.

Rajnikant L Chanchad Nileshbhai G Panchani  
Director Director  
DIN : 08715741 DIN : 08715742  
Place : Surat Place : Surat  
Date: 05-09-2023 Date: 05-09-2023

*R. L. Chanchad* *Nileshbhai G Panchani*



**Nityas Gems and Jewellery Pvt. Ltd.**  
**(CIN: U36996GJ2022PTC131404)**  
**Statement of Profit and Loss for the year ended 31st March, 2023**

Sr. No.	Particulars	Notes No.	For the Year ended 31-03-2023 (Rs. In '000)
I	Revenue from operations	12	1,16,681.97
II	Other Income		-
III	<b>Total Income (I + II)</b>		<b>1,16,681.97</b>
IV	<b>Expenses</b>		
	Cost of Material Consumed	13	54,322.81
	(Increase)/ Decrease In Finished Goods Stock	14	42,882.47
	Direct Expenses	15	8,318.08
	Employee Benefits Expenses	16	3,820.20
	Depreciation and Amortization Expenses	8	1,369.74
	Financial Cost	17	442.13
	Selling & Administrative Expenses	18	2,004.14
V	<b>Total Expenses</b>		<b>1,13,159.57</b>
VI	<b>Profit before Tax (III-V)</b>		<b>3,522.40</b>
VII	<b>Tax expense:</b>		
	(1) Current tax		608.56
	(2) Deferred tax		39.74
VIII	<b>Profit/(Loss) for the Period (VI-VII)</b>		<b>2,874.10</b>
IX	<b>Earnings per equity share:</b>		
	(1) Basic (In Rs.)		2.87
	(2) Diluted (In Rs.)		2.87
	Nominal value of equity shares (In Rs.)		10.00

Significant Accounting Policies and  
Other notes to Financial Statements

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As per our report of even date  
attached

The Balance Sheet and Profit and Loss  
Account, and Notes thereto are hereby  
checked and authenticated by us.

For, Sheladiya & Jyani  
Chartered Accountants  
Firm Reg. No. 134430W



CA. Vipul B. Sheladiya  
Partner  
M. No.: 113763  
Place : Surat  
Date: 05-09-2023  
UDIN: 23113763BGWWD9396

For & On Behalf of the Board of Directors  
Nityas Gems and Jewellery Pvt. Ltd.

*Rajnikant L Chanchad*      *Nileshbhai G Panchani*

Rajnikant L Chanchad  
Director  
DIN : 08715741  
Place : Surat  
Date: 05-09-2023

Nileshbhai G Panchani  
Director  
DIN : 08715742  
Place : Surat  
Date: 05-09-2023



**Nityas Gems and Jewellery Pvt. Ltd.**  
**(CIN: U36996GJ2022PTC131404)**  
**Cash Flow Statement as on March 31st,2023**

	Particulars	2022-23	
		(Rs. in '000)	(Rs. in '000)
<b>A.</b>	<b><u>Cash Flow from Operating Activities</u></b>		
	Net Profit after Income Tax		2,874.10
<b>Add:</b>	<b><u>Adjustment for :</u></b>		
	Depreciation for the year	1,369.74	
	Provision for Taxation	608.56	
	Increase in DTA	39.74	
	Bank Interest	-	2,018.04
	<b>Operating Profit before Working Capital Changes</b>		<b>4,892.14</b>
<b>Add:</b>	<b><u>Adjustment for :</u></b>		
	Increase in Current Liabilities	35,446.40	35,446.40
<b>Less:</b>	<b><u>Adjustment for :</u></b>		
	Other Current Assets	48,710.91	48,710.91
	<b>Net Cash Flow from Operating Activities</b>		<b>8,372.37</b>
<b>B.</b>	<b><u>Cash Flows from Investing Activities</u></b>		
	Purchase of Fixed Assets	-	12,668.80
	<b>Net Cash used in Investing Activities</b>		<b>12,668.80</b>
<b>C.</b>	<b><u>Cash Flows from Financing Activities</u></b>		
<b>Add:</b>	<b><u>Adjustment for :</u></b>		
	Issued of Share Capital		10,000.00
	Unsecured & Secured Loan taken		13,072.94
	<b>Net Cash generated from Financing Activities</b>	<b>(C)</b>	<b>23,072.94</b>
	<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(A) + (B) + (C)</b>	<b>2,031.77</b>
	Cash and Cash Equivalents as at 01-04-2022		-
	Cash and Cash Equivalents as at 31-03-2023		2,031.77

For, Sheladiya & Jyani  
Chartered Accountants  
Firm Reg. No. 134430W



CA. Vipul B. Sheladiya  
Partner  
M. No.: 113763  
Place : Surat  
Date: 05-09-2023  
UDIN: 23113763BGWDDP9396

For & On Behalf of the Board of Directors  
Nityas Gems and Jewellery Pvt. Ltd.

*R. L. Chanchad* *Nileshbhai G Panchani*

Rajnikant L Chanchad  
Director  
DIN : 08715741  
Place : Surat  
Date: 05-09-2023

Nileshbhai G Panchani  
Director  
DIN : 08715742  
Place : Surat  
Date: 05-09-2023



**Nityas Gems and Jewellery Pvt. Ltd.**  
(CIN: U36996GJ2022PTC131404)  
**Notes Forming Part of Financial Statements**

**1 Share Capital**

Particulars	No's	As at 31-03-2023 (Rs. In '000)
<b>Authorised</b> 10,00,000 Equity Shares of Rs. 10/- each	10,00,000	10,000.00
<b>Issued, Subscribed and Paid up</b> 10,00,000 Equity Shares of Rs. 10/- each fully paid-up	10,00,000	10,000.00
<b>TOTAL</b>	<b>10,00,000</b>	<b>10,000.00</b>

**1.1 Reconciliation of the Shares outstanding at the beginning and at the end of the reporting period**

Particular	2022-23	
	No's	(Rs. In '000)
<b>At the beginning of the period</b> Equity Share face value of Rs. 10 Each	-	-
<b>Addition during the year</b> Equity Share face value of Rs. 10 Each	10,00,000	10,000.00
<b>Outstanding at the end of the period</b> Equity Share face value of Rs. 10 Each	10,00,000	10,000.00

**1.2 Terms/Rights attached to equity shares:**

The company has only one class of equity share having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be proportion to the number of equity shares held by the shareholders.

**1.3 Details of shares in the company held by each shareholder holding more than 5 percent:**

Name Of Shareholders	2022-23	
	In Nos	In %
<b>Equity shares:</b>		
Rajnikant L Chanchod	7,80,000	78%
Nileshbhai G Panchani	2,20,000	22%

received from shareholders regarding beneficial interest the above shareholding represents both legal and beneficial ownership of shares.

**1.4 Details of shares held by promoters of the company :**

Name Of Promoters	2022-23	
	In Nos	In %
<b>Equity shares of Rs. 10/- each fully paid</b>		
<b>Equity shares:</b>		
Rajnikant L Chanchod	7,80,000	78%
Nileshbhai G Panchani	2,20,000	22%

Note: The above list of Promoters are disclosed by the management and relied upon by the auditors.



**Nityas Gems and Jewellery Pvt. Ltd.**  
**(CIN: U36996GJ2022PTC131404)**  
**Notes Forming Part of Financial Statements**

**2 Reserves and Surplus**

Particulars	As at 31-03-2023 (Rs. In '000)
Surplus in the statement of profit and loss	
Opening Balance	-
Add: Profit / (Loss) for the year	2,874.10
<b>TOTAL</b>	<b>2,874.10</b>

**3 Long Term Borrowings**

Particulars	As at 31-03-2023 (Rs. In '000)
<b>Secured Loan</b>	
Yes Bank Machinery Loan - 10001	4,522.50
Yes Bank Machinery Loan - 80001	3,532.50
<b>Loan from Directors (No fixed repayment terms)</b>	
Nileshbhai Ghanshyambhai Panchani	590.00
Rajnikantbhai Lallubhai Chanchad	4,427.94
<b>TOTAL</b>	<b>13,072.94</b>

**4 Deferred Tax Liabilities (Net)**

Particulars	As at 31-03-2023 (Rs. In '000)
Deferred Tax Liability (Net)	
Opening Balance	-
Add: Increase During the Year	39.74
	39.74
Less: Reduction during the Year	-
<b>TOTAL</b>	<b>39.74</b>



**5 Trade Payables**

Particulars	As at 31-03-2023 (Rs. In '000)
<b><u>Less than 6 months</u></b>	
Local Creditors	18,187.00
<b><u>6 months - 1 year</u></b>	
Local Creditors	5,136.90
<b><u>1 -2 year</u></b>	
Local Creditors	-
<b><u>2-3 years</u></b>	
Local Creditors	-
<b><u>More than 3 years</u></b>	
Local Creditors	-
<b>TOTAL</b>	<b>23,323.90</b>

**6 Other Current Liabilities**

Particulars	As at 31-03-2023 (Rs. In '000)
TDS payable	45.62
<b>TOTAL</b>	<b>45.62</b>

**7 Short-Term Provision**

Particulars	As at 31-03-2023 (Rs. In '000)
Audit Fees Payable	40.00
Income Tax Payable	608.56
Salary & Wages Payable	1,077.47
Professional Fees Payable	100.00
<b>TOTAL</b>	<b>1,826.03</b>



9 Trade Receivables

Particulars	As at 31-03-2023 (Rs. In '000)
<b>Less than 6 months</b>	
Local Debtors	6,590.09
<b>6 months - 1 year</b>	
Local Debtors	-
<b>1 -2 year</b>	
Local Debtors	-
<b>2-3 years</b>	
Local Debtors	-
<b>More than 3 years</b>	
Local Debtors	-
<b>TOTAL</b>	<b>6,590.09</b>

10 Cash & Cash Equivalents

Particulars	As at 31-03-2023 (Rs. In '000)
Cash On Hand	321.08
Bank Balances	
HDFC Bank - 1983	523.10
Yes Bank - 9762	1,187.60
<b>TOTAL</b>	<b>2,031.78</b>

11 Other Current Assets

Particulars	As at 31-03-2023 (Rs. In '000)
Prepaid Insurance Expenses	30.18
Prepaid Domain Expenses	44.53
TDS Receivable	45.24
TCS Receivable	50.22
Advance Tax	360.00
Unamortised Preliminary Expenses	206.84
GST Credit	
Input IGST	-
Input SGST	1,382.57
Input CGST	1,243.00
<b>TOTAL</b>	<b>3,362.58</b>



12 Revenue from Operations

Particulars	For the year ended 31-03-2023 (Rs. In '000)
<b>Sales Account</b>	
Gold Ornaments	1,09,462.10
Lab Grown Diamond	5,687.73
Discount	(316.25)
Labour Income	1,848.39
<b>TOTAL</b>	<b>1,16,681.97</b>

13 Cost of Raw Material Consumed

Particulars	For the year ended 31-03-2023 (Rs. In '000)
Opening Stock	-
<b>Purchases</b>	
Alloy	520.68
Fine Gold	65,798.70
Discount	(19.52)
Platinum Jewellery	147.01
<b>Less:</b>	
Closing Stock	12,124.06
<b>TOTAL</b>	<b>54,322.81</b>



**14 (Increase)/ Decrease In Finished Goods Stock & Stock In Process**

Particulars	For the year ended 31-03-2023 (Rs. In '000)
Purchase of Gold Ornaments	375.85
Purchase of Lab Grown Diamonds	68,532.24
<b>Less:</b>	
Closing Stock of Gold Ornaments	327.19
Closing Stock of Lab Grown Diamonds	25,698.43
<b>TOTAL</b>	<b>42,882.47</b>

**15 Direct Expenses**

Particulars	For the year ended 31-03-2023 (Rs. In '000)
Consumable Item	1,462.75
Labour Expenses	1,327.33
Diamond Jewellery Certification Charges	1,873.92
Wages & Salary	3,295.66
Hall Marking Charges	331.19
Logistic & Transportation Charges	27.23
	<b>8,318.08</b>

**16 Employee Benefits Expenses**

Particulars	For the year ended 31-03-2023 (Rs. In '000)
Salaries, Wages, Bonus etc.	3,820.20
<b>TOTAL</b>	<b>3,820.20</b>



**17 Financial Cost**

Particulars	For the year ended 31-03-2023 (Rs. In '000)
Bank Charges	10.27
Interest on Secured Loan	322.36
Loan Processing Charges	109.50
<b>TOTAL</b>	<b>442.13</b>

**18 Selling and Administrative Expenses**

Particulars	For the year ended 31-03-2023 (Rs. In '000)
Business Exhibition Charges	894.24
Advertising Services	122.50
Audit Fees	40.00
Professional & Consultancy Expenses	212.85
Donation	250.00
Computer-Software Expenses	23.50
Insurance Expenses	12.19
Membership Expenses	11.00
Office Expenses	201.56
Packing Charges	1.80
Internet & Domain Expenses	11.13
Penalty Charges	5.54
Preliminary Expenses	51.71
Printing & Stationery Expenses	31.00
Travelling Expenses	135.12
<b>TOTAL</b>	<b>2,004.14</b>



Niyas Gems and Jewellery Pvt. Ltd.  
**Depreciation Chart**  
 As Per The Companies Act, 2013

Note : 8  
 Property, Plant & Equipment's

Sr. No.	Description of Assets	Rate of Depreciation	Gross Block			Depreciation			Net Block		
			As at 01-04-2022	Additions During the Year	Deduction During the Year	As at 31-03-2023	As at 01-04-2022	For The year	Deduction During the Year	As at 31-03-2023	As at 31-03-2022
1	Tangible Assets Plant & Machinery	18.10%		12,101.67		12,101.67			1,173.16	11,008.51	-
2	Computer & Accessories	53.16%		474.24		474.24			196.58	277.65	-
1	Intangible Assets Trade Mark	0.00%		12.89		12.89			-	12.89	-
	<b>TOTAL</b>			12,668.80	-	12,668.80	-	-	1,369.74	11,299.05	-



**Nityas Gems and Jewellery Pvt. Ltd.**  
**Notes Forming Part of the Financial Statements**  
**Notes - "19": Significant Accounting Policies & Other Notes On Financial Statements**

**1) Corporate Information**

Nityas Gems and Jewellery Pvt. Ltd. having CIN: U36996GJ2022PTC131404 is a Company with PAN AAICN2111L and GSTN 24AAICN2111L1Z0 incorporated in India under The Companies Act, 2013 on 26th April, 2022 having its registered office at 8, Hanikrushna Society, Shyamdharm Chowk, Nana Varachha, Surat - 395006. The Directors is engaged in the business of manufacturing and trading of Gold, Silver and Diamond Jewellery.

**2) Significant Accounting Policies**

**a) Basis of Preparation of Financial Statements:**

The accompanying financial statements are prepared on the basis of historical cost convention following the going concern concept and on accrual basis in accordance with Generally Accepted Accounting Principles (GAAP) followed in India, and in compliance with the Accounting Standards (AS) issued by Institute of Chartered Accountants of India (ICAI). Further, the guidance notes/ announcements issued by the Institute of Chartered Accountants of India are also considered, wherever applicable. The Company follows mercantile system of accounting and recognizes income and expenditure on accrual basis.

The Company is not liable to follow IND AS nor the Company has voluntarily opted to follow IND AS hence provision of IND AS is not followed.

**b) Use of Estimates:**

The preparation of Financial Statements requires the Directors of the Company to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to the contingent liabilities as at the date of the Financial Statements and reported amounts of income and expense during the year.

Examples of such estimates include provisions for doubtful receivables, employee benefits, provision for income taxes, accounting for contract costs expected to be incurred, the useful lives of depreciable fixed assets and provision for impairment. Future results could differ due to changes in these estimates and the difference between the actual result and the estimates are recognized in the period in which the results are known / materialise. Although these estimates are based upon Director's best knowledge of current events and actions, actual results could differ from these estimates. Any revision to accounting estimates is recognized prospectively.

The following are the critical judgments and estimations that have been made by the management in the process of applying the Company's accounting policies and that have the most significant effect on the amount recognised in the financial statements and/or key sources of estimation uncertainty that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

• **Going Concern**

The management at each close makes an assessment of the Company's ability to continue as a going concern. In making such evaluation, it considers, inter alia, the quantum and timing of its cash flows, in particular collection of all its recoverable amount and settlement of its obligations to pay creditors and lenders on due dates. The accounting policy choices in preparation and presentation of the financial statements are based on the Company's assessment that the Company will continue as a going concern in the foreseeable future.

• **Useful lives of property, plant and equipment and intangible assets**

Management reviews the useful lives of property, plant and equipment at least once a year. Such lives are dependent upon an assessment of both the technical lives of the assets and also their likely economic lives based on various internal and external factors including relative efficiency and operating costs. Accordingly, depreciable lives are reviewed annually using the best information available to the Management.

• **Impairment of non-financial assets**

The management performs annual impairment tests on cash generating units and capital work-in-progress for which there are indicators that the carrying amount might be higher than the recoverable amount. Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model.



**Nityas Gems and Jewellery Pvt. Ltd.**  
**Notes Forming Part of the Financial Statements**  
**Notes - "19": Significant Accounting Policies & Other Notes On Financial Statements**

• **Income Taxes**

Deferred tax assets are recognized for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Significant management judgment is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

• **Recoverability of financial assets**

Assessment of recoverability of trade receivables requires significant judgment. Factors considered include the credit rating, assessment of intention and ability of the counter party to discharge the liability, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment.

**c) Property, Plant and Equipment:**

Items of assets meets the definition of property, plant and equipment and are generally recognized in books at cost of acquisition or construction and all cost directly attributable to bringing the asset to the present condition for its intended use less accumulated depreciation and impairment if any. The cost of acquisition or construction includes of all direct expenses like freight, duties, taxes and incidental expenses.

Input GST on Purchase of fixed assets is taken as Input Credit in the month when purchase is made and such Input Credit is adjusted against Output Tax Liability of that month or subsequent month.

All the assets are physically not verified by the management on regular intervals. The Company reviews the residual value, useful life and depreciation method annually and, if expectation differs from previous estimates, the change is accounted for the change in accounting estimate on prospective basis.

The Company is not maintaining proper records showing full particulars including quantitative details and situation of Property, Plant & Equipment;

**d) Intangible Assets:**

Intangible Assets are recognised when it is probable that future economic benefit that is attributed to the asset will follow to the firm and the cost of the assets can be measured reliably.

Intangible Assets are valued at cost less accumulated amortization and impairment loss if any.

**e) Depreciation and amortization:**

Depreciation has been provided on written down value (WDV) method in the manner specified under Schedule II of the Companies Act, 2013 and the same became operational from 01/ 04/ 2014 vide notification no. S.O.902 (E) dated 26/03/2014.

Schedule II to the Companies Act, 2013 requires the asset to be depreciated over its useful life. The depreciable amount of an asset is the cost of an asset or other amount satisfied for cost less residual value. The useful life of an asset is the period over which an asset is expected to be available for use by the company. The useful life is reviewed once in a year.

**f) Inventories:**

• The Inventories are valued by the Company at cost or net realizable value whichever is lower. Cost is determined on First-in First out', 'Specific Identification', or 'Weighted Average' basis, as the case may be. Cost of Inventories Comprises of all cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition.

• Raw Materials include materials issued for production. Materials consumed are materials used for production of finished goods only.

• Determination of estimated net realizable value and specific identification involve technical judgments of the Directors, which has been relied upon by the Auditors.

• Since the determination of cost of rejection and polished diamonds involves visual appraised judgment and is technical in nature, the same is relied upon by us on the basis of technical cost estimation given by the Directors of the Company. Although this policy is in accordance with normal trade practice in the diamond industry, the same is strictly not in accordance with AS - 2 on valuation of inventories issued by the ICAI. So far as the cost is not calculated on FIFO, WAM or any other recognized method using cost accounting principles.



**Nifyas Gems and Jewellery Pvt. Ltd.**  
**Notes Forming Part of the Financial Statements**  
**Notes - "19": Significant Accounting Policies & Other Notes On Financial Statements**

**g) Revenue Recognition:**

- Revenue is recognised only when risks and rewards incidental to ownership are transferred to the customer, if can be reliably measured and it is reasonable to expect ultimate collection.
- Revenue from domestic sales is recognized (net of GST) when goods are delivered and title of goods passes to the customers.
- Revenue from exports is recognized (net of GST wherever applicable) when delivery of material is physically given to Customs Authorities.
- Interest Income is recognised when Company's right to receive interest is established on the reporting date.
- All other income is recorded on accrual basis except those specified separately.

**h) Prior Period and Extra ordinary items:**

- i. Any Expenses/Income (other than those arising out of over/under estimation of earlier years) arising as a result of error or omission in preparation of earlier years Financial Statement is shown separately.
- ii. Any material gain/loss which is arising out of event other than that of normal activity of Business is shown separately in financial statement.

**i) Investments:**

Investments are classified into non-current investments and current investments based on intent of management at the time of making the investments. The investment which are intended to be held for more than one year are classified as non-current and those which are intended to be held for less than one year are classified as current investments.

Long term investments are carried at cost less diminution in value wherever the decline is other than a temporary decline. Current investments are valued at the lower of cost or market value.

On disposal of investment, the difference between the carrying amount and net disposal value is charged/ credited to profit and loss account.

Income arising on such investment is Credit to Profit and Loss account as normal business Income.

**j) Taxation:**

- i. Current Tax: Current 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 by the end of the reporting period.

Provision for income tax is made on the basis of the estimated taxable income for the accounting year in accordance with the Income-tax Act, 1961.

- ii. Deferred Tax: Deferred income tax assets and liabilities are recognized for all temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statement.

Deferred tax liabilities are generally recognised for all taxable Temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

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 utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred income tax assets are recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax loss can be utilized.

Minimum Alternate Tax/ Alternate Minimum Tax (MAT/ AMT) is accounted as current tax when the company is subjected to such provisions of the Income Tax Act. However, credit of such MAT/AMT paid is available when the company is subjected to tax as per normal provisions in the future. Credit on account of MAT is recognized as an asset based on the management's estimate of its recoverability in the future.



**Nityas Gems and Jewellery Pvt. Ltd.**  
**Notes Forming Part of the Financial Statements**  
**Notes - "19": Significant Accounting Policies & Other Notes On Financial Statements**

**k) Accounting for Provisions, Contingent Liabilities and Contingent Assets:**

A provision is recognized if, as a result of a past event, the Company has a present legal obligation that is reasonably estimable, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by the best estimate of the outflow of economic benefits required to settle the obligation at the reporting date. Where no reliable estimate can be made, a disclosure is made as contingent liability. A disclosure for a contingent liability is also made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where 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. A contingent asset, where an inflow of economic benefits is probable, an entity shall disclose a brief description of the nature of the contingent assets at the end of the reporting period, and, where practicable, an estimate of their financial effect, measured using the principles set out for provisions in AS.

**l) Cash and Cash equivalents :**

Cash and Cash equivalents for the purpose of cash flow statement comprise cash on hand and cash at bank including fixed deposit with original maturity period of three months or less and short term highly liquid investments with an original maturity of three months or less.

**m) Leases:**

- i. Finance lease: Leases under which the Company assumes substantially all the risks and rewards of ownership are classified as finance leases. Assets held under finance leases are initially recognized at their fair value at the inception of the lease or at the present value of the minimum lease payments, whichever is lower.
- ii. Operating leases: Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor, are recognized as operating leases. Lease rentals under operating leases are recognized in the statement of profit and loss on a straight-line basis.

**n) Brought Forward Loss and Depreciation Allowance:**

There is no brought forward loss and depreciation allowance and hence not applicable.

**o) Borrowing Costs:**

Borrowing costs that are attributable to acquisition, construction or production of qualifying assets, are capitalized as part of the cost of such qualifying assets. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for intended use. All other borrowing costs are charged to the Statement of profit and loss in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

**p) Trade Receivables and Trade Payables**

**Trade Receivables:** Normally terms for Trade receivables are 180 days from the date of invoice in some exceptional cases terms may defer. In Case the delay is more than the terms specified than the management may take necessary action for recovery. During the year there has been default in payment obligation by the customers due to economic slowdown in the industry. Confirmation from such Trade receivables are received by the management. The company is taking all necessary actions for recover of old Trade Receivables.

**Trade payable:** Normally terms for Trade payables are as per the policy of supplier in case company's fails to pay the amount within the due date of payment the supplier may charge interest for such delay which is debit to profit and loss account. As course of normal business practice and for record purpose, we request all our customers and supplier to provide us with balance confirmation for the year ending balance. Certain Confirmation of balances of Trade Payables including Advances paid to suppliers and Trade Receivables including advance received from customers are awaited and has not been received till the date of finalization of Accounts. Any Adjustment arising out of such Confirmation shall be adjusted in subsequent years.



**Nityas Gems and Jewellery Pvt. Ltd.**  
**Notes Forming Part of the Financial Statements**  
**Notes - "19": Significant Accounting Policies & Other Notes On Financial Statements**

**q) Monetary Assets and Monetary liabilities**

**Monetary Assets:** All the Monetary assets including Trade Receivables, Advance to suppliers, Cash & Bank balance etc. are valued at cost unless their Receivable is doubtful. Management reviews all the balances of monetary assets on regular intervals. Management has confirmed all the balances of financial asset as on 31st march 2023.

**Monetary Liabilities:** All the Monetary Liabilities including Trade Payables, Advances paid to Suppliers, Unsecured loans, bank overdrafts etc. are valued at cost. Management reviews all the balances of monetary liability on regular intervals. Management has confirmed all the balances of financial asset as on 31st march 2023.

Where the Monetary asset and Liabilities are in currency other than reporting currency then the monetary assets and liability is converted as per the closing rate as on Balance sheet date.

**r) Indirect Tax and other Taxes:**

- The Company has no block credit under CGST or SGST laws.
- The Company has no Indirect Tax Dues Pending with any authority.
- The Company has not been selected for GST Audit by the GST department till Date.
- Company has complied with all TDS provision wherever applicable.
- As per Good and Service Act Credit need to be reversed for those Creditors which are outstanding for more than 180 days and credit of same shall be taken when the payment is made, but such credit has not been reverted by us.

**s) Financial Risk Management**

The management reviews the risk management from time to time and the said policy aims enhancing the value of firm and providing optimum risk reward trade off. This risk management is based on clear understanding of variety of risk that the organization faces, disciplined risk monitoring and measurement and continuous risk assessment and mitigation measures.

**i. Market Risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market conditions. Market risk comprises three types of risk: interest rate risk, credit and default risk and liquidity risk. Financial instruments affected by market risk include loans and borrowings and deposits.

**ii. Interest Risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The company borrowings from banks and the rate of interest are not fluctuating hence the interest risk to the company is low.

**iii. Credit Risk and Default Risk**

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The company is exposed to credit risk from its operating activities (primarily trade receivables, business advances/deposit given). Since, the Company is not able to timely realize amount due from trade receivables, credit risk in case of Company is very high.

**iv. Liquidity risk**

The company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts and loans. The liquidity position of the company is not good. As the company's is not able to timely realize amount due from trade receivables the company has low liquidity.

**v. Foreign Currency Risk**

Currency risk is the risk that the value of financial instruments will fluctuate due to changes in foreign exchange rates. Currency risk arises when future commercial transactions and recognized assets and liabilities are denominated in a currency that is not the Establishment's functional currency. The company have significant currency risk as the company have significant amount outstanding which is denominated in foreign currency.

**t) Foreign Currency Transactions:**

The functional currency of the Company is determined on the basis of the primary economic environment in which it operates. The functional currency of the Company is Indian National Rupee (INR).



**Nityas Gems and Jewellery Pvt. Ltd.**  
**Notes Forming Part of the Financial Statements**  
**Notes - "19": Significant Accounting Policies & Other Notes On Financial Statements**

• **Initial recognition**

The transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions.

At the end of each reporting period, monetary items denominated in foreign currencies are translated at the rates prevailing at that date (i.e., Closing Rate). Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not restated.

• **Exchange Difference**

Exchange Rate arising on the settlement of monetary items, or on reporting such monetary items of company at rates different from those at which they were initially recorded during the year, or reported in previous financial statement are recognised as income or as expense in statement of profit and loss in the year in which they arise.

Closing Rate as at the balance sheet date is USD 1 = Rs. 82.2169.

**3) Disclosure pursuant to 'Micro, Small and Medium Enterprises Development Act, 2006:**

The Company has initiated the process of identification of suppliers registered under Micro, Small and Medium Enterprise Development Act, 2006, and confirmation relating to Micro, Small and Medium Enterprise has been received from Suppliers. As required by Ministry of Corporate affairs (MCA) the details of MSME whose payment is outstanding for more than 45 days as on the end of quarter is been reported and statement of such MSME's with the amount outstanding as on the end of the quarter is filed in Form MSME 1 regularly.

- 4) In the opinion of the Directors, any of the assets other than Fixed Assets and Non-Current Investments have a value on realization in the ordinary course of the business at least equal to the amount at which they are stated.
- 5) In the opinion of the Directors and to the best of their knowledge & belief, the Current Assets, Closing Stock, Loans and Advances are approximately of the value stated, if realized in the ordinary course of business, which is at least equal to the amount at which they are stated in the balance sheet. The provisions for all determined liabilities are adequate and not in excess of the amount reasonably required.
- 6) **Related Party Disclosure:**

**1 List of related party:**

Name of related party	Relationship
Rajnikant L Chanchad	Director of Company
Nileshbhai G Panchani	Director of Company
Ratih Jewels LLP	Director is Partner in Firm

**2 Transactions during the year with related Parties:**

SR No.	Nature of Transaction	Entities in which KMP / relatives of KMP have significant influence
		2022-23 (Rs. in '000)
1	<b>Purchases</b>	
	Ratih Jewels LLP	11,506.00
2	<b>Repayment of loan</b>	
	Rajnikant L Chanchad	3,152.06



**Nityas Gems and Jewellery Pvt. Ltd.**  
**Notes Forming Part of the Financial Statements**  
**Notes -"19": Significant Accounting Policies & Other Notes On Financial Statements**

**7) Deferred Tax:**

The major components of the deferred tax assets and liabilities as on 31<sup>st</sup> March, 2023 are as below:

Particulars	(DTA)/DTL	2022-23 (Rs. In '000)
Opening Balance	(DTA)/DTL	-
On account of Depreciation	DTL	39.74
<b>Net Closing Deferred Tax (Asset)/Liabilities :</b>		<b>39.74</b>

**8) Auditors Remuneration:**

Particulars	(Rs. In '000)
For Tax & Statutory Audit Fees	40.00
Other Professional Fees	212.85
<b>Total</b>	<b>252.85</b>

**9) Earnings Per Share:**

In accordance with AS - 20 "Earning per Share" notified under section 133 of the companies act 2013 read with rule 7 of Companies (Accounts) Rule 2014, the basic and diluted earnings per share is being calculated as under:

Basic & Diluted Earnings per share		(Rs. In '000)
<b>Particulars</b>		
i) Net Profit after tax as per Statement of Profit and Loss attributable to Equity Shareholders (in Rs.)		2,874.10
ii) Weighted Average number of equity shares used as denominator for calculating Basic EPS & Diluted EPS		1,000.00
iii) Basic EPS (in Rs)		3
iv) Diluted EPS (in Rs)		3

The Company does not have any dilutive potential equity shares. Consequently the basic and diluted earnings per share of the Company remain the same.

**10) Segment Reporting**

The company operates in a single segment, hence not applicable.

11) Pursuant to the amendments to Schedule III vide MCA circular dated March 24, 2021, the following ratios are presented:

Particulars	31-03-2023	Remarks
Current ratio	1.41	-
Debt equity ratio	3.77	-
Debt service coverage ratio	4.28	-
Return on equity ratio	22.32%	-
Inventory turnover ratio	6.12	-
Trade receivables turnover ratio in months (annualised)	35.41	-
Trade payables turnover ratio	11.61	-
Net capital turnover ratio	7.94	-
Net profit ratio	2.46%	-
Return on capital employed ratio	27.36%	-
Return on investment ratio	Not Applicable	-



**Nityas Gems and Jewellery Pvt. Ltd.**  
**Notes Forming Part of the Financial Statements**  
**Notes - "19": Significant Accounting Policies & Other Notes On Financial Statements**

- 12) The Company has not traded or invested in crypto currency or virtual currency during the current period.
- 13) The Company is not required to spent any amount in terms of provisions of section 135 of the Companies, Act 2013 on Corporate Social Responsibility.
- 14) The Company is not as willful defaulter by any bank or financial institution or other lenders.
- 15) There are no transactions with the Struck off Companies under Section 248 or 560 of the Companies, Act 2013.
- 16) No proceedings initiated or pending against the Company for holding any benami property under the Benami Transactions
- 17) The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- 18) The Company had used Property owned by Sister concern for conduct of its business operation, so Electricity and Rent expenses are not being reflected in books of this company as they are wholly borne by the sister concern as mutual understanding.
- 19) 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:  
a. 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  
b. provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- 20) The Company have not 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 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961)

**21) Clause 44 of 3CD**

Details of expenditure reported in the Clause 44 of Form 3CD is provided, certified by the partner of the firm which is test checked and compiled in the required format. However, this may not be accurate as the accounting software used by assessee is not configured to generate report as required under this clause in absence of any prevailing statutory requirement. In addition, the software / system does not capture information relating to the entities falling under composition scheme or supply with ineligible credit. Therefore, it is not possible for us to verify the break-up of total expenditure of entities registered or not registered under the GST and unable to comment on accuracy of information provided therein. Total expenditure reported under the clause includes capital expenditure however does not include Salaries, Depreciation, Remuneration to Partner, Interest on capital, Conveyance Expense, SMC Tax, Vatav Kasar, Professional Tax which is not a supply as per GST.

**22) Previous year figures**

Financial year end 31-03-2023 was the first year end of the company therefore previous year figures clause is not applicable.

Signatures to Notes 1 to 19 form an integral part of the account as per our report of even date attached.

For & On Behalf of the Board of Directors  
Nityas Gems and Jewellery Pvt. Ltd.

*R. L. Chanchad*

Rajnikant L Chanchad  
Director  
DIN : 08715741  
Place : Surat

*Nileshbhai G Panchani*

Nileshbhai G Panchani  
Director  
DIN : 08715742  
Place : Surat



For, Sheladiya & Jyani  
Chartered Accountants  
Firm Reg.No-134430W

*Vipul B. Sheladiya*  
CA- Vipul B. Sheladiya  
Partner

M. No.: 113763  
Place : Surat  
Date: 05-09-2023  
UDIN: 23113763BGWWD99396

