INDEPENDENT AUDITOR'S REPORT

To

The Members of

ROYAL CHAINS PRIVATE LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited accompanying financial statements of **Royal Chains Private Limited** ("the Company"), which comprise the Balance Sheet as at 31st March, 2022, the statement of Profit and Loss and the cash flow statement for the year ended on 31st March, 2022, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements")

In our opinion and to the best of our information and according to the explanations given to us, the 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 standards prescribed under section 133 of the Act read with the companies accounting standards Rules 2021, ("AS") and other accounting principles generally accepted in India, of the State of Affairs of the Company as at 31st March 2022 and Statement of Profit & Loss and its Cash Flow Statement for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Key Audit Matters

This section of our auditor's report is intended to describe the matters selected from those communicated with those charged with governance that, in our professional judgment, were of most significance in our audit of the financial statements. We have determined that there are no such matters to report.

Information Other than the Financial Statements and Auditor's 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 Management Discussion and Analysis, Board's Report including Annexures to Board's 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 no a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation 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, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements 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 Board of Directors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility 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 financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by 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.

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. As required by Section 143 (3) of the Act, based on our audit 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 accounts;

(d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with the Companies (Accounting Standards) Rules, 2021;

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

(f) With respect to the adequacy of the Internal Financial Controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in '**Annexure B**';

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

i. The Company has disclosed pending litigations which would impact its financial position by way of Note No.14;

ii. The Company did not have any long-term contracts including derivative contracts; as such the question of commenting on any material foreseeable losses thereon does not arise;

iii. There has not been an occasion in case of the Company during the year under report to transfer any sums to the Investor Education and Protection Fund. The question of delay in transferring such sums does not arise

2. 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 the paragraph 3 and 4 of the Order, to the extent applicable.

For **S.Madanmal Mehta & Co.**
Chartered Accountants
Firm's Registration No: 105701W

(S. M. Mehta)
Proprietor
Membership No: 042119

Place : Mumbai
Date : 21/09/2022
UDIN:- 22042119AVYERM6131

(Referred to in paragraph 2 under the heading "Report on other Legal and Regulatory Requirements" section of our report to the members of ROYAL CHAINS PRIVATE LIMITED of even date.)

i. In respect of the Company's fixed assets:

(a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) All fixed assets have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. According to the information and explanation given to us, no material discrepancies were noticed on such physical verification.

(c) According to the information and explanation given to us and on the basis of our examination of the records of the company, immovable properties are held in the name of the company.

(d) The Company has not revalued any of its Fixed Assets (including right-of-use assets) and intangible assets during the year.

(e) No proceedings have been initiated or are pending against the Company as at 31st March, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) (as amended in 2016) and rules made thereunder.

ii. (a) The Physical verification of inventory has been carried out at reasonable intervals by the management of the company.

(b) The Procedure of physical verification of inventory followed by the management is adequate in commensurate with the size and nature of company No material discrepancies have been found during the physical verification of inventory.

(c) No material discrepancies have been found during the physical verification of inventory and if any material discrepancies have been found the same has been properly dealt with in the books of accounts.

(d) The Company has been sanctioned working capital limits in excess of ₹500.00 lacs from banks on the basis of security of current assets of the Company. The quarterly returns or statements filed by the Company with such banks are in agreement with the books of accounts of the Company.

iii. The Company has not provided any loans or advances in the nature of loans or stood guarantee, or provided security to any other entity during the year, and hence reporting under clause 3(iii)(a) to (f) of the Order is not applicable.

iv. In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees and securities granted in respect of which provisions of section 185 and 186 of the Companies Act 2013 are applicable and hence not commented upon.

v. The Company has neither accepted any deposits from the public nor accepted any amount which are deemed to be deposits within the meaning of Sections 73 to 76 of the Act and the rules made thereunder, to the extent applicable. Hence, reporting under clause 3(v) of the Order is not applicable.

vi. The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, in respect of activities of the company.

vii. According to the information and explanations given to us, in respect of statutory dues:

(a) According to the information and explanations given to us and based on the records of the company examined by us, the company is regular in depositing the undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, value added tax, cess, goods and services tax (GST) and other material statutory dues, as applicable, with the appropriate authorities in India;

According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31st March, 2022 for a period of more than six months from the date of becoming payable.

(b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, cess, and other statutory dues that have not been deposited on account of any dispute, except for the following:

Name of the statute/ Nature of dues	Amount* (Rs.in Lakhs)	Period to which the amount relates	Forum where dispute is pending
Income-tax	670.83 (134.17)	2018-2019	Appellate Authority up to Commissioner's level

*the amounts disclosed are excluding interest and penalties, wherever applicable and amount in brackets represent amounts paid under protest.

(c) There has not been an occasion in case of the Company during the year under report to transfer any sums to the Investor Education and Protection Fund. The question of reporting delay in transferring such sums does not arise.

viii. The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.

ix.(a) Based on our audit procedures and as per the information and explanations given by the management, we are of the opinion that the Company has not defaulted in the repayment of loan or interest thereon to the bank. There are no dues to financial institutions or Government.

(b) The Company has not been declared a willful defaulter by any bank or financial institution or government or any government authority.

(c) The Company has not taken any term loan during the year and the outstanding term loans at the end of the year were applied for the purpose for which they were taken.

(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 no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiary. The Company does not have any associate or joint venture.

(f) The Company has not raised any loans during the year on the pledge of securities held in its subsidiary company. Hence reporting on clause 3(ix)(f) of the Order is not applicable.

x. (a) Based on the information and explanations given to us by the management, the Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) during the year. Hence reporting on clause 3(x)(a) of the Order is not applicable.

(b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.

xi.(a) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given by the management, we report that, no fraud by the Company or on the Company has been noticed or reported during the year.

(b) During the year, no report under sub-section (12) of section 143 of the Act has been filed by secretarial auditor or by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) No whistle blower complaints have been received during the year by the Company.

xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company as specified in the Nidhi Rules, 2014 and hence reporting under clause (xii) of Paragraph 3 of the Order is not applicable.

xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

xiv. (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.

xv. In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with him and hence provisions of section 192 of the Companies Act, 2013 are not applicable.

xvi.(a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.

(b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.

xvii. The Company has not incurred cash losses in the current financial year and the immediately preceding financial year. Accordingly, paragraph 3(xvii) of the Order is not applicable to the Company.

xviii. There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.

xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, 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 the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx. In our opinion and according to the information and explanations given to us, there is no unspent amount towards Corporate Social Responsibility (CSR) under sub-section (5) of Section 135 of the said Act pursuant to any project. Accordingly, reporting under clauses 3(xx)(a) and (b) of the Order is not applicable.

For **S.Madanmal Mehta & Co.**
Chartered Accountants
Firm's Registration No: 105701W

(S. M. Mehta)
Proprietor
Membership No: 042119

Place : Mumbai
Date : 21/09/2022

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of ROYAL CHAINS PRIVATE LIMITED of even date)

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

We have audited the internal financial controls over financial reporting of ROYAL CHAINS PRIVATE LIMITED ("the Company") as of 31st March, 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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 based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

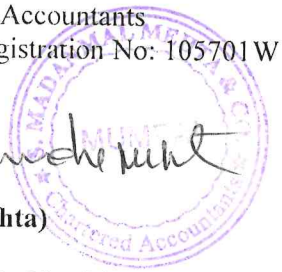
Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

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

For **S.Madanmal Mehta & Co.**
Chartered Accountants
Firm's Registration No: 105701W



(S. M. Mehta)
Proprietor
Membership No: 042119

Place : Mumbai
Date : 21/09/2022

Royal Chains Private Limited

Notes to the financial statements *(Continued)*

for the year ended 31 March 2022

(Currency: Indian rupees)

1. Background

Royal Chains Private Limited ('the Company') was incorporated on 5 September 2013. The Company is primarily engaged in manufacturing of jewellery.

2. Significant accounting policies

2.1 Basis of preparation of financial statements

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act,2013("the 2013 Act")/ Companies Act,1956 ("the 1956 Act"), and the applicable guidelines issued by the Reserve Bank of India ("RBI"). The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

2.2 Use of estimates

The preparation of the financial statements in conformity with the generally accepted accounting principles requires the management to make estimates and assumptions that affect the reported amount of assets, liabilities, revenues and expenses and disclosure of contingent liabilities on the date of the financial statements. The estimates and assumptions used in the accompanying financial statement are based upon management's evaluation of the relevant facts and circumstances as of the date of the financial statements. Actual results could differ from the estimates and assumptions used in preparing the accompanying financial statement. Any revision to accounting estimates is recognized prospectively in current and future periods.

2.3 Fixed assets, Depreciation, Amortisation & Depletion.

Fixed Assets is provided to the extent of depreciation amount on WDV Method. Depreciation is provided based on useful life of the assets as prescribed in schedule II to the Company's Act 2013.

In respect of additions or extensions forming and integral part of existing assets and insurance spares, including incremental cost arising on account of transaction of foreign currency liabilities for acquisition of Fixed Assets, Depreciation is provided as aforesaid over the residual life of the respective Assets.

Intangible assets are amortized over a period of 5 years.

All fixed assets individually costing less than Rs.5, 000 are fully depreciated in the year of purchase.

2. Significant accounting policies (Continued)

2.4 Impairment of assets

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired based on internal/external factors. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs, is less than its carrying amount, the carrying amount is reduced to its recoverable amount.

The reduction is treated as an impairment loss and is recognized in the statement of profit and loss. If at the balance sheet date, there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of the depreciable historical cost.

2.5 Inventories

Inventories of Gold held under current assets are valued at lower of the cost or estimated net realisable value. Cost is determined on FIFO basis.

Inventories of finished goods and work in progress held under current assets are valued at lower of the cost or estimated net realisable value. Stock of finished goods and work in progress comprises of all cost of raw materials as stated above, costs of conversion and other costs including loss on manufacturing incurred in bringing them to their present condition and location.

Inventories of stores and spares held under current assets are valued at lower of the cost or estimated net realisable value. Cost is determined on FIFO basis.

2.6 Revenue recognition

Income from sale of goods is recognised on transfer of significant risks and rewards of ownership of the goods to the customer.

Revenues from other services are recognized pro-rata over the period of the contract as and when services are rendered.

Interest income is recognized on time proportion basis at contracted rate.

2.7 Foreign currency transactions

Foreign currency transactions are recorded at the rates of exchange prevailing on the date of the transaction. Exchange differences, if any arising out of transactions settled during the year are recognised in the statement of profit and loss.

Monetary assets and liabilities denominated in foreign currencies as at the balance sheet date are translated at the closing exchange rates on that date. The exchange differences, if any, are recognised in the statement of profit and loss and related assets and liabilities are accordingly restated in the balance sheet.

2. Significant accounting policies (Continued)

2.8 Miscellaneous Expenditure

Preliminary expenses are written-off in ten equal annual installments.

2.9 Employee benefits

Defined contribution plan

The Company makes Provident Fund and Employees State Insurance Scheme Contribution which are defined contribution plans, for qualifying employees.

Defined Benefit Plan - Gratuity

Gratuity Benefits are administered by Trust formed for this purpose through the Group Scheme of Life Insurance Corporation of India. Gratuity liability is determined at the year end and the liability arising on such valuation is charged to the Statement of Profit & Loss.

2.10 Earnings per share

The Company reports basic and diluted earnings per share in accordance with Accounting Standard 20 - Earnings Per Share prescribed by the Companies (Accounting Standards) Rules, 2006. Basic earnings per share is computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share reflect the potential dilution that could occur if securities or other contracts to issue equity shares were exercised or converted during the year. Diluted earnings per share is computed by dividing the net profit after tax by weighted average number of equity shares and dilutive potential equity shares outstanding during the year.

2.11 Taxation

Income tax expense comprises current tax (i.e. amount of tax for the period determined in accordance with the Income Tax Act, 1961), deferred tax charge or benefit (reflecting the tax effect of timing differences between accounting income and taxable income for the period).

Current tax

Provision for current tax is recognised based on estimated tax liability computed after adjusting for allowances, disallowances and exemptions in accordance with the tax laws applicable.

Deferred taxation

The deferred tax charge or benefit and the corresponding deferred tax liabilities and assets are recognized using the tax rates that have been enacted or substantially enacted as at the balance sheet date. Deferred tax assets are recognised only to the extent there is reasonable certainty that the asset can be realised in future, however, where there is unabsorbed depreciation or carried forward loss -

2. Significant accounting policies *(Continued)*

under taxation laws, deferred tax assets are recognised only if there is a virtual certainty of realisation of the assets. Deferred tax assets are reviewed as at each balance sheet date and written down or written up to reflect the amount that is reasonable/virtually certain (as the case may be) to be realised.

2.12 Provisions and contingencies

The Company creates a provision when there is present obligation 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 the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Loss contingencies arising from claims, litigations, assessment fines, penalties etc. are recorded when it is probable that a liability has been incurred and the amount can be reasonably estimated. Contingent assets are not recognized in the financial statements

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. If it is no longer probable that the outflow of resources would be required to settle the obligation, the provision is reversed.

Contingent assets are not recognised in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an economic benefit will arise, the asset and related income are recognised in the period in which the change occurs.

Royal Chains Private Limited

Balance Sheet

as at 31st March 2022
(Currency: Indian Rupees)

Particulars	Note	2022	2021
Equity and liability			
Shareholders' funds			
Share capital	3	**19,66,89,620**	19,66,89,620
Reserves and surplus	4	**48,67,66,612**	42,54,68,958
		68,34,56,232	62,21,58,578
Non-current liabilities			
Long-term borrowings	5	**7,28,90,107**	3,69,32,487
Current liabilities			
Short-term borrowings	5A	**87,60,90,022**	41,54,90,458
Trade payables		**77,83,13,877**	41,74,24,449
Other current liabilities	6	**3,59,57,182**	12,61,31,646
Short-term provisions	7	**95,14,712**	-
		1,69,98,75,794	95,90,46,553
Total		**2,45,62,22,134**	1,61,81,37,619
Assets			
Non-current assets			
Fixed assets			
Tangible assets	8	**21,08,78,302**	22,50,72,211
Intangible assets	8	**21,05,028**	34,40,121
Non-current Investments	9	**9,00,00,000**	9,00,00,000
Other long term assets	10	**6,83,53,439**	4,88,40,421
		37,13,36,769	36,73,52,753
Current assets			
Inventories	11	**1,22,60,66,643**	43,25,83,054
Trade receivables	12	**61,56,61,421**	69,74,28,752
Cash and bank balances	13	**8,78,46,963**	1,32,55,043
Short-term loans and advances	14	**15,26,62,825**	10,64,14,028
Other current assets	15	**26,47,514**	11,03,989
		2,08,48,85,365	1,25,07,84,866
Total		**2,45,62,22,134**	1,61,81,37,619
Summary of significant accounting policies	2		
Notes to the financial statements	3 - 21		

The notes referred to above form an integral part of the financial statements

As per our report of even date.

For S.Madanmal Mehta & Co.
Chartered Accountants
Firm's Registration No: 105701W

(S. M. Mehta)
Proprietor
Membership No: 042119

Mumbai
Date: 21/09/2022

For and on behalf of the Board of
Royal Chains Private Limited

Director

Director

ROYAL CHAINS PVT. LTD. MUMBAI

Royal Chains Private Limited

Statement of Profit and Loss

for the year ended 31st March 2022
(Currency: Indian Rupees)

Particulars	Note	2022	2021
Income			
Revenue from Operations	16	**16,75,54,03,821**	13,69,42,98,196
Other Income	17	**3,29,35,141**	1,14,05,060
Total revenue (I)		**16,78,83,38,962**	13,70,57,03,256
Expenses			
Purchase of goods and services	18	**17,17,96,69,168**	13,56,93,70,264
Changes in inventories of goods	19	**(79,34,83,589)**	(11,31,93,423)
Employees benefit expenses	20	**8,73,49,513**	4,77,68,678
Finance costs		**4,60,60,021**	3,68,08,329
Depreciation and amortisation expenses	8	**4,12,59,799**	3,80,04,642
Other expenses	21	**9,37,13,172**	5,40,36,546
Total expenses (II)		**16,65,45,68,084**	13,63,27,95,037
Profit before exceptional and extraordinary items and tax (I) - (II)		**13,37,70,878**	7,29,08,219
Extraordinary items		**-**	-
Profit / (loss) before tax (III)		**13,37,70,878**	7,29,08,219
Tax expenses			
Current tax		**5,00,00,000**	2,45,00,000
Less : Taxes of earlier year		**2,24,73,224**	48,03,139
Total tax expenses (IV)		**7,24,73,224**	2,93,03,139
Profit / (loss) for the year (III) - (IV)		**6,12,97,654**	4,36,05,080
Earning per equity share			
[Nominal value of share Rs. 10 (Previous year: Rs. 10)]			
Basic		**3.12**	2.22
Diluted		**3.12**	2.22
Summary of significant accounting policies	**2**		
Notes to the financial statements	**3 - 21**		

The notes referred to above form an integral part of the financial statements

As per our report of even date.

For S.Madanmal Mehta & Co.
Chartered Accountants
Firm's Registration No: 105701W

(S. M. Mehta)
Proprietor
Membership No: 042119

Mumbai
Date : 21/09/2022

For and on behalf of the Board of Directors
Royal Chains Private Limited

Director

Director

ROYAL CHAINS PVT. LTD. MUMBAI

Notes to the financial statements *(Continued)*

as at 31st March 2022
(Currency: Indian Rupees)

	2022	2021
3 Share capital		
Authorised shares		
25,000,000 (Previous Year: 25,000,000) Equity shares of Rs. 10 each	**25,00,00,000**	25,00,00,000
	25,00,00,000	25,00,00,000
Issued, Subscribed and Paid up shares		
19,668,962(Previous Year: 19,668,962) Equity shares of Rs. 10 each fully pai	**19,66,89,620**	19,66,89,620
	19,66,89,620	19,66,89,620

a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Equity shares

	2022		2021	
	No.	**Amount**	No.	Amount
At the beginnig of the year	1,96,68,962	19,66,89,620	1,96,68,962	19,66,89,620
Issued during the year	-	-	-	-
Outstanding at the end of the year	**1,96,68,962**	**19,66,89,620**	1,96,68,962	19,66,89,620

b. Rights and restrictions attached to equity shares

The Company has only one class of equity shares 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 in proprortion to the number of equity shares held by them.

c. Details of shareholders holding more than 5% shares in the Company

	2022		2021	
	No. of shares	**% holding**	No. of shares	% holding
Equity shares				
Futermal D Jain	46,00,000	23.39%	46,00,000	23.39%
Suresh F Jain	46,00,000	23.39%	46,00,000	23.39%
Manish F Jain	46,00,000	23.39%	46,00,000	23.39%
Viren Jewellers LLC	56,68,962	28.82%	56,68,962	28.82%

Notes to the financial statements *(Continued)*

as at 31st March 2022
(Currency: Indian Rupees)

	2,022	2,021
4 Reserves and surplus		
Securities premium account		
Opening balance	**9,89,30,476**	9,89,30,476
Add: additions during the year	**-**	-
Balance as at 31 March	**9,89,30,476**	9,89,30,476
Balance in the statement of profit and loss		
Opening balance	**32,65,38,482**	28,29,33,402
Add: Profit for the year	**6,12,97,654**	4,36,05,080
Balance as at 31 March	**38,78,36,136**	32,65,38,482
Total reserves and surplus	**48,67,66,612**	42,54,68,958
5 Long-term borrowings		
Secured :		
Unsecured :		
From Others	**7,28,90,107**	3,69,32,487
	7,28,90,107	3,69,32,487

Terms of repayment

1. The Unsecured long term borrowings from others carrys interest @12% p.a. and repayable on demand.

5A Short-term borrowings		
Secured :		
Vehicle Loan	**-**	-
Working capital facilities from bank	**87,60,90,022**	41,54,90,458
Term Loan	**-**	-
	87,60,90,022	41,54,90,458

Terms of repayment

1. Working capital facilities from State Bank of India is secured by way of first charge on (i) equitable mortgage of companys immovable properties (ii) personal guarantee of all the directors and third party guarantors (iii) the company's book debts and receivables There is no default, continuing or Otherwise as at the Balance Sheet Date, in repayment of any of the above borrowings.

2. Working capital facilities from Kotak Mahindra Bank Limited is secured by way of pari passu charge with State Bank of India and pari passu charge with SBI on entire current assets and all movable fixed assets. There is no default, continuing or Otherwise as at the Balance Sheet Date, in repayment of any of the above borrowings.

3. Working capital facilities from The Federal Bank Limited is secured by way of pari passu charge with SBI and Kotak Manhindra Bank Limited on entire current assets and movable fixed assets. There is no default, continuing or Otherwise as at the Balance Sheet Date, in repayment of any of the above borrowings.

6 Other current liabilities		
Advance from customers	**2,86,62,832**	12,02,49,843
Statutory dues payable	**28,50,080**	25,51,405
Other payables	**44,44,270**	33,30,399
Advance received from Others	**-**	-
	3,59,57,182	12,61,31,646
7 Short-term provisions		
Provision for income tax	**95,14,712**	-
	95,14,712	-

Royal Chains Private Limited

Notes to the financial statements *(Continued)*

as at 31st March 2022
(Currency: Indian Rupees)

8 Fixed Assets

Description of assets	Gross block				Accumulated depreciation				Net block	
	As at 1st April 2021	Additions	Disposals	As at 31 March 2022	As at 1st April 2021	Charge for the year	Disposals/ Adjustments	As at 31 March 2022	As at 31 March 2022	As at 31 March 2021
A) Tangible assets										
Factory building	7,30,24,897			**7,30,24,897**	95,30,899	51,96,146		**1,47,27,045**	**5,82,97,852**	6,34,93,998
Plant and machinery	26,55,31,439	1,79,06,854		**28,34,38,293**	12,16,82,802	2,74,61,743		**14,91,44,545**	**13,42,93,748**	14,38,48,637
Computers	51,25,835	17,93,729		**69,19,564**	34,84,158	15,47,649		**50,31,807**	**18,87,757**	16,41,678
Factory equipments	1,06,45,102	19,74,318		**1,26,19,420**	72,15,197	17,51,555		**89,66,752**	**36,52,668**	34,29,904
Furnitures and fixtures	95,81,866	12,31,430		**1,08,13,296**	60,17,690	10,83,199		**71,00,889**	**37,12,407**	35,64,176
Vehicles	2,67,56,366	25,33,612	9,88,687	**2,83,01,291**	1,76,62,548	25,16,570	9,11,697	**1,92,67,421**	**90,33,870**	90,93,818
Total	**39,06,65,505**	**2,54,39,943**	**9,88,687**	**41,51,16,761**	**16,55,93,294**	**3,95,56,862**	**9,11,697**	**20,42,38,458**	**21,08,78,302**	**22,50,72,211**
B) Intangible assets										
Computer Software	59,01,694	3,67,844	-	**62,69,538**	24,61,573	17,02,937	-	**41,64,510**	**21,05,028**	34,40,121
Total	**59,01,694**	**3,67,844**	-	**62,69,538**	**24,61,573**	**17,02,937**	-	**41,64,510**	**21,05,028**	**34,40,121**
Grand Total	**39,65,67,199**	**2,58,07,787**	**9,88,687**	**42,13,86,299**	**16,80,54,867**	**4,12,59,799**	**9,11,697**	**20,84,02,968**	**21,29,83,330**	**22,85,12,332**
Previous Year	33,52,82,031	6,12,85,168	-	39,65,67,199	13,00,50,225	3,80,04,642	-	16,80,54,867	22,85,12,332	

	2,022	2,021
9 Non-Current Investment		
Preference Shares 90,000 (Previous Year: 90,000) 0.6% Redeemable non cumulative convertible preference of ' 1000 each	**9,00,00,000**	9,00,00,000
	9,00,00,000	9,00,00,000
10 Other long term assets		
Income tax paid (Net of provision for tax)	**-**	2,24,73,224
Balance with government authorities	**6,83,53,439**	2,63,67,197
	6,83,53,439	4,88,40,421
11 Inventories (at lower of cost and net realizable value, as taken, valued and certified by the management)		
Finished goods	**1,18,58,92,974**	42,54,43,805
Raw material	**4,01,73,669**	71,39,249
Stores, spares and consumables	**-**	-
	1,22,60,66,643	43,25,83,054
12 Trade receivables		
Unsecured, considered good		
Outstanding for a period exceeding six months from the date they are due for payment	**1,95,88,930**	1,43,51,341
Other receivables	**59,60,72,491**	68,30,77,411
	61,56,61,421	69,74,28,752

		2,022	2,021
13	**Cash and bank balances**		
	Cash and cash equivalents		
	Balances with banks:		
	- In current accounts	**1,99,49,869**	9,43,720
	Cash on hand	**48,64,813**	70,23,642
	(A)	**2,48,14,682**	79,67,362
	Other bank balances		
	Fixed deposits with original maturity for more than 12 months	**6,30,32,281**	52,87,681
	(B)	**6,30,32,281**	52,87,681
	Total (A) + (B)	**8,78,46,963**	1,32,55,043

14 Short term loans and advances

Unsecured, considered good

Security deposits	**3,49,85,926**	46,44,397
Loans and advances to related parties	**39,65,411**	1,89,17,285
Prepaid expenses	**25,51,278**	21,15,499
Advance to employees	**17,53,272**	16,42,764
Advance to suppliers	**3,42,52,938**	39,40,083
Advances Others*	**7,51,54,000**	7,51,54,000
	15,26,62,825	10,64,14,028

* Includes advance amounting to Rs.7.50 Crs (March 31,2021 Rs.7.50 Crs) given to Shirt Company (India) Pvt Ltd. towards Purchase of Property in MIDC, Navi Mumbai. The Shirt Company (India) Pvt Limited was purporting to terminate the agreement. Which the Company has challanged the matter with honourable mumbai High Court. The Honourable High Court at Mumbai has vide its order dated January 17,2020 has decided the writ petition in favour of the company by appointing the Court receiver, High Court, Bombay to take the physical possession of the said property and physical possession has been taken on January 29,2020. The Shirt Company (India) Pvt Ltd is unwilling to accept any settlement or negotiation to complete the transaction, avoiding and ending all litigation and unfortunately with the parties consent the arbitrator is appointed. The matter was heard at various dates by Arbitrator. During the proceedings the Shirt Company (India) Pvt Ltd has gone into liquidation and filed before NCLT. Thus, the matter has disposed by directing a operational creditor to NCLT. The management is hopeful of full recovery of the same.

15 Other current assets

Interest accrued on fixed deposits	**26,47,514**	11,03,989
Other current assets	**-**	-
	26,47,514	11,03,989

	2022	2021
16 Revenue from operations		
Sale of goods	**16,70,15,57,989**	13,65,54,88,247
Sale of services	**5,38,45,832**	3,88,09,949
Revenue from operations	**16,75,54,03,821**	13,69,42,98,196
17 Other income		
Interest income on		
- Bank deposits	**22,92,756**	19,95,702
- Others	**-**	3,45,027
Net gain on foreign exchange	**2,83,90,335**	82,55,051
Other non-operating income	**2,98,844**	8,09,280
Profit on sale of assets	**1,30,041**	-
Net gain on forward contracts	**18,23,165**	-
	3,29,35,141	1,14,05,060
18 Purchase of goods and services		
Purchases		
Purchase of raw material	**15,42,61,61,072**	11,20,32,05,915
Purchase of ornaments	**1,62,08,66,122**	2,26,50,50,468
Purchase of stores, spares and consumables	**5,23,53,801**	2,55,64,666
Purchase of services	**8,02,88,173**	7,55,49,215
	17,17,96,69,168	13,56,93,70,264
19 (Increase) / decrease in inventories		
Inventories at the end of the year		
Finished goods	**1,18,58,92,974**	42,54,43,805
Raw material	**4,01,73,669**	71,39,249
Stores, spares and consumables	**-**	-
	1,22,60,66,643	43,25,83,054
Inventories at the beginning of the year		
Finished goods	**42,54,43,805**	25,94,05,862
Raw material	**71,39,249**	5,99,83,769
Stores, spares and consumables	**-**	-
	43,25,83,054	31,93,89,631
(Increase) /decrease		
Finished goods	**(76,04,49,169)**	(16,60,37,943)
Raw material	**(3,30,34,420)**	5,28,44,520
Stores, spares and consumables	**-**	-
	(79,34,83,589)	(11,31,93,423)

Notes to the financial statements *(Continued)*

for the year ended 31st March 2022
(Currency: Indian Rupees)

	2022	2021
20 Employee benefit expenses		
Salaries, wages and other allowances	**6,16,19,778**	3,01,86,446
Contribution to provident and other funds	**4,22,894**	1,86,346
Gratuity expense	**16,78,460**	-
Directors remuneration	**2,10,00,000**	1,57,50,000
Staff welfare expenses	**26,28,381**	16,45,886
	8,73,49,513	4,77,68,678
21 Other expenses		
Power and fuel	**59,21,092**	57,12,458
Rates and taxes	**5,90,505**	4,46,552
Net loss on forward contract	**-**	9,11,466
Rent	**1,17,30,253**	79,03,325
Repairs and maintenance	**60,86,490**	45,75,337
Travelling and conveyance	**21,02,357**	10,28,386
Insurance	**75,94,077**	67,49,164
Communication cost	**70,24,990**	52,48,798
Legal, professional and consultancy charges	**62,90,078**	56,68,198
Bank charges	**10,63,499**	7,66,992
Processing charges	**43,01,000**	12,75,127
Printing and stationary	**3,83,450**	2,47,906
Brokerage and commission	**1,63,528**	2,45,369
Donation	**1,22,500**	1,38,000
Exhibition expense	**63,33,842**	16,04,143
Hallmarking Charges	**1,04,04,033**	-
Advertisement expenses	**14,89,674**	7,05,262
Sales promotion expenses	**81,95,706**	55,44,001
Society charges	**2,68,216**	2,69,216
Security charges	**50,44,599**	45,50,251
Payment to auditors	**1,00,000**	1,00,000
Expenditure on Corporate social responsibility (Refer note 22.9)	**60,00,000**	-
Miscellaneous expenses	**2,61,255**	1,11,735
Other expenses	**22,42,027**	2,34,859
	9,37,13,172	5,40,36,546

22. Notes to the accounts

22.1 Earnings per share

In accordance with Accounting Standard 20 on Earnings per Share issued by the Companies (Accounting Standards) Rules 2006 the computation of earnings per share is set out below:

		2022	2021
a)	Shareholders earnings (as per the statement of profit and loss)	**61,297,654**	43,605,080
	Shareholders earnings - for diluted earnings per share	--	--
b)	Calculation of weighted average number of Equity Shares of Rs 10 each:		
	– Number of shares at the beginning of the year	**19,668,962**	19,668,962
	– Number of Shares issued during the year	**0**	0
	Total number of equity shares outstanding at the end of the year	**19,668,962**	19,668,962
	Weighted average number of equity shares outstanding during the year (based on the date of issue of shares)	**19,668,962**	19,668,962
c)	Number of dilutive potential equity shares	**19,668,962**	19,668,962
d)	Basic earnings per share (in rupees) (a/b)	**3.12**	2.22
e)	Diluted earnings per share (in rupees) (a/c)	**3.12**	2.22

22.2 *Deferred taxes*

The primary components that gave rise to deferred tax liabilities and assets are as follows:

	2022	2021
Deferred tax assets		
Depreciation	**772,387**	**9,864,637**
Carried forward unabsorbed losses	**0**	**0**
	772,387	**9,864,637**

*Due to carry forward losses and absence of virtual certainty of realisation of other assets, deferred tax assets have not been recognized.

22.3 *Disclosure pursuant to Accounting Standard 15 (Revised) - Employee Benefits*

Defined contribution plan (Provident fund and ESIC):

The Company recognized Rs.4,22,894/- (Previous year ended 31.03.2021: Rs. 1,86,346/-) for Provident Fund and ESI Contribution in the statement of Profit and Loss Account.

22.4 *Contingent liabilities*

(a)

	2022	2021
- Bank guarantees given to Commissioner of Customs for EPCG License	**0**	0
Total	**0**	0

(b) During the year, the Company has received Notice u/s 148 of the Income Tax Act,1961 for treating income as amount received towards share capital in the financial year 2015-2016 though the assessment u/s 143(3) of the Income Tax Act,1961 for the same year was completed by Income Tax Department. In view of this, the Company has challenged the same by filing writ petition in the High Court of Mumbai, which is pending for disposal. The Income tax department has also sent similar notice u/s 148 of the Income Tax Act,196 for financial year 2016-2017 treating the income received as share capital of financial year 2015-2016 as income.

22. Notes to the accounts *(Continued)*

22.5 As per Accounting Standard (AS) 18, the disclosures of transaction with the related parties are given below:

i) List of related parties when control exists & related parties with whom transactions have taken place & relationships.

Sr. No.	*Name of the Parties*	*Relations*
1	*Suresh F. Jain*	*Key Managerial Personal*
2	*Futermal D. Jain*	*Key Managerial Personal*
3	*Manish F Jain*	*Key Managerial Personal*

ii) Transaction during the year with related parties.

Sr. No.	*Name of the Transaction*	*Key Managerial Personal/Relative*	*Subsidiaries / Beneficiary*	*Associate*	*Others*	*Total*
1	*Director Remuneration*	*70,00,000*	-	-	-	*70,00,000*
2	*Director Remuneration*	*70,00,000*	-	-	-	*70,00,000*
3	*Director Remuneration*	*70,00,000*	-	-	-	*70,00,000*

22.6 Capital commitments and

At 31 March 2022 the Company has commitments of Rs. Nil (Previous year: Rs. Nil).

22.7 Foreign currency transactions

The Company has undertaken the following transactions in foreign currency:

	2022	2021
Expenditure incurred in foreign currency		
Raw materials	**697,968,234**	134,344,803
Ornaments	**0**	0
Stones	**0**	0
Chemicals	**0**	0
Stores and spares	**40,326,013**	18,318,067
Capital goods	**11,963,904**	38,785,129
Travelling	**0**	0
Total	**750,258,151**	191,447,999
FOB value of exports	**1,830,847,175**	652,225,932
Total	**1,830,847,175**	652,225,932

22.8 Auditors' remuneration

	2022	2021
As auditors	**100,000**	100,000
Reimbursement of expenses	**--**	--
Total	**100,000**	100,000

22.9 Corporate social responsibility

	2022	2021
Amount required to be spent as per section 135 of the companies act	**2,045,542**	2,198,556
Amount spent during the year	**6,000,000**	0
Total	**0**	0

22.10 Details of dues to micro small and medium enterprises

The Company has no information about the status of its creditors to identify their status under Micro, Small and Medium Enterprises Development Act, 2006. Consequently, the disclosure requirement u/s 22 of the said Act has not been made.

22.11 Prior year comparatives

(a) Figures of earlier period/year have been rearranged in terms of current period grouping as and when necessary.

(b) Previous Year Figures are not comparable due to The World Health Organization declared a global pandemic of the Novel Coronavirus disease (COVID-19) on February 11, 2020 in enforcing Social distancing to contain the spread of the disease.

For **S.Madanmal Mehta & Co.**
Chartered Accountants
Firm's Registration No: 105701W

(S. M. Mehta)
Proprietor
Membership No: 042119

Place : Mumbai
Date: 21/09/2022

For and on behalf of the Board of directors

Director *Director*

ROYAL CHAINS PVT. LTD. MUMBAI

ROYAL CHAINS PRIVATE LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2022

Particulars	Current Year (Rs.)	Current Year (Rs.)	Previous Year (Rs.)	Previous Year (Rs.)
A. CASH FLOW FROM OPERATING ACTIVITIES				
Net profit before tax and extraordinary items		13,37,70,878		7,29,08,219
ADJUSTMENTS FOR				
Interest income	(22,92,756)		(23,40,729)	
Other income	(3,06,42,385)		(90,64,331)	
Interest expenditure	4,60,60,021		3,68,08,329	
Depreciation	4,12,59,799		3,80,04,642	
Profit on sale of assets	(1,30,041)		-	
		5,42,54,638		6,34,07,912
Operating profit before working capital changes		18,80,25,516		13,63,16,131
ADJUSTMENTS FOR				
Trade and other receivables	8,17,67,331		(10,32,03,717)	
Short Term Loans and Advances	(4,62,48,797)		5,23,99,306	
Long Term Loans and Advances	(1,95,13,018)		(83,27,865)	
Other Current Assets	(15,43,525)		6,71,394	
Inventories	(79,34,83,589)		(11,31,93,423)	
Trade and other payables	36,08,89,428		24,76,35,251	
Short Term Provisions	95,14,712		(1,94,38,651)	
Other Current Liabilities	(9,01,74,464)		(2,50,89,716)	
		(49,87,91,921)		3,14,52,578
Cash generated from operations		(31,07,66,405)		16,77,68,709
Direct taxes paid/ received		(7,24,73,224)		(2,93,03,139)
Net cash from operating activities		(38,32,39,629)		13,84,65,570
B. CASH FLOW FROM INVESTING ACTIVITIES				
Payments for purchase of fixed assets		(2,58,07,787)		(6,12,85,168)
Payments for purchase of shares of venturer and capital contribution in joint venture		-		-
Proceeds from sale of fixed assets		2,07,031		-
Non Operating Income		3,29,35,141		1,14,05,060
Net cash used in investing activities		73,34,385		(4,98,80,108)
C. CASH FLOW FROM FINANCING ACTIVITIES				
Proceeds from Shareholders		-		-
Proceeds from borrowings (net)		49,65,57,185		(6,59,83,671)
Interest paid		(4,60,60,021)		(3,68,08,329)
Net cash used in financing activities		45,04,97,164		(10,27,92,000)
Net increase in cash and cash equivalents (A+B+C)		7,45,91,920		(1,42,06,536)
Cash and cash equivalents - opening		1,32,55,043		2,74,61,579
Cash and cash equivalents - closing		8,78,46,963		1,32,55,043
Net increase as disclosed above		7,45,91,920		(1,42,06,536)

Note : 1. Brackets indicates cash outflow

2. Previous year figures have been regrouped, reclassified and rearranged whrerever necessary.

As per our report attached of even date

For S.Madanmal Mehta & Co.

Chartered Accountants

Firm's Registration No: 105701W

(S. M. Mehta)

Proprietor

Membership No: 042119

Place : Mumbai

Dated: 21/09/2022

On behalf of the Board of directors

Director

Director

ROYAL CHAINS PVT. LTD. MUMBAI