November 28, 2023

To,	To,
The General Manager-Listing,	The Manager (Listing),
BSE Limited,	**National Stock Exchan2e oflndia Limited**
Phiroze Jeejeebhoy Towers,	Exchange Plaza, Bandra Kurla Complex,
Dalal Street, Mumbai 400 001	Mumbai - 400051
Scrip Code: 533189	**Symbol: GOENKA**

SUB : Annual Report for Financial year 2022-23

Dear Sir/ Madam,

We would like to inform you that Annual General Meeting of the Company to be held on December 20, 2023 at 11:00 A.M. at Bungalow No. C -114, Shivaji Marg, Vijaypath, Tilak Nagar, Jaipur – 302 004.

The cut-off date for the purpose of remote e-voting ("e-voting") is December 14, 2023 and the e-voting will commence on Sunday December 16, 2023 at 9:00 a.m. and will end on Tuesday December 18, 2023 at 5:00 P.M.

We request you to take the same on your records Annual Report is enclosed with this letter.

This is for your information and record.

Kindly take the same on record.

Thanking you.
Regards,

For **Goenka Diamond and Jewels Limited**

Dimpal Jaiswal
Company Secretary and Complaince Officer

GOENKA DIAMOND AND JEWELS LIMITED
Corp. Off.: 1305, Panchratna, Opera House, Mumbai - 400 004. Tel.: (022) 2361 3102, 2362 0222 Fax: (022) 2367 6020
Regd. Off.: 401, Panchratna, M.S.B. Ka Rasta, Johari Bazar, Jaipur 302 003, India Tel.: (0141) 2574175 Fax: (0141) 2573305
e-mail: accounts@goenkadiamonds.com Website: www.goenkadiamonds.com CIN : L36911RJ1990PLC005651

MANUFACTURER OF
LARGE DIAMONDS & FINE JEWELLERY

Annual Report 2022-2023

GOENKA
DIAMOND & JEWELS LIMITED

Index

Suspended Board of Directors

Mr. Nandlal Goenka (DIN:00125281)
Chairman

Mr. Navneet Goenka (DIN:00164428)
Vice Chairman and Managing Director

Mr. Bhau Sanjay Dhure (DIN:08067074)
Independent Director

Mrs. Dhara Atul Shah (DIN:08067855)
Independent Director

Mr. Tushar R Momaiyah (DIN: 08742170)
Independent Director

Mr. Sanjeev Kumar Jain (DIN: 08899206)
Executive Director

IRP Details

Mr. Sourabh Malpani (NCLT appointed IRP)

Company Secretary & Compliance Officer
Ms. Dimple Jaiswal

Registered Office
401, Panchratana, M. S. B. Ka Rasta,
Johari Bazar, Jaipur-302003
Telephone: + 91 141 2574175;
Facsimile: +91 141 2573305

Corporate Office
1305, Panchratna Building, Mama Parmanand Marg,
Opera House, Girgaon Division,
Street No. 184, Mumbai - 400 004
CIN: L36911RJ1990PLC005651
Telephone: + 91 22 23676030;
Facsimile: + 91 22 23676020;
Email: cs@goenkadiamonds.com
Website: www.goenkadiamonds.com

Statutory Auditors
M/s. Ummed Jain & Co., (Regn. No. 119250W)
Chartered Accountants

Registrar and Transfer agents
KFin Technologies Private Limited.
Selenium Tower B, Plot No. 31 & 32,
Financial District, Serilingampally Mandal,
Hyderabad- 500 032
Tel.: 040 6716 1565
Website: www.kfintech.com

Bankers
a) Punjab National Bank
b) Punjab & Sind Bank
c) Axis Bank (ARC)
d) Union Bank of India
(formerly known as Corporation Bank)
e) UCO Bank (ARC)
f) Central Bank of India (ARC)
g) Karnataka Bank (ARC)

Depositories

National Securities Depository Limited ("NSDL")

Central Depository Services (India) Limited ("CDSL")

33rd Annual General Meeting
Wednesday, December 20, 2023 at 11.00 a.m. at
Bungalow No. C -114, Shivaji Marg, Vijaypath, Tilak Nagar,
Jaipur – 302 004.

Brief Profile of our Directors

Mr. Nand Lal Goenka (DIN: 00125281), is the Chairman of our Company. He is the founder member of our Company and has been with our Company as a Director since incorporation. On October 28, 2002, he was appointed as a Whole-Time Director and on April 15, 2008, he was appointed as the Chairman of our Company till March 31, 2018. At the Annual General Meeting held on September 29, 2018, he was re-appointed as the Chairman of our Company for five years. At the Annual general Meeting held on September 30, 2022 he was re-appointed as the Whole Time Director and Chairman of our Company w.e.f. April 01, 2023 for a period of one year. He is the acting Chief Executive Officer of the company. He holds a graduate degree in chemicals from Rajasthan University, Jaipur. Mr. Nand Lal Goenka has around 51 years of experience in the jewellery export, retail and designing business. Mr. Nand Lal Goenka was honored with 'National Unity Award' by the Governor of Rajasthan on June 26, 1993 for outstanding services, achievements and contributions at the 34th All India National Unity Conference in Jaipur. He was also the first jeweller whose achievements in the gems and jewellery sector were featured in national television in 1992, in a programme titled – "The Face in the Crowd". Mr. Nand Lal Goenka was the Vice-President of Federation of Rajasthan Trade and Industry, which consists of 160 trade associations as its members. As the founder member of our Company, Mr. Nand Lal Goenka is in charge of planning and executing the growth strategy of our Company. He also looks after the general administration of our Company and is in charge of procuring raw materials required by our Company.

Mr. Navneet Goenka (DIN: 00164428), is the Vice-Chairman & Managing Director and Chief Financial Officer of our Company. He was appointed as an Additional Director of our Company on December 09, 1994 and appointed as Director of our Company in the AGM of our Company dated September 29, 1995. On October 28, 2002 he was appointed as a Whole-Time Director of our Company and on April 15, 2008, he was appointed as the Vice-Chairman and Managing Director of our Company till March 31, 2018. At the Annual General Meeting held on September 29, 2018, he was re-appointed as the Vice-Chairman and Managing Director of our Company w.e.f. April 01, 2018 for a period of five years. At the Annual general Meeting held on September 30, 2022 he was re-appointed as the Whole Time Director and Chairman of our Company w.e.f. April 01, 2023 for a period of one year. He acted as CFO since 2008. He was appointed as a CFO of our company w.e.f. August 21, 2014 and he has resigned as CFO w.e.f. May 28, 2019 and appointed as CFO of the company w.e.f. August 14, 2019. He is a commerce graduate from the Mumbai University and has a graduate diamonds diploma from the Gemological Institute of America, New York. Mr. Navneet Goenka has more than 26 years of experience in the jewellery export, retail and designing business. He had joined our Company at a very young age and has been contributing to its growth since then. In his capacity as CFO, he is responsible for taking all decisions relating to Finance, Accounts and Legal Compliances including Taxation, Secretarial Matters, FEMA etc. He also heads the export-import department and the production activities of our Company. Further, Mr. Navneet Goenka also takes care of all the matters relating to the subsidiaries of our Company.

Mr. Bhau Sanjay Dhure (DIN: 8067074), is a Non-Executive Independent Director of our Company. He was appointed as an Additional Director (Independent) of our Company on 06th February, 2018 and then regularised in Annual General Meeting dated September 29, 2019. He was re-appointed in the extra ordinary general meeting of the company held on March 31, 2023. He holds degree in Bachelor of Commerce, University of Mumbai. He is a Bank Officer in Yes Bank, one of the leading private sectors Bank. He is a member of Audit Committee, Stakeholders Relationship Committee and Nomination and Remuneration Committee of the company. He is having versatile experience in Banking and Credit management.

Mrs. Dhara Atul Shah (DIN: 08067855), is a Non-Executive Independent Woman Director of our Company. She was appointed as an Additional Director (independent) of our Company on February 06, 2018 and then regularised in Annual General Meeting dated September 29, 2019. She was re-appointed in the extra ordinary general meeting of the company held on March 31, 2023 She graduates from Arts and Economics stream. She is a member of Audit committee, Stakeholders Relationship committee and Nomination and Remuneration committee of the company. She has good experience in working with renowned people in the field of Finance, management and Economics.

Mr. Tushar R. Momaiyah (DIN: 08742170) is an advocate B.Com., LL.B., Mumbai University, Practiced on Original as well as Appellate Side of Bombay High Court at Bombay. Also appeared in the Supreme Court, Handled almost all types of Civil Criminal and Constitutional cases including Service matters and Election petitions, Municipal Corporations, Financial Institutions, Corporate Houses and Multinational Firms as well. I appeared in several important matters and also in Public Interest Litigations and Practiced at City Civil Small causes Court Quila Court Thane court Bandra court Dindoshi Court Associated with Ram & Co and K-1 one legal Pvt ltd I have been associated in Salman Khan case of hit and run and fight for Chief justice of India Justice Dipak Mishra Keenly interested in Travelling, Reading and Social activities. Actively associated with Legal Aid Movement

Mr. Sanjeev Kumar Jain (DIN : 08899206) is a Graduate having experience of more than 12 years in the industry of Gem and Jewellery he has expertise in color stone and related jewellery items. He is with company for more than 7 years and knows the customer base as wella a vendor of the company. He is an asset to the company for future growth and development.

NOTICE

NOTICE is hereby given that the Thirty Three Annual General Meeting of the Members of **GOENKA DIAMOND AND JEWELS LIMITED ("the Company")** will be held on Wednesday, December 20, 2023, at 11.00 a.m. at Bungalow No. C - 114, Shivaji Marg, Vijaypath, Tilak Nagar, Jaipur – 302 004 to transact the following business:

ORDINARY BUSINESS:

1. To consider and adopt :

    a) Standalone Audited Financial Statements of the Company for the financial year ended March 31, 2023 including the Balance Sheet as at March 31, 2023, the Statement of Profit & Loss and Cash Flow Statement for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.

    b) Consolidated Audited Financial Statements of the Company for the financial year ended March 31, 2023 including the Balance Sheet as at March 31, 2023, the Statement of Profit & Loss and Cash Flow Statement for the year ended on that date and the Reports of the Auditors thereon.

2. **To re-appoint Mr. Sanjeev Kumar Jain (DIN 08899206) who is liable to retire by rotation and being eligible offers himself for re-appointment as an Executive Director: and in this regard to consider and if thought fit, to pass, with or without modification (s), the following resolution as an Ordinary Resolution:**

    "**RESOLVED THAT** pursuant to the provision of Sections 152 read and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being force) and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Sanjeev Kumar Jain (DIN 08899206), who was appointed as Director (Executive) pursuant to the provisions of the Companies Act, 2013, vide Annual General Meeting dated December 18, 2020 and liable to retire by rotation and being eligible offers himself for re-appointment and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby re-appointed as Director(Executive) and shall be subject to retirement by rotation."

    "FURTHER RESOLVED THAT the Board of Directors of the Company and Company Secretary of the Company be and is hereby authorized to do all such acts and deeds and to execute all such documents as may be required for the purpose and to submit a Certified True copy of this resolution as and when required."

Place: Mumbai
Date: November 09, 2023

By Order of the Board of Directors

Registered office:
401, Panchratana,
M. S. B. Ka Rasta,
Johari Bazar,
Jaipur-302003
CIN: L36911RJ1990PLC005651
E-mail id: cs@goenkadiamonds.com

Navneet Goenka
DIN : 00164428
Managing Director

NOTES:

1. **The relative Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (“Act’) I snot applicable as there is no special business.**

2. **A Member entitled to attend and vote at the Annual General Meeting (the “Meeting) is entitled to appoint a proxy to attend and vote on a poll instead of himself / herself and the proxy need not be a member of the Company. The instrument appointing the proxy should, however, be deposited at the registered office of the Company not less than forty-eight hours before the commencement of the Meeting.**

   A person can act as a proxy on behalf of members not exceeding fifty and/or holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

3. Members/ Proxies are requested to bring the Attendance Slip(s) duly filled in. Attendance slip is separately sent to Shareholders along with this Annual Report.

4. Shareholders are requested to bring their copy of Annual Report to the Meeting.

5. Corporate Members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a duly certified copy of Board Resolution authorizing their representative to attend and vote on their behalf at the Annual General Meeting.

6. In case of joint holders attending the Annual General Meeting, member present or in case both members are present the person whose name is appearing as first holder will be entitled to vote.

7. Pursuant to Regulation 42 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 (“SEBI **LODR**”), the Register of Members and Share Transfer Books of the Company will remain closed from December 17, 2023 to December 19, 2023 (both days inclusive).

8. While members holding shares in physical form may write to the Registrar and Transfer Agents, (M/s KFin Technologies Private Limited) for any changes in their addresses and bank mandates, members holding shares in electronic form may inform the same to their Depository Participants.

9. Members who hold their shares in dematerialized form are requested to write their client ID and DP ID number and those who hold shares in physical form are requested to write their Folio Number in the attendance slip for attending the meeting.

10. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit PAN to their Depository Participant(s) with whom they are maintaining their D’mat accounts. Members holding shares in physical form can submit their PAN details to the Company.

11. Members seeking any information with regard to the accounts are requested to write to the Company at an early date, so as to enable the Management to keep the information ready at the Meeting.

12. Electronic Copy of this Annual Report along with the attendance slip carrying e-voting procedure & instructions is sent to the members whose e-mail ids are registered with the RTA of the Company. In case of members who have not registered e-mail ids, the Company has sent physical copy of this Annual Report, along with the attendance slip carrying e-voting procedure & instructions. However, the member who has not received the electronic copy or the physical copy may write to the Company at cs@goenkadiamonds.com, and the Annual Report will be sent to them. Kindly also note that the Copy of this Annual Report is also available on the website of the Company. The Attendance slip carrying e-voting procedure & instructions is separately attached with this Annual Report.

13. Members may also note that even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, free of cost. In this regard, the shareholders may also send requests to the Company’s designated e-mail id: cs@goenkadiamonds.com**.**

14. Pursuant to provisions of Section 108 of Companies Act, 2013, and rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to

vote for the resolutions to be passed at the 33rd Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting services provided by KFin Technologies Private Limited (Kfin).

The members may cast their votes using an electronic voting system from a place other than the venue of the Meeting ('remote e-voting').The procedures and instructions for e-voting along with the user id and password are mentioned in the attendance slip which is separately attached to this Annual Report.

15. The members would be able to cast their votes at the meeting through ballot paper if they have not availed the remote e-voting facility. If the vote is cast through remote e-voting facility, then the vote cast through ballot paper at the meeting will not be recognized. However, members who have cast their votes through e-voting prior to the meeting may also attend the meeting.

16. Voting rights shall be reckoned on the paid up value of shares registered in the name of the member / beneficial owner as on the cut-off date i.e. December 14, 2023.

17. For the purpose of e-voting, please note that the Login Id and password are mentioned in the attendance slip sent to share holders along with this annual report. Also note that in case of shareholders holding their D'mat account with NSDL, Login Id will be the combination of 8 digit DP ID + 8 digit Client ID. In case of shareholders holding their D'mat account with CDSL, Login Id will be their 16 digit Beneficiary ID. In case of shareholders holding shares in physical form, Login Id will be Event Number + Folio Number.

18. Any person who becomes a member of the Company after dispatch of the Notice of the Meeting and holding shares as on the cut-off date i.e. December 14, 2023 may use his existing login id if he is already registered on the e-voting portal of Kfin; or he may create his login id based on the guideline as mentioned at point number 17 above, as also the password by following the instructions as given on the e-voting portal of Kfin. In case of difficulty, if any, the shareholder may write to the Kfin on the e-mail Id shivakumar.n@kfintech.com or to Mr. Shiva Kumar, Contact No. 040- 6716 1565 at KFin Technologies Private Limited, Unit- Goenka Diamond & Jewels Limited, Selenium Tower B, Plot 31-32, Gachibowli,Financial District, Nanakramguda, Serilingampally Mandal , Hyderabad – 500 032, requesting for the Login ID and Password. Such email / letter sent to Kfin should mention basic details including PAN Number, registered mobile number, registered email id and 'DP ID & Client ID' or 'Folio Number' (in case the shares are held in physical form). After receipt of the login credentials, please follow the procedures and instructions for e-voting as mentioned in the attendance slip which is separately attached to this Annual Report.

19. In accordance with the amendments to Regulation 40 of Listing Regulations, to be made effective later, the Securities and Exchange Board of India (SEBI) has revised the provisions relating to transfer of listed securities and has decided that request for effecting transfer of listed securities shall not be processed unless the securities are held in dematerialized form with a Depository (National Securities Depository Limited and Central Depository Services (India) Limited). Members holding shares in physical form are requested to convert their holding(s) to dematerialized form to avoid any adverse consequences associated with physical shares.

20. Relevant documents referred to in the accompanying Notice and the statement pursuant to section 102 (1) of the Companies Act, 2013 are available for inspection at the Registered office of the Company during the Business hours on all days except, Sundays and all public holidays upto the date of AGM;

Place: Mumbai
Date: November 09, 2023

By Order of the Board of Directors

Registered office:
401, Panchratana,
M. S. B. Ka Rasta,
Johari Bazar,
Jaipur-302003
CIN: L36911RJ1990PLC005651
E-mail id: cs@goenkadiamonds.com

Navneet Goenka
DIN : 00164428
Managing Director

DIRECTORS' REPORT

Dear Shareholders,

The company's bank accounts turned out to be Non-Performing Assets from the financial year 2015-16, subsequently one of the member bank of consortium approached National company Law tribunal ("NCLT)National company Law Tribunal ("NCLT"), the case was admitted by NCLT in December 2022, at the first place NCLT appointed Mr. Vishal Bidawatjika as an Insolvency Resolution Professional ("IRP") and subsequently in April , 2023 has appointed Mr. Sourabh Malpani as Insolvency Resolution Professional (IRP). In this annual report the words Director(s) and Board of Directors shall be construed as Suspended Director(s) and Suspended Board Respectively.

Suspended Board and IRP presents the Thirty Third Annual Report together with the Audited Financial Statements for the financial year ended March 31, 2023

Financial Highlights

(Rs **In lakhs)**

Particulars	**31.03.2023**	**31.03.2022**
Sales and Other Income	217.71	481.11
Less: Expenses	351.39	607.46
Profit / (Loss) before tax and depreciation	(133.68)	(127.32)
Less: Depreciation	54.01	43.54
Net Profit/(Loss) before Tax	(187.69)	(170.86)
Less : Exceptional Item	-	-
Less: Income tax provision	0.00	0.00
Less: Deferred Tax	(0.19)	1.63
Less: Earlier Years' Income Tax	0.00	0.00
Less: MAT Credit Entitlement	0.00	0.00
Profit/(Loss) after tax and exceptional items	(187.51)	(172.48)
Balance brought forward from previous year	11,099.78	1,1272.27
Profit available for appropriation	10,912.27	11,099.78
Appropriation		
Issue of Bonus shares	----	----
Transfer to General Reserve	----	----
Proposed Dividend on Equity shares	----	----
Tax on Proposed Dividend	----	----
Profit carried over to Balance Sheet	10,912.27	11,099.78
Earnings per share	(0.06)	(0.05)

State of Company's Affairs

Your Directors wish to inform you that during the current financial year ended March 31, 2023, the sales and other income of the Company were Rs. 217.71 lakhs in comparison of Rs. 481.11 Lakhs for the Financial Year ended on March 31, 2022. During the Financial Year 2022 – 23 the company incurred Net Loss before tax of Rs. 187.69 Lakhs against Net loss before tax of Rs. 170.86 lakhs in the previous year.

Dividend

Due to losses incurred by the company during the year, the directors do not recommend any dividend.

IPO Fund Utilization

The details of IPO proceeds which have been utilized by the Company are as given under. The Company has utilized major portion of IPO proceeds for expansion as and when the correct opportunity and favorable market conditions were available. However, insignificant portion of the proceeds allocated for the expansion is left

unutilized and the remaining amounts of Rs.76.98 lakhs have been attached / adjusted by government authorities against disputed dues.

Directors and Key Managerial Personnel

The Suspended Board comprises of 6 directors comprising of 2 promoter directors, 1 professional director and 3 independent directors including one woman director. Definition of 'Independent Director' is derived from Regulation 16(b) of the SEBI LODR and Section 149(6) of the Companies Act, 2013. Based on the confirmation / disclosures received from the Directors under section 149(7) of the Companies Act 2013 and on evaluation of the relationships disclosed, the Non-Executive Independent Directors – Mr. Bhau Dhure. Mr. Tushar Momaiyah and Mrs. Dhara Atul Shah are considered as Independent Directors, who are not liable to retire by rotation.

In compliance with the requirements of Section 203 of the Companies Act, 2013, Mr. Nandlal Goenka, Chairman, Mr. Navneet Goenka, Vice Chairman & Managing Director and CFO and, Ms. Dimple Jaiswal, Company Secretary & Compliance Officer of the Company continued as Key Managerial Personnel. Mr. Sourabh Malpani is at present IRP of the company.

Directors' Responsibility Statement

Pursuant to Section 134 of the Companies Act, 2013 ('the Act'), in relation to the Annual Financial Statements for the Financial Year 2022-2023, your Directors, to the best of their knowledge and ability, confirm that:

a) in the preparation of the annual accounts for the year ended March 31, 2023, the applicable Ind As, which is adopted first time in preparation of financial statements for the year ended March 31, 2023 as per the applicable laws and rules and regulations for the time being in force the read with requirements set out under Schedule III to the Act, have been followed along with proper explanation relating to material departures;

b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2023 and of the loss of the Company for the year ended on that date;

c) the Directors have taken proper and sufficient care for the 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 fraud and other irregularities;

d) the directors have prepared the annual accounts on a "going concern" basis. However, the Statutory Auditors have expresses doubts on the ability of the company to continue as a going concern.

e) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively, except that the credit given to the overseas buyers in the previous year(s). The present outstanding amount of debtor's receivable is majorly due to the credit sales made in the previous year(s). Likewise, the payments of statutory dues and bank dues need to be regularized, though the same is the result of the liquidity crunch the company is presently facing mainly due to extending credit to buyers. The company has initiated legal proceedings against the debtors in the respective courts.

f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

Subsidiary Company and Consolidated Financials

In compliance with Section 129 of the Act, a statement containing requisite details including performance and financial position of each of the subsidiary companies is annexed to this report in Form AOC-1.

As per the requirements of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015, and other rules and regulations as may be applicable from time to time, the audited consolidated financial statements of your company is prepared in accordance with applicable Indian Accounting Standards (Ind AS) are enclosed herewith

Board Evaluation

Evaluation of performance of Independent Directors is not applicable as the Board is suspended.

Remuneration Policy

The current policy is an appropriate mix of executive and independent directors to maintain the independence of the Board. The Nomination & Remuneration Committee framed a policy for selection and appointment of Directors including determining qualifications and independence of a Director, Key Managerial Personnel, Senior Management Personnel and their remuneration as part of its charter and other matters provided under Section 178(3) of the Companies Act, 2013. No remuneration has been paid to the Directors after appointment of first IRP by the NCLT as board stands suspended.

The salient features of the Remuneration Policy are stated in the Corporate Governance Report. **Deposits and Unclaimed Dividend**

During the year under review, your company has not accepted any public deposit under Chapter V of the Companies Act, 2013.

During the year under review, pursuant to section 124 of the Companies Act, 2013 and Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules 2016 (the "Rules") framed there under,

Number of Meetings of the Board

The Board met Six times in financial year 2022-2023, on May 26, 2022, August 08, 2022, November 11, 2022, February 04, 2023, February 14, 2023 and February 18, 2023. The maximum interval between any two meetings did not exceed 120 days.

Details of Committees of the Board

The Company has following Committees of the Board:

1. Audit Committee
2. Nomination and Remuneration Committee
3. Stakeholders Relationship Committee

1. Audit Committee

The Present Audit Committee comprises namely Mr. Bhau Dhure, Mr. Navneet Goenka, Mrs. Dhara Shah and Mr. Tushar Momaiyah.

Mr. Bhau Dhure – Chairman

Mr. Navneet Goenka – Member. Mrs. Dhara Shah – Member.

Mr. Tushar Momaiyah – Member

All the recommendations made by the committee were accepted by the Board

2. Nomination and Remuneration Committee

The Present Nomination and Remuneration Committee comprises namely Mrs. Dhara Shah, Mr. Bhau Dhure and Mr. Tushar Momaiyah.

Mr. Tushar Momaiyah – Chairman

Mrs. Dhara Shah – Member

Mr. Bhau Dhure – Member

All the recommendations made by the committee were accepted by the Board.

3. Stakeholders Relationship Committee

The Present Stakeholders Relationship Committee comprises namely Mr. Bhau Dhure, Mr. Navneet Goenka and Mrs. Dhara Shah.

Mr. Bhau Dhure – Chairman

Mr. Tushar Momaiyah – Member

Mrs. Dhara Shah – Member

All the recommendations made by the committee were accepted by the Board.

The details of the meetings held and attendance of the members of the above committees of the Board are provided in the Corporate Governance report.

Statutory Auditors

M/s. Ummed Jain & Co., (Firm Regn. No. 119250W) Chartered Accountant, Mumbai Statutory Auditors of the Company, was re-appointed as statutory auditor of the company, to hold office from the conclusion of Annual General Meeting held for the Financial Year ended march 31, 2022 to the conclusion of the Annual General Meeting for the Financial Year ended march 31, 2027.

Auditors' Report

In respect of the observations made by Auditors in their report, your Directors wish to state that the replies in that respect have been given in the Directors Report in a separate section.

Secretarial Auditor

The Board has appointed Mr. Vishal N. Manseta, Practicing Company Secretary, to conduct Secretarial Audit for the financial year 2022-2023. The Secretarial Audit Report for the financial year ended March 31, 2023 is annexed to this Report.

Secretarial Audit Report

In respect of the observations made by Secretarial Auditor in his report, your Directors wish to state that the replies in that respect have been given in the Directors Report in a separate section.

Contracts and Arrangements with Related Parties

All contracts / arrangements / transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on an arm's length basis. During the year, the Company had not entered into any contract / arrangement / transaction with related parties which could be considered material. Accordingly, the particulars of the transactions as prescribed in Form AOC-2 of the rules prescribed under Chapter IX relating to Accounts of Companies under Companies Act, 2013 are not required to be disclosed as they are not applicable.

Members are requested to refer Note 35 and 42 to the Standalone financial statements which sets out related party disclosures.

As per Regulation 23 of the SEBI LODR, the Board has adopted a 'Policy on Materiality of Related Party Transactions and Dealing with Related Party Transactions' which may be accessed on the Company's website i.e. www.goenkadiamonds.com

Extract of Annual Return

The extract of Annual Return in Form MGT-9 as required under Section 92(3) of the Act read with Companies (Management & Administration) Rules, 2014 is annexed to this report as on March 31, 2023.

Sexual Harassment

The Company is committed to provide a safe and conducive work environment to its employees and has detailed procedure for the redressal of complaints pertaining to sexual harassment. Your Directors further state that during the year under review, there were no cases filed pursuant to the sexual harassment at workplace.

Material Changes and Commitments, affecting the financial position of the Company

During the current financial year the hon'ble NCLT has appointed IRP in December 2022, the company is going through IBC Process. The board of directors of the company stands suspended since the order is passed to appoint IRP. The operations of the company are under supervision of the IRP, presently Mr. Sourabh Malpani is the IRP of the company, looking after entire CIRP process as well as monitoring the operations of the company. Entire Board stands suspended as per the applicable provisions.

None of the suspended directors has any power whatsoever in relation to decision making in context of the company. All the decisions are with prior permission of the IRP.

There have been no material changes and commitments, affecting the financial position of the Company which occurred between the end of the financial year to which the financial statements relate and the date of this report. Lead Bank Punjab National Bank, on behalf of all consortium banks, had issued fresh notice u/s 13(2) of the SARFAESI Act (after withdrawing its earlier notice) on October 22, 2018 for an amount of Rs. 216.62 crores owed by company to the consortium banks (excluding dues of one bank) and Asset Reconstruction Company up to March 31, 2018 and subsequently issued possession notices for company's properties and thereafter for sale of secured assets of the company which was stayed by DRT-1, Mumbai vide its order dated December 30, 2019. Further, Punjab & Sind Bank (one of the consortium bank) has issued separate notice u/s 13(2) of the SARFAESI Act on January 07, 2020 for recovery of an amount of Rs. 77.26 Crores (including interest upto December 31, 2019) within 60 days of the receipt of notice, which as per the management is already covered under the above stay order by DRT. Further, Mumbai DRT has also issued summons dated June 3, 2019 on application made by Punjab & Sind Bank (one of the consortium bank) under section 19(4) of The Recovery of Debts due to Banks and Financial Institution Act, 1993 for recovery of an amount of Rs. 56.92 crores owed by company to the bank, against which company has filed appeal. The Corporation Bank (one of the consortium bank) has filed petition with National Company Law Tribunal under Section 7 of the Insolvency and Bankruptcy Code, 2016 for initiating corporate insolvency resolution process which are still pending for hearing. Further on appilcation by the Corporation Bank, DRT- Mumbai has also issued summons dated September 16, 2020 under The Recovery of Debts due to Banks and Financial Institution Act, 1993 for recovery of Rs.30.41 crs, the proceeding for which is still pending. Four lender banks up to the reporting date have already transferred and assigned its outstanding dues against company to an Asset Reconstruction Company. In previous year State Bank of India has accepted the One Time Settlement (OTS) proposal submitted by the Company and the company during the period has paid full amount as per settlement terms. However, OTS proposal submitted to other banks has been rejected by the banks and they have requested to improve the OTS proposal. However, the directors will intimate the members of the company and the regulators from time to time as per the regulations as may be applicable from time to time.

Details of significant and material orders passed by the regulators/ courts/ tribunals impacting the going concern status and the Company's operations in future

The Hon'ble NCLT has passed order admitting the company's case into CIRP process. The first IRP was appointed in December 2022, subsequently IRP was changed in April 2023. At present Mr. Sourabh Malpani is IRP of the Company, as on date of this report there is no material outcome with regards to the insolvency process.

Corporate Social Responsibility

The provisions related to Corporate Social Responsibility as mentioned in the Act are not applicable to the company.

Risk Management Policy

The Company manages, monitors and reports on the principal risks and uncertainties that can impact its ability to achieve its strategic objectives. The Company's management systems, organizational structures, processes, standards, code of conduct and behaviors govern how the company conducts the business and manages associated risks. At present the company is going through CIRP.

Internal Financial Controls

The Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively, except that the credit given to the overseas buyers in the previous year(s). The present outstanding amount of debtor's receivable is majorly due to the credit sales made in the previous year(s). Likewise, the payments of statutory dues and bank dues need to be regularized, though the same is the result of the liquidity crunch the company is presently facing mainly due to extending credit to buyers. The company has initiated legal proceedings against the debtors in the respective courts. The board has monitored till November 2022, subsequently board was suspended and company is under control of IRP till date of this report.

Share Capital

The paid up equity share capital of the Company as on March 31, 2023 was Rs. 31,70,00,000/- During the year under review, the Company has not issued shares with differential voting rights and sweat equity shares.

Vigil Mechanism

The Company has established Vigil Mechanism and adopted Whistle blower policy for its directors and employees to report concern about unethical behavior, actual or suspected fraud or violation of the Company's code of conduct or ethics policy. The mechanism provides adequate safeguards against victimization of persons who use such mechanism. Protected disclosures can be made by a whistle blower through an e-mail or dedicated telephone line or a letter to the senior executives or to the Chairman of the Audit Committee. During year under review, no personnel were denied access to the Audit Committee.

Corporate Governance

As per SEBI LODR, a separate section on corporate governance practice which is followed by your Company, together with a certificate from Mr. Vishal N. Manseta, Practicing Company Secretary is given in this annual report.

PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

The prescribed particulars of employees required under section 197 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are attached and form part of this report.

Green Initiatives

Electronic copies of the Annual Report 2022-23 and Notice of the 33rd Annual General Meeting are sent to all members whose email addresses are registered with the Company/Depository Participant(s). For members who have not registered their email addresses are requested to register their email ids with their DPs in order to co-operate with the company in implementation of green initiative; and help to protect the environment.

STATUTORY AUDITORS REMARKS AND MANAGEMENTS REPLIES THEREUPON

a) *Auditors observation: We do not express an opinion on the accompanying standalone Ind AS financial statements of the Company. Because of the significance of the matter described in the Basis for Disclaimer of Opinion section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on this standalone Ind AS Financial Statements*

Management Reply: The management has provided the major audit evidence to excepting the at certain occasions the account confirmation of overseas debtors and creditors and few bank confirmations owing to the frozen bank accounts and bank accounts converted in NPA. The Company has approached consortium bankers and ARC for settlement of loan dues and assumes that Company will have adequate cash flow from export realisation to defray its entire debt obligation and payment to creditors in phased manner The promoters of the Company are also ready to infuse funds in the company and to raise fund from alternate means to meet short term and long term obligations of the Company.

b) *Auditors observation : We draw attention to Note No. 38 and 45 of the financial statement regarding commencement of Corporate Insolvency Resolution Process (CIRP) under Insolvency and Bankruptcy Act, 2016 and appointment of Interim Resolution Professional (IRP) to carry function as mentioned under the Code. Consequently, the powers of Board stand suspended and are exercised by the IRP in line with the provisions of the Code. Subsequent to issue of public announcement by IRP, the claims submitted by the financial and operational creditors have been collated by the IRP and no accounting adjustment has been carried out for any excess, short or non-receipt of claims from operational and financial creditors*

Management Reply: Management noted the same.

c) *Auditors observation: We draw attention to Note No. 17(B)(2) and 17(B)(3) of financial statement regarding default in repayment of loans and interest to banks (including ARC) owing to which the banks have classified the account as NPA and recalled its loans and has initiated various legal actions for recovery of its dues including legal action initiated under SARFESI Act, The Recovery of Debts due to Banks and Financial Institution Act, 1993. The outstanding loans, credit balances and interest due to banks (including ARC) amounting to Rs. 17710.38 lacs and adhoc / repayment of loan amount to an asset reconstruction company (ARC) of Rs. 1405.61 lacs for which no confirmation/ statements have been provided to us are subject to reconciliation and subsequent adjustments*

Management Reply: Factual description of status of legal cases. Since, the banks are not allowing any operation and no statements/ confirmations are being issued by the banks. However, the Management to the best of its knowledge and belief has recorded all the transactions.The Company has received letters from ARC and Banks for assignment of debts of UCO Bank, Karnataka Bank, AXIS Bank and Central Bank of India in favour of ARC. The company has made payment of Rs. 1405.61 to ARC to adjust loans of above four banks debts assigned to ARC

d) *Auditors observation : Refer Note No. 9(a) and (b) of financial statement regarding non-provision of the expected credit loss/ impairment relating to overdue Trade Receivables of Rs. 69775.76 Lacs as per the requirement of Ind- AS 109 "Financial Instruments". In view of defaults in payment obligations by the Trade Receivables on due date, non-recoveries from Trade Receivables, non-receipt of confirmations/ reconciliation from Trade receivables, initiation of legal action/ suits against Trade Receivables by the company, notices/ summon to the Company from Enforcement Directorate, Reserve Bank of India, Development Commissioner of Surat SEZ and in absence of clear forward looking information regarding outcome of pending legal actions initiated and time frame and quantum of realisability of these Trade receivables, we are unable to determine the amount of expected credit loss/ impairment based on provision matrix as per the requirements of Ind-AS 109 "Financial Instruments" and its consequential impact, on the financial results.*

Management Reply: It was deemed prudent not to take cognizance of unrealised exchange difference on notional basis due to uncertainties with regard to expected time frame for realisation of Trade Receivables and loans & advances to subsidiaries. Consequently, the payment to creditors is also dependent on recovery from these Trade receivables and loans & advances to subsidiaries. The company shall account for the actual exchange difference at the time of realization of these trade receivables, Loans and advances and at the time of payment to trade payables.

e) *Auditors observation :Trade payables and other payables amounting to Rs. 29717.66 lacs are outstanding since long for which neither any confirmation have been provided nor are we aware of any legal action initiated by the vendors against the Company. In absence of current status and relevant details, we are unable to comment on the payment obligation in this regard and its consequential impact on the financial statements.*

Management Reply: The company has filed legal suits in Mumbai High Court against majority of debtors and is in process of filing legal suits against other major debtors for recovery of dues. Due to delay in realization of debtors, there is a delay in payment to creditors. However, the Management to the best of its knowledge and belief has recorded all the transactions.

f) *Auditors observation : Refer Note No. 17(B)(2) regarding default in repayment of loans taken from the banks and non-provision of interest on such loans and consequently based on the calculation done by the management total interest amounting to Rs. 20979.19 Lacs determined at estimated rates, have not been provided for in the books of accounts including interest amounting to Rs. 2730.80 Lacs for year ended on March 31, 2023. Accordingly, finance cost for the year ended on March 31, 2023 is understated by Rs. 2730.80 lacs*

Management Reply: The Management is taking all possible steps to revive the business operations and has approached consortium bankers for one-time settlement (OTS) of entire loan dues and assumes that Company will have adequate cash flow from export realization to defray its entire debt obligation in phased manner. Further, four lender banks have transferred and assigned its outstanding dues against company to an Asset Reconstruction Company and State Bank of India accepted the One Time Settlement (OTS) proposal submitted by the Company and Company has paid full OTS amounts to State Bank of India. However, OTS proposals submitted by the company to other banks are still under consideration. The Board have decided not to provide Interest on working capital borrowings availed by the Company. However, the Management to the best of its knowledge and belief has recorded all the transactions.

g) *Auditors observation : Refer Note No. 9(b), 18(b) and 5(a) of the financial statement wherein, the company has not translated following monetary items denominated in foreign currency as at year ended closing rate and has been carried forward at the rate as at 31st March 2015, 31st March 2016, and / or 31st March 2017, which is not in accordance with Ind-AS -21 "The Effect of changes in Foreign Exchange Rates" and accounting policy followed by the Company*

1) *Trade receivable amounting to Rs. 69,703.18 lacs*

2) *Trade payables and other payable amounting to Rs. 29717.66 lacs*

3) *Loans to subsidiary (including accrued interest) amounting to Rs. 2062.30 lacs*

The company has not provided for cumulative exchange gain (net) on the above items amounting to Rs. 12793.91 lacs including exchange gain of Rs. 4361.32 lacs pertaining to the year ended on March 31, 2023 respectively. Accordingly, exchange gain is understated by Rs. 4361.32 for the year ended March 31, 2023

Management Reply: There have been defaults on payment obligations by the trade receivables on due date and recoveries from these trade receivables are not significant, due to certain unfavourable developments in earlier years and economic slowdown especially in diamond sector. No confirmation have been received by these trade receivables. The Company is taking all possible efforts to recover old trade receivables and had initiated legal action wherever considered necessary. However, looking at the past record regarding recovery from Trade receivables, the management is of the opinion that looking to the uncertainty regarding time frame and quantum of realisation from these trade receivables, amount of expected credit loss required to be recognised cannot be estimated and therefore no provision for expected credit loss is required to be made against these trade receivables. Contrary to Ind AS 21, trade receivables denominated in foreign currency amounting to Rs. 69,703.18 lakhs have not been restated based on exchange rate as at the end of the year.

These trade receivables have been carried forward based on exchange rate as at the end of March 31, 2015 and/ or March 31, 2016, as it is deemed prudent not to take cognizance of unrealised exchange difference on notional basis due to uncertainties with regard to expected time frame for realisation of trade receivables. The company shall account for the actual exchange difference at the time of realization of these trade receivables.

h) *Auditors observation : The Company has made provision for expected credited loss of Rs. 812.35 Lacs against the interest receivable on loan from a subsidiary and has recognized loss of Rs. 49.00 lacs on current investment designated through FVTPL. No deferred tax assets thereon amounting to Rs. 216.79 lacs have been recognized which is not in accordance with Ind AS-12 "Income Taxes. Had the exchange difference as stated in para (f) above and deferred tax thereon and interest on loans as stated in para (e) above been provided, the loss before tax for the year would have been decreased by Rs. 1630.52 Lacs respectively. Consequently, the overstatement and understatement of assets and liabilities are as under:-*

1. Trade Receivables Rs. 19707.68 lacs (Understatement)

2. Trade Payables Rs. 7407.54 lacs (Understatement)

3. Non-Current financial assets Rs. 336.77 lacs (Understatement)

4. Current Financial Assets Rs. 158.46 lacs (Understatement)

5. Borrowings 20979.19 lacs (Understatement)

7. Current financial liabilities Rs. 1.46 lacs (Understatement)

8. Deferred Tax Liability Rs. 197.66 lacs (Understatement)

9. Other Equity Rs. 8382.93 (Overstatement)

Due to uncertainties with respect to settlement of bank dues and interest, adjustments of trade receivables and payables and its consequential impact on taxation thereof, we are unable to ascertain the tax impact and liability, on the financial results.

Management Reply: The Management is taking all possible steps to revive the business operations and has approached consortium bankers for one-time settlement (OTS) of entire loan dues and assumes that Company will have adequate cash flow from export realization to defray its entire debt obligation in phased manner. Further, four lender banks have transferred and assigned its outstanding dues against company to an Asset Reconstruction Company and State Bank of India accepted the One Time Settlement (OTS) proposal submitted by the Company and Company has paid full OTS amounts to State Bank of India. However, OTS proposals submitted by the company to other banks are still under consideration. The Board have decided not to provide Interest on working capital borrowings availed by the Company. However, the Management to the best of its knowledge and belief has recorded all the transactions.

i) *Auditors observation : Refer Note No. 5(b) and 41 (c) of the financial statement, no provision for the expected credit loss/ impairment on loan to a subsidiary amounting to Rs. 1249.95 Lacs has been recognized as per the requirement of Ind- AS 109 "Financial Instruments". The net worth of above subsidiary is negative and based on reasonable and supportable information regarding the current financial status and business condition of the subsidiary, there has been significant increase in credit risk and there could be delay/default in recovery of this amount. Considering the above, we are unable to comment on the amount of expected credit loss/ impairment and its consequential impact, on the financial*

Management Reply: With regard to loan due from subsidiary of Rs. 1249.95 lacs, the same is in the nature of long-term loan for set up of business of the subsidiary and is part of net investment in the subsidiary. The operation of the subsidiary shall soon be revived and these loans will be recovered in near future

j) *Auditors observation : The Inventory has been taken on the basis of physical verification carried out by the management (including inventory lying with franchisees on approval basis) as at the year end and its valuation is based on determination of estimated net realizable value and specific identification which involves technical* *judgment of management. In the absence of any valuation by an independent expert, we have relied upon by the physical verification and valuation of the Inventory as certified and determined by the management*

Management Reply: Management has physically verified the inventory as at year end and has properly valued the inventory based on determination of estimated net realizable value and specific identification.

k) *Auditors observation : Balances with Banks amounting to Rs. 1.55 lacs (debit balances), Other non-current deposits amounting to Rs. 13.23 lacs, other current assets (balance with government authorities) amounting to Rs. 32.48 lacs, Other Current Assets and Liabilities are subject to confirmations and consequential adjustment thereof.*

Management Reply: The management is of the opinion that all the transactions have been recorded on the books properly. Efforts are being made regularly for obtaining confirmations statements .

l) *Auditors observation : The company has made provision for Impairment of Residential flat/office building at Jaipur having gross block of Rs. 19.72 lacs (WDV of Rs. 5.34 lacs), for which the company neither has possession of such assets nor have any title deeds.*

Management Reply: In absence of title deeds of buildings (including building as mentioned above) having total Gross value of Rs. 19.72 lakhs and WDV of Rs. 5.34 lakhs as on March 31, 2023 have been impaired and the impairment loss of Rs. 5.34 lakhs is included in depreciation charged during the year.

m) *Auditors observation : The Company's operating results have been materially affected due to various factors including non-realization of unconfirmed Trade receivables, defaults in repayment of loans and interest to banks, non-availability of finance due to recall of loans by banks in consortium, legal actions/ insolvency proceedings initiated by banks against company for recovery of its dues, notices/ summon to company/ director(s) from Enforcement Directorate, Reserve Bank of India, Development Commissioner of Surat SEZ and from other regulatory authorities, commencement of CIRP proceedings as stated in Note No. 1, Debt Recovery Tribunals and other courts for recovery of banks dues and possession/attachment/sale of company's properties, assignment and transfer of dues in favor of an asset reconstruction company (ARC), pending income tax demands and consequent attachment of bank accounts by Income tax department, reliance on occasional sales for meeting out expenses, overall substantial decrease in volume of business and sales, non-payment of statutory dues and taxes, overdue unconfirmed trade payable, non-realization of loan and interest thereon from a subsidiary etc. We are also unable to determine the impact of actions and forthcoming actions that may be taken by various legal and statutory authorities due to various factors mentioned herein above. These events cause significant doubts on the ability of the company to continue as a going concern. The appropriateness of the going concern assumption is dependent on the company's ability to raise adequate finance from alternative means, settlement of its due from banks and ARC, outcome of CIRP process and recoveries from overseas Trade Receivables to meet its short term and long term obligations as well as to establish consistent business operation. The above situation indicates that material uncertainty exist that cast significant doubt on company's ability to continue as a going concern.*

Because of the significance of the matters described above in the "Basis of Disclaimer of Opinion" section of our report, absence of sufficient appropriate audit evidences and Material uncertainty related to Going Concern paragraph above, it is not possible to form an opinion on the financial statements due to the potential interaction of the multiple uncertainties and their possible cumulative effect on the financial statements. Accordingly, we do not express an opinion on the financial

Management Reply: The management is of the view that due to certain unfavourable developments and slugglish market in earlier periods, the recovery from trade receivables are slow and there is a mismatch in the cash flow resulting in default in payment to creditors, payment of statutory dues and repayment of dues to banks owing to which banks have classified the account as NPA and recalled their loans. The management is hopeful that these trade receivables shall be recovered as the company has initiated legal action by way of sending legal notices and filing court cases. The company has filed legal suits in Mumbai High Court against majority of debtors and is in process of filing legal suits against other major debtors. Further, the management is taking all possible steps to revive the business operations and has approached consortium bankers for one-time settlement of entire loan dues and assumes that Company will have adequate cash flow from export realisation to defray its entire debt obligation and payment to creditors in phased manner. At the same time, management is hopeful that it will be able to raise adequate finance from internal accruals and alternate means to meet its short term and long-term obligations. Hence, the accounts of the Company are prepared on going concern basis.

n) Regarding auditors' observations at point no. (a) to (d), point no. as reported by them under section 143(3), management replies may be found in the above paragraphs.

o) *Regarding observation made by Auditors at point No. vii (a) and (b) of the Annexure "A" to Auditors Report:*

Management reply: The company is committed to pay all its outstanding undisputed statutory dues. Regarding the disputed outstanding taxes, the appeal is pending before ITAT Mumbai and regarding PVAT, Company is confident that it will be able to get favorable orders from the concerned appellate authorities.

p) *Regarding observation made by the Auditors in the point no (a) of Annexure "B" to Auditors Report, whereby they have pointed out internal control weakness relating to ascertainment of customers' credit worthiness etc., which has resulted in huge old outstanding dues from customers*

Management Reply: Though the company has taken all due care at the time of sale of goods to customers, it strongly feels that the internal financial control system in this regard needs to be improvised. The management is of the view that due to certain unfavourable developments and slugglish market in earlier periods, the recovery from trade receivables is slow. The management is hopeful that these trade receivables shall be recovered as the company has initiated legal action by way of sending legal notices and filing court cases.

q) *Regarding observation made by the Auditors in the point no (b) Annexure "B" to Auditors Report, whereby they have pointed out irregularities in payment of statutory dues / taxes and interest and loan repayment to banks*

Management Reply: Due to slow recovery from trade receivables, there is a temporary deficit in the cash flow resulting in default in payment of statutory dues / taxes; and repayment of dues to banks. The Company is taking all possible efforts to recover old trade receivables and revive its business operations. Nonetheless, the management is committed to pay all statutory dues/ taxes. Regarding repayment of dues to banks, the company has approached bankers with proposal of One Time Settlement.

SECRETARIAL AUDITORS REMARKS AND MANAGEMENTS REPLIES THEREUPON

1) Auditors Observation on legal action taken by the banks

Management Reply: the management has taken requisite steps with regards to legal action initiated by the banks

2) Auditors Observation on assignment and transfer of dues of three bank in favor of an asset reconstruction company (ARC)

Management Reply : The banks have classified the account as NPA and recalled their loans. And as consequence two banks dues were assigned and transfer to an asset reconstruction company (ARC)

3) Auditors Observation made on delay in payment of statutory dues:

Management Reply: The management is of the view that due to certain unfavourable developments and slugglish market in earlier periods, the recovery from trade receivables are slow and there is a mismatch in the cash flow resulting in default in payment of statutory dues.

4) Auditors Observation made on long outstanding Trade Receivables and non realization of overseas debtors for more than 180 days:

Management Reply: The Company has already filed legal suits against the major overseas buyers in respective courts. Legal suits against other overseas buyers are in the process of being filed for the recovery of Export Outstanding.

5) Auditors observation relating to default in repayment of principal and interest to bankers, declaration of company's account as NPA; and recall of loans:

Management Reply: Due to slow recovery from trade receivables, there is a temporary deficit in the cash flow resulting in default in repayment of dues to banks owing to which the bankers have classified the account as NPA and recalled their loans. The Company is taking all possible efforts to recover old trade receivables and has also initiated legal action where ever considered necessary. The Company is taking steps to revive its business operations and has approached consortium bankers with proposal of One Time Settlement (OTS) and also management is in discussion with ARC.

6) Auditors observation regarding *legal actions/ insolvency proceedings initiated by banks against company for recovery of its dues, notices/ summon from Enforcement Directorate, Reserve Bank of India, Development Commissioner of Surat SEZ and from other regulatory authorities, pending proceeding with National Company Law Tribunal, Debt Recovery Tribunals and other courts for recovery of banks dues*

Management Reply: Due to default in repayment of dues to banks owing to which the bankers have classified the account as NPA and recalled their loans. the matter is pending with the legal authorities and with regards to NCLT matter is pending before NCLT, Jaipur and regarding notice from development commissioner of Surat SEZ, matter is pending for hearing.

7) Auditors observation regarding order passed by the hon'ble NCLT commencing CIRP and appointment of IRP

Management Reply : the management has made consistent efforts to get accounts settled under onetime settlement process to which couple of banks disagreed and the matter was admitted by Hon'ble NCLT.

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

The Company is engaged in manufacturing of gems and jewellery and as such its operations do not account for substantial energy consumption. However, the Company is taking all possible measures to conserve energy, in its endeavor towards conservation of energy. Your Company ensure optimal use of energy, avoid wastages and conserve energy as far as possible. Several environment friendly measures were adopted by the Company such as minimising air-conditioning usage, Shutting off all the lights when not in use.

Sustainability Report

The company is involved in cutting and polishing of diamonds, color stones, precious and semi-precious stones. This is related to fashion and astronomic industry and does not involve generation of any kind of pollution and hence the environment sustainability is not applicable to the company.

Technology Absorption, Adoption and Innovation

The Company continuously monitors and keep track of technological upgradation in the field of Jewellery manufacturing and the same are reviewed and considered for implementation. Your Company continued its focus on quality up-gradation and product enhancements. The company uses indigenous technology for its operations.

Research and Development

The nature of the business of the company is categorically end user business of large size diamonds and high end jewellery wherein research and development expense are more in the nature of designing rather than development of new technology.

Foreign Exchange Earnings and Outgo

The information regarding foreign exchange earnings and outgo is contained in note no. 31 (v) of notes on Financial Statements.

GENERAL

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

1. Issue of sweat equity shares to employees of the company under any scheme.
2. Issue of shares under Employee Stock Option Scheme.
3. Re-appointment of an independent director for second term of five years.
4. Neither the Managing Director nor the Whole-time Directors of the Company received any remuneration or commission from any of its subsidiaries.
5. There were no companies which have become or ceased to be Subsidiaries, Joint Ventures or associate companies during the year.
6. There was no change in nature of business.
7. There were no loans, guarantees or investments given / made by the Company under Section 186 of the Act.

Acknowledgement

Your Directors place on record their gratitude to Central Government, State Governments, Financial Institutions and Company's Bankers for assistance, co-operation and encouragement they extended to the Company. The Directors are also grateful to the valued customers, esteemed shareholders, dedicated employees and public at large for their patronage and confidence reposed in the company.

On behalf of the Board of Directors
For **Goenka Diamond and Jewels Limited**

NANDLAL GOENKA
Director of Suspended Board

NAVNEET GOENKA
Director of Suspended Board

Place: Mumbai
Date: November 09, 2023

Particulars of Employees pursuant to section 197 of the Companies Act, 2013 read with Rules 5 (1) of the Companies (Appointment and Remuneration of Managerial personnel) Rules, 2014

Sr. No.	Requirement of Rule 5(1)	Details
(i)	the ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year;	Directors 1. Mr. Nandlal Goenka : 0.83 2. Mr. Navneet Goenka : 0.66 3. Mr. Sanjeev Kumar Jain : 0.80 4. Mr. Bhau Dhure : 0.04 5. Mrs. Dhara Shah : 0.04 6. Mr. Tushar Momaiyah : 0.04
(ii)	the percentage increase / (decrease) in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year;	Directors 1. Mr. Nandlal Goenka : N.A. 2. Mr. Navneet Goenka : N.A. 3. Mr. Sanjeev Kumar Jain : N.A. 4. Mr. Bhau Dhure : N.A. 5. Mrs. Dhara Shah : N.A. 6. Mr. Tushar Momaiyah : N.A. Chief Financial Officer 7. Mr. Navneet Goenka : N.A. Company Secretary 8. Ms. Dimple Jaiswal : 0.00%
(iii)	the percentage increase in the median remuneration of employees in the financial year;	0.00%
(iv)	the number of permanent employees on the rolls of company;	8 Employees as on 31.03.2023
(v)	variations in the market capitalisation of the company, and previous financial year;	Market capitalization (₹ / Crore): As on 31.03.2023 : 26.95 As on 31.03.2022 : 95.10 % Increase/ decrease : (352.94%)
(vi)	Price earnings ratio as at the closing date of the current financial year and previous financial year	As on 31.03.2022 : N.A. As on 31.03.2021 : N.A. (Due to negative EPS)
(vii)	Percentage increase or decrease in the market quotations of the shares of the company in comparison to the rate at which the company came out with the last public offer	99.37% decline in the market quotation of the company's share in comparison to the last public offer.
(viii)	average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration	Average increase of Non Managerial Remuneration : 00.00% Average increase in Managerial Remuneration : N.A.
(ix)	affirmation that the remuneration is as per the remuneration policy of the company.	It is hereby affirmed that the remuneration paid during the year ended March 31, 2023 is as per the Remuneration Policy of the Company.

Particulars of Employees pursuant to section 197 of the Companies Act, 2013 read with Rules 5 (2) and (3) of the Companies (Appointment and Remuneration of Managerial personnel) Rules, 2014 : Not Applicable.

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED March 31, 2023

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,

The Members,

Goenka Diamond and Jewels Limited

I have conducted the secretarial audit of the compliances of the applicable statutory provisions and the adherence to good corporate practices by **Goenka Diamond and Jewels Limited** (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing my opinion thereon.

Based on my verification of the books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on March 31, 2023 complied with the statutory provisions listed hereunder and if not complied remarks or disclosure in that regard has been provided by me, and also that the company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by "the Company" for the financial year ended on March 31, 2023 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

As per information and explanation given to me and documents provided for inspection, the company has maintained minutes book, statutory registers as required by the Act. The Company has filed various E-Forms during the year, with payment of additional fees wherever applicable.

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;

As per information provided the Company has complied with the stated rules.

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

As the shares of the Company are listed on BSE and NSE as per compliance requirement majority of the shares of the company are in demat form and the company complies with the Depositories Act. The RTA of the Company is M/s. KFin Technologies Private Limited.

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

The Company is involved in export of diamond and diamond studded Jewellery outside India and as per information and explanations given, the company is compliant with the FEMA provisions, subject to procedural delays at some occasions and overseas debtors realization are pending for more than 180 days.

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011: Requisite disclosures were given to Stock Exchanges, whenever required.

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;

The said regulations are complied with as the insider trading intimation is given to the persons identified to be possessing price sensitive information before every Board or Members meeting and in case of any Corporate Action or announcements made to Stock Exchanges as the case may be.

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 : Not Applicable

(d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 : Not Applicable

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 : Not Applicable

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

M/s. KFin Technologies Private Limited is Registrar and Transfer Agent (RTA) of the Company and is compliant with the said regulations.

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 : Not Applicable

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 : Not Applicable

(i) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 As per information provided the Company has complied with the stated rules.

(vi) The list of other acts applicable is as under:

- Provident Fund (“PF”) and other Employee Benefit related Statutes

  The Company is not regular in depositing PF and other statutory dues related to employee benefits with the respective departments and payments in respect of these dues are still not made.

- TDS and Service Tax related statutes

  The Company is not regular in depositing TDS and Service Tax with the respective departments and payments in respect of these dues are still not made.

- The Maharashtra Shops and Establishment Act, 1948.
- Prevention of Money Laundering Act.
- The Information Technology Act, 2000.
- The Indian Stamp Act, 1899/Bombay Stamp Act.
- Negotiable Instruments Act, 1881.
- Registration of any property purchase/sale/long lease.
- Indian Contract Act, 1872
- Maharashtra Profession Tax and other state level legislations.

  The Company is not regular in making payment of these dues.

  As per the information and explanation given the company has obtained various licenses as required for the purpose of factories and offices as stipulated under various acts.

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

(i) Secretarial Standards issued by The Institute of Company Secretaries of India.

I further report that

Due to default in payment of bank dues i.e. interest as well as principal amount, banks have recalled the loan amount resulting into the same declared as NPA. Also some of the banks has assigned the outstanding dues to ARC. The banks have also initiated legal actions against the company and in regards to the shares pledged by the promoters bank has invoked the pledge due to which promoters holding has been reduced. L*egal actions/ insolvency proceedings initiated by banks against company for recovery of its dues, notices/ summon from Enforcement Directorate, Reserve Bank of India, Development Commissioner of Surat SEZ and from other regulatory authorities, pending proceeding with National Company Law Tribunal, Debt Recovery Tribunals and other courts for recovery of banks dues*.

In continuation of the NPA status of the bank accounts of the Company one of the consortium member bank has moved to the Hon'ble NCLT, where in Hon'ble NCLT has appointed IRP in the month of December 2022 as a part of commencement of Corporate Insolvency and Resolution Process ("CIRP") as per the provisions of Insolvency and Bankruptcy Code ("IBC code 2016"). As a process entire board of the company stands suspended w.e.f. appointment of IRP

Substantial amount is outstanding from the Overseas Debtors. Trade Receivables are outstanding for more than 6 months, for which legal cases are filed wherever considered appropriate by the company.

As regards to the financial impacts of the pledge invoked by the bank and assignment of dues to ARC and matters related to outstanding dues to the bank and statutory dues the statutory auditors has given detailed disclosure and qualifications in their audit report.

As per information given, adequate notices were given to all directors for the Board and Committee Meetings held from time to time.

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

Place : Mumbai

Vishal N. Manseta

Date : November 17, 2023

UDIN : A025183E001960105

Practicing Company Secretary
ACS/FCS No. A25183
C P No.: 8981
PRC No : 1584/2021

Annexure to Secretarial Audit Report

To,
The Members,
GOENKA DIAMOND AND JEWELS LIMITED
(CIN No. L36911RJ1990PLC005651)

My Secretarial Audit Report is to be read along with this letter :

1. Maintenance of secretarial record as well as the compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. My examination was limited to the verification of procedures on test basis.
3. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed, provide a reasonable basis for my opinion.
4. I have not verified the correctness and appropriateness of financial records and Books of accounts of the Company.
5. Where ever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the company.

Place : Mumbai
Date : November 17, 2023

For **Vishal N. Manseta**
(Practicing company Secretary)

Vishal N. Manseta
ACS No. A25183

CORPORATE GOVERNANCE

Good Corporate Governance practice lies at the foundation of our company's business ethos. The Company believes that the management is the trustee of all investors' capital. It is committed to high levels of ethics and integrity in all its business dealings that avoids all conflicts of interest. In order to conduct business with these principles, the company creates simple corporate structures based on business needs and maintains a high degree of transparency through regular disclosures and a focus on adequate control systems. The report of Corporate Governance is prepared in accordance with SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 (hereinafter referred to as 'SEBI LODR'). A report on Corporate Governance is annexed to this Report. During the financial year 2022-23 the CIRP process has commenced and company is under monitoring and supervision of IRP as per the order of hon'ble NCLT.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The company is promoted by Mr. Nandlal Goenka who has around 51 years of experience in the gems and jewellery business and his son, Mr. Navneet Goenka who is supremely qualified and has acquired professional qualifications in grading and jewellery designing from Gemological Institute of America, New York. The company has appointed Mr. Sanjeev Kumar Jain, as professional director who has experience of over more than 12 years in Diamond and expertise in color stones.

OVERVIEW

The company is in the business of cutting and polishing of diamonds and manufacturing and retailing of diamond jewellery. The company was initially in the business of export of coloured stones and has since then expanded into diamond trade in 1994 and manufacturing of diamond studded jewellery in 2003.

Consistent supply of rough diamonds of desired quality, at a competitive price is one of the critical success factors of the company's business. The company supplies the polished diamonds primarily to wholesalers, jewellery manufacturers, traders and retailers based in India The company was in the export business in earlier years, however, the company has not been able to perform well during the recent past including the year under review.

INDUSTRY STRUCTURE AND DEVELOPMENTS

India is deemed to be the hub of the global Jewellery market because of its low costs and availability of high-skilled labour. India is the world's largest cutting and polishing centre for diamonds, with the cutting and polishing industry being well supported by government policies. The Gems and Jewellery sector is witnessing changes in consumer preferences due to adoption of western lifestyle. Consumers are demanding new designs and varieties in jewellery, and branded jewellers are able to fulfil their changing demands better than the local unorganised players. Moreover, increase in per capita income has led to an increase in sales of jewellery, as jewellery is a status symbol in India.

SEGMENT WISE PERFORMANCE OF THE COMPANY

The company has two segments Diamond and Jewelley. Please refer to note no. 33 to Financial Statements for segment wise performance.

OUTLOOK

For financial year 2023-24 since the company is under supervision and monitoring of IRP appointed by hon'ble NCLT as part of CIRP process the outlook can be concluded at the end of the process.

RISK AND CONCERNS

Being into CIRP process it is difficult to ascertain the risk and concerns as the process is not yet completed

FACTORS AFFECTING OUR OPERATIONS

The company is under CIRP process as a result entire operations are under control of IRP appointed by hon'ble NCLT since December 2022, earlier the suspended board (erstwhile management) was looking after operations of the company.

- **Internal Controls**

  As a part of CIRP process internal controls are in the hands of IRP since December 2022, earlier the suspended board (erstwhile management) was looking after internal controls of the company.

Cautionary Statement

Statements in this report on Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations or predictions are within the meaning of applicable laws or regulations. These statements are based on certain assumptions and reasonable expectation of future events. Actual results could however differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include changes in the government regulations, tax laws, statues and other incidental factors as applicable to the company.

Acknowledgement

Your Directors take this opportunity to express their deep sense of gratitude to the vendors, business associates, employees, investors and banks for their continued support and co-operation during the year under review.

On behalf of the Board of Directors
For **Goenka Diamond and Jewels Limited**

	NANDLAL GOENKA	**NAVNEET GOENKA**
Place: Mumbai	Director of Suspended Board	Director of Suspended Board
Date: November 09, 2023		

Report on Corporate Governance

The report of Corporate Governance under SEBI LODR is furnished below.

I) **Company's Philosophy on Corporate Governance:**

Your Company's Corporate Governance system is based on certain key principles, including fairness and integrity, transparency and disclosure, accountability, equal treatment to all the shareholders and social responsibility. The main objective is to create and adhere to a corporate culture of integrity and consciousness. Corporate Governance is a journey for constantly improving sustainable value creation and is an upward moving target.

The board of your company stands suspended w.e.f December 2022 and the management of the company is in the hands of IRP appointed by Hon'ble NCLT.

II) **Board of Directors**

The Suspended Board of Directors of the company comprised of six directors; three directors namely Mr. Nandlal Goenka, Mr. Navneet Goenka are promoter and executive directors, Mr. Sanjeev Kumar Jain is Executive Director and other three directors namely Mr. Bhau Dhure, Mr. Tushar Momaiyah and Mrs. Dhara Shah are non-executive independent directors.

The suspended Board retained full and effective control over the organisation; and decisions on material matters are reserved by the Board up to December 2022, subsequently IRP retained full and effective control.

The Suspended Board meets at least four times annually and more frequently if circumstances or decisions require.

The Company has obtained the requisite disclosures from the Directors in respect of their directorship in other companies. Composition and category of the Board of Directors, their attendance at the Board meetings during the year and at the last Annual General Meeting as also their directorship in other companies and membership and chairmanship on the committees of other companies are as under:

Name of Directors	Category	Attendance Particulars		Number of other Directorships and Committee Memberships / Chairpersonships			Remarks
		Board Meetings	Last AGM	Other Directorships	Committee Memberships	Committee Chairpersonships	
Mr. Nandlal Goenka **Chairman**	C	6	Yes	1	Nil	Nil	-
Mr. Navneet Goenka **Vice Chairman and Managing Director**	ED	6	No	1	1	Nil	-
Mr. Sanjeev Kumar Jain **Director**	ED	6	Yes	Nil	Nil	Nil	
Mr. Bhau Dhure **Independent Director**	INED	6	Yes	Nil	3	2	-
Mrs. Dhara Shah **Independent Director**	INED	6	NA	Nil	3	Nil	-
Mr. Tushar Momaiyah **Independent Director**	INED	6	NA	Nil	3	1	-

C : Chairman
ED : Executive Director
INED : Independent Non Executive Director

Notes :

1. The Directorships held by Directors as mentioned above, do not include Alternate Directorships, Directorships of Foreign Companies, Private Limited Companies and Section 8 Companies.
2. In accordance with Regulation 26(1) of the SEBI LODR, Membership/ Chairmanship of only the Audit Committees and Stakeholders Relationship Committees of all Public Limited Companies have been considered.

Board Meetings held during the year 2022-23

The day to day matters concerning the business is conducted by the executives of the Company under the direction of Executive Directors with the supervision of the Board. During the year under review, six meetings of the Board were held on May 26, 2022, August 08, 2022, November 11, 2022, February 04, 2023, February 14, 2023 and February 18, 2023.The agenda along with notice and supporting documents/papers was circulated to Directors in advance. The draft minutes of the Board and Committee meetings were circulated to all the Directors after meeting. The minutes of the previous meeting were confirmed and signed by the Chairman in the next meeting held thereafter.

IRP was appointed in December 2022, since then the board stood suspended, and meetings were held under supervision of IRP and suspended board attended the meeting with his consent, but without any voting rights.

RELATIONSHIP INTER-SE

The following Directors of the Company are related to each other in the manner mentioned below:

Sl. No.	Name of Directors	Relationship Inter-se
1.	Mr. Nandlal Goenka	Father of Mr. Navneet Goenka
2.	Mr. Navneet Goenka	Son of Mr. Nandlal Goenka

No Directors, other than those mentioned above, are in any way related to each other. None of the Non Executive directors hold any shares and Convertible instruments in the Company.

FAMILIARISATION PROGRAMMES FOR INDEPENDENT DIRECTORS

The details of the programme for familiarisation of the Independent Directors with the Company in respect of their roles, rights, responsibilities in the Company, nature of the industry in which Company operates, business model of the Company and related matters are put up on the website of the Company i.e. www. goenkadiamonds.com

Audit Committee

The Audit Committee comprised of the following Independent Non-Executive Directors:

Chairman: Mr. Bhau Dhure

Members: Mr. Tushar Momasiyah

Mr. Navneet Goenka

Mrs. Dhara Shah

The members of the Committee were well versed with the accounting and financial management. The Committee reviewed the quarterly financial results, half yearly financial results, annual financial results and internal control system of the Company. Valuable suggestions and guidance received from the members of the Committee add strength to its operations. The role and terms of reference stipulated by the members of the Audit Committee covers area mentioned under Regulation 18 and Schedule II part C of the SEBI LODR and Section 177 of the Companies Act, 2013.

The Statutory Auditors of the Company have attended the meetings of the Committee. The Company Secretary was the Secretary of the Audit Committee.

IRP was appointed in December 2022, since then the board stood suspended, and meetings were held under supervision of IRP and suspended board attended the meeting with his consent, but without any voting rights.

During the year under review, the Audit Committee met for four times viz.,

Date of the Meeting	Quorum
26.05.2022	4
08.08.2022	4
11.11.2022	4
14.02.2023	4

The Chairman of the Audit Committee was present at the 32nd Annual General Meeting of the Company held on September 30, 2022.

The terms of the reference of the Audit Committee are as per the guidelines set out in SEBI LODR and Section 177 of the Companies Act, 2013 and inter alia it briefly includes the following:

a) Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;

b) Recommending to the Board, the appointment, reappointment and, if required, the replacement or removal of the Statutory Auditor and the fixation of Audit fees;

c) Approval of payment to Statutory Auditors for any other services rendered by the Statutory Auditors;

d) Reviewing with the management, the annual financial statement before submission to the Board for approval, with particular reference to :

   i) Matters required to be included in the Directors' Responsibility Statement which forms part of the Directors' Report pursuant to section 134(3)(c) and (5) of the Companies Act, 2013.

   ii) Changes, if any, in accounting policies and practices and reasons for the same;

   iii) Major accounting entries involving estimates based on the exercise of judgment by management;

   iv) Significant adjustments made in the financial statements arising out of audit findings;

   v) Compliance with the listing and other legal requirements relating to financial statements;

   vi) Disclosure of any related party transactions;

   vii) Qualifications in the draft audit report.

e) Reviewing with the management, the quarterly financial statements before submission to the Board for approval;

f) Reviewing with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;

g) Reviewing with the management, performance of statutory and internal auditors, adequacy of the internal control systems;

h) Reviewing the adequacy on internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

i) Discussion with internal auditors on any significant findings and follow up thereon;

j) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or failure of internal control systems of material nature and reporting the, matter to the Board;

k) Discussion with the statutory auditors before audit commences, about the nature and scope of audit as well a post audit discussion to ascertain any area of concern;

l) To look into the reasons for substantial defaults in the payment to depositors, debenture holders, shareholders (in case of default in payment of declared dividend) and creditors;

m) To review the functioning of the Whistle Blower Policy mechanism, if any, adopted and framed from time to time;

n) Carrying out any other function as may be mentioned in the terms of reference of the committee from time to time ; and

o) Any other area of activities as may be covered within the gamut of scope of Audit Committee by any Statutory Enactment(s) from time to time.

Nomination and Remuneration Committee

The Company has a Nomination and Remuneration Committee. The Nomination and Remuneration Committee recommends the remuneration payable to the Executive Directors and any increments thereof within the maximum limits as approved by the shareholders from time to time.

EXTRACT OF REMUNERATION POLICY

1. **OBJECTIVE**

This Policy aims to attract, retain and motivate the Members of the Board of Directors, Senior Managers viz: CEO, and other employees who are at one level below the Key Managerial Personnel or Functional Heads of the Company, by remunerating them reasonably and sufficiently so as to run the operations of the Company smoothly. The Policy reflects the Company's objectives for good corporate governance as well as sustained long-term value creation for shareholders.

2. **GUIDING PRINCIPLES**

The guiding principle of this Policy is that the remuneration and other terms of engagement / employment shall be competitive enough to ensure that the Company is in a position to attract, retain and motivate right kind of human resource(s) for achieving the desired growth set by the Company's management year on year thereby creating long-term value for all stakeholders of the Company. While designing the remuneration package, efforts are made to ensure that the remuneration matches the level in comparable companies, whilst also taking into consideration requisite competencies, qualifications, industry experience, efforts required and the scope of the work.

The Nomination and Remuneration Committee while considering a remuneration package shall ensure balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the company and its goals.

The Nomination and Remuneration Committee believes that a successful remuneration policy must ensure that a significant part of the remuneration package should be linked to the achievement of corporate performance targets and a strong alignment of interest with stakeholders.

2.1. REMUNERATION OF EXECUTIVE MEMBERS ON THE BOARD:

Any Executive Member(s) on the Board shall be paid remuneration which may comprise of fixed monthly basic salary, perquisites such as House Rent Allowance or furnished /unfurnished housing accommodation in lieu thereof, car with or without chauffeur, telephone for office as well as personal use, stock options, statutory and non-statutory allowances such as education allowances, travel allowances, subscription allowances etc. as may be recommended by the Nomination and Remuneration Committee / Board of Directors and approved by the Members of the Company from time to time.

However, the overall remuneration of executive member(s) on the Board shall not exceed the applicable limits prescribed under the Companies Act, 2013 and Rules framed thereunder, as amended from time to time.

Executive members of the Board shall not be eligible to receive any sitting fees for attending any meeting of the Board of Directors or Committee thereof.

The performance of the executive members of the Board shall be evaluated by the Independent Directors on an annual basis.

2.2. REMUNERATION OF NON-EXECUTIVE MEMBERS OF THE BOARD:

Non-Executive member(s) of the Board shall be entitled to receive such amount as may be decided by the Board but not limited to sitting fees. Such amount may be prescribed as reimbursement of legitimate expenses to attend the Board and Committee meeting or to perform the functions incidental and ancillary thereto or in performing such other duties cast upon them by the Board.

However, the overall remuneration of Non-Executive member(s) on the Board shall not exceed the applicable limits prescribed under the Companies Act, 2013 and Rules framed there under, as amended from time to time.

Independent Director(s) of the Company may be entitled to any stock option issued or proposed to be issued by the company, subject to compliance with the provisions of the Act and Rules & Regulations made there under and as amended from time to time.

The performance of the non - executive members of the Board shall be evaluated by the Board on an annual basis.

Remuneration of Executive Management comprising of Senior Management & Key Managerial Personnel:

The Company believes that a combination of fixed and performance-linked pay to the Executive Management shall ensure that the company can attract and retain key employees. The performance-linked incentive based on Company performance and performance of the employee concerned each year shall be considered and approved by the Nomination & Remuneration Committee, annually inter-alia for the Executive Management. Additionally subject to appropriate approval of shareholders, the Company may consider issuance of stock options to Senior Management.

The Nomination & Remuneration Committee will from time to time consider proposals concerning the appointment and remuneration of the Key Managerial Personnel and ensure that the proposed remuneration is in line with industry standards in comparable companies. Such proposals then shall be submitted to the Board for approval. The remuneration of the members of the Executive Management may consist of the following components:

1. Basic salary and Allowances
2. Performance linked incentive / bonus
3. Stock options
4. Perquisites as per rules of the Company including Company car, telephone etc.

Executive Management shall not be eligible to receive any remuneration, including sitting fees, for directorships in the Company.

The Remuneration Committee comprises of the following Independent Non-Executive Directors:

Chairperson : Mr. Tushar Momaiyah

Members : Mr. Bhau Sanjay Dhure

Mrs. Dhara Atul Shah

The Company Secretary of the Company acts as the Secretary of the Committee.

During the year under review, the Nomination and Remuneration Committee met once.

Date of the Meeting	Quorum
11/11/2022	3

The details of the Remuneration paid to the Executive Directors for the year ended 31st March 2023 and sitting fees to the Non-Executive Independent Directors for meetings of Directors and Committees of Directors are as follows:

Name	Designation	Remuneration for 2022-23 (in ₹)				No. of shares held as on 31.03.2023
		Salary	Sitting Fees	Employer contribution to provident fund	Total	
Mr. Nandlal Goenka	Chairman	450000	-	28800	478800	5600625
Mr. Navneet Goenka	Vice-Chairman & Managing Director and CFO	360000	-	23040	383040	91126875
Mr. Bhau Dhure	Independent, Non Executive Director	-	17500	-	17500	NIL
Mrs. Dhara Shah	Independent, Non Executive Director	-	17500	-	17500	NIL
Mr. Tushar Momaiyah appointed on February 07, 2020	Independent, Non Executive Director	-	17500	-	17500	NIL
Mr. Sanjeev Kumar Jain	Executive Director	385000	-	-	385000	NIL

Apart from the sitting fees that are paid to the Non-Executive Independent Directors for attending the Board / Committee Meetings, no other fees/commission were paid during the year. No significant material transactions have been made with the Non-Executive Independent Directors vis-à-vis the Company.

- All decisions relating to the remuneration of Directors are taken by the Nomination and Remuneration Committee in accordance with the approval received from Board as well as the members of the Company.
- The Directors' remuneration as mentioned above consists of fixed salary component payable to them.

  There is no performance linked incentives payable to Directors for achievement of targets.
- During FY 2022-2023, the Company did not issue any stock options neither did it advance any loans to any of its Directors.

PERFORMANCE EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and SEBI LODR, a separate exercise was carried out by Independent Directors to evaluate the performance of Non-Independent Directors including the Chairman of the Board who were evaluated on parameters such as level of engagement, contribution and independence of judgment thereby safeguarding the interest of the Company.

The performance evaluation of the Independent Directors was carried out by the entire Board, excluding the Director being evaluated. The Board also carried out annual performance evaluation of the working of its Audit, Nomination and Remuneration as well as Stakeholders Relationship Committee. The Directors expressed their satisfaction with the annual evaluation process.

STAKEHOLDERS RELATIONSHIP COMMITTEE

Terms of Reference

The Stakeholders Relationship Committee is comprised of the following Directors to approve/reject the transfer/ transmission/rematerialisation of equity shares, issue of duplicate certificates, to supervise all the operations of the Registrar and Share Transfer Agents and to look into the Investors' complaints, if any, and to redress the same expeditiously.

The Stakeholders Relationship Committee comprises of the following Independent Non-Executive Directors:

Chairman : Mr. Bhau Sanjay Dhure

Members : Mrs. Dhara Atul Shah

Mr. Tushar Momaiyah

The Company Secretary is the Compliance Officer of the Company for matters relating to Shareholders, Stock Exchanges, the Securities and Exchange Board of India (SEBI) and other related regulatory authorities.

During the year under review, the Stakeholders Relationship Committee met Two times.

Date of the Meeting	Quorum
26/05/2022	3
11/11/2022	3

The company secretary of the company has been appointed as the Compliance Officer of the Company for handling the investor complaints.

Status of Shareholders'/Investors' Complaints

Particulars	No. of Complaints
Complaints pending as on April 1, 2022	NIL
Complaints received during the period April 1, 2022 to March 31, 2023	00
Complaints resolved during the period April 1, 2022 to March 31, 2023	00
Complaints outstanding as on March 31, 2023	NIL

During the year under review, no requests/ complaints were received from the shareholders.

No request of transfer and no request for dematerialization were pending for approval as on March 31, 2023.

GENERAL BODY MEETINGS

Location and time of last three Annual General Meetings:

Year	Location	Date	Time	Special Resolutions	Postal Ballot
2019-2020	Bunglaow No. C – 114, Shivaji Marg, Vijaypath, Tilak Nagar, Jaipur – 302004	18.12.2020	11:00 a.m.	NIL	N.A.
2020-2021	Bunglaow No. C – 114, Shivaji Marg, Vijaypath, Tilak Nagar, Jaipur – 302004	30.09.2021	11:00 a.m.	NIL	N.A.
2021-2022	Bunglaow No. C – 114, Shivaji Marg, Vijaypath, Tilak Nagar, Jaipur – 302004	30.09.2022	11:00 a.m.	YES	N.A.

No resolution was passed through postal ballot during last year.

Disclosures

a) Related parties transactions

None of the Company's transactions for the related parties were in conflict with the interest of the Company.

The transactions with the related parties are disclosed in Note No. 35 and 41 of Notes on Financial Statements of the year. There were no materially significant transactions with related parties, during the financial year under review.

b) Details of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchanges or SEBI or any statutory authority on any matter related to capital markets during the last three years

There were no strictures or penalties imposed by either SEBI or the Stock Exchanges or any other statutory authority for non – compliance of any matter related to the capital markets during the financial year 2022-23. However, at one occasion penalty was imposed by National Stock Exchange of India Limited and the company paid the same for delay in intimation of Company Secretary. As per Companies Act, 2013 KMP to be appointed in Board Meeting and the same was confirmed in next Board meeting, the same was delayed intimation as per the Exchange. However, at one occasion the penalty was imposed by National Stock Exchange of India Limited for non compliance to Regulation 33 of the SEBI/LODR for delay of seven days for submitting financial results for the quarter ended September 30, 2016, which was paid by the company, Apart from this, a penalty was levied by the Stock exchanges pursuant to Clause 41 of the Listing Agreement in the FY 2014-15 out of which part payment was made by the company in FY 2016-17 and part payment was made by the company in FY 2017-18.

c) **Details of compliance with mandatory requirements and adoption of the non-mandatory requirements**

The Company has complied with all applicable requirements of the SEBI LODR. Given below is the gist of the mandatory and non-mandatory requirements complied with by the company:

A) **Compliance with mandatory requirements**

a) **Management Discussion and Analysis**

A management discussion and analysis report forms part of the Annual Report and includes discussion on various matters specified under SEBI LODR.

b) **Subsidiaries**

All the Subsidiary Companies are managed with their Boards having the rights and obligations to manage the Company in the best interest of the stakeholders. As a majority stakeholders, the Company monitors the performance of such companies.

c) **Secretarial Audit for reconciliation of capital**

A qualified Practicing Company Secretary has carried out secretarial audit for every quarter to reconcile the total admitted capital with both the depositories; viz. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. The audit report confirms that the total issued/paid up capital is in agreement with the aggregate total *-number of shares in physical form, shares allotted & advised for demat credit but pending execution and the total number of dematerialized shares held with NSDL and CDSL. The Company had submitted the audit report for reconciliation of share capital to BSE and NSE within 30 days from the end of each quarter in accordance with the SEBI requirements.

d) **Code for prevention of Insider Trading**

The Company has adopted a code on prevention of Insider Trading in compliance with the provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time.

e) **CEO/CFO Certification**

A certificate as required under the SEBI LODR from Chief Executive Officer and Chief Financial Officer was placed before the Board.

f) **Risk Management**

The Company manages, monitors and reports on the principal risks and uncertainties that can impact its ability to achieve its strategic objectives. The Company's management systems, organisational structures, processes, standards, code of conduct and behaviors govern how the company conducts the business and manages associated risks.

g) **Code of Conduct**

The Company has laid down a code of conduct for the Directors and its senior management. The code has been posted on the Company's website. Pursuant to Regulation 26(5) of the SEBI LODR, all members of senior management have confirmed that there are no materials, financial and commercial transactions wherein they have a personal interest that may have a potential conflict with the interest of the Company at large. Pursuant to Regulation 26(3) of the SEBI LODR, all the Board members and senior management of the Company as on March 31, 2023 have affirmed compliance with their respective Codes of Conduct.

A Declaration to this effect, duly signed by the Chairman and acting CEO is annexed hereto.

B) **Compliance with non- mandatory requirements**

a) **Board**

The Board had an Executive Chairman upto December 2022 subsequently with appointment of IRP Board stood suspended.

b) **Shareholder's Right**

A half yearly declaration of financial performance including summary of the significant events is presently not being sent to each household of shareholders. However, the Company publishes its results on its website at www.goenkadiamonds.com, which is accessible to the public at large.

c) **Audit Qualification**

In respect of the observations made by Auditors in their report, your Directors wish to state that the replies to the material observations have been given in the Directors Report. For the other observations, respective notes on financial statements are self-explanatory and do not call for further comments.

d) **Separate Post of Chairman and CEO**

The chairman of the company Mr. Nandlal Goenka is the acting CEO.

e) **Reporting of internal auditor**

The internal audit reports are reviewed independently by the audit committee every quarter.

MEANS OF COMMUNICATION

The Company believes that all stakeholders should have access to adequate information, regarding the Company's position to enable them to accurately assess its future potential. Pursuant to the SEBI LODR, all information which could have a material bearing on the Company's share price is released at the earliest.

The quarterly, half-yearly and yearly results are submitted to the Stock Exchanges in accordance with the SEBI LODR and are published in The Financial Express, National Newspaper (English), Apla Mahanagar (Marathi) and Jaipur Mahanagar Times Regional Newspaper (Rajasthan). The financial results and official news releases were displayed on the Company's web site www.goenkadiamonds.com.

Official news/ press release are sent to the Bombay Stock Exchange and National Stock Exchange of India Limited, where the equity shares of the Company are listed.

The Management Discussion and Analysis Report forms part of the Annual Report. There were no presentations made to the institutional investors or analysts separately.

GENERAL SHAREHOLDER INFORMATION

a) **Annual General Meeting:**

Date and Time	:	Wednesday December 20, 2023 at 11.00 a.m.
Venue	:	Bungalow No. C – 114, Shivaji Marg, Vijaypath, Tilak Nagar, Jaipur – 302 004
Financial year	:	1st April 2022 to 31st March 2023

b) **Financial Calendar : 2023-2024 (Tentative)**

IRP was appointed in December 2022 subsequently Board stood suspended and all the meetings were held by IRP and suspended board attended the meeting with consent of IRP but without any voting rights. The future board meetings will be conducted in similar manner until objected by IRP, till the conclusion of CIRP process.

Annual General Meeting – Next Year Board Meetings:	September 2024
- Results for the quarter ending June 30, 2023	Held on August 14, 2023
- Results for the quarter ending September 30, 2023	Held on November 09, 2023
- Results for the quarter ending December 31, 2023	By February 14, 2023
- Results for the year ending March 31, 2024	By May 30, 2024

c) Dividend Payment Date : Nil

d) Book Closure Date : December 17, 2023 to December 19, 2023 (both days inclusive)

e) Cut Off Date for E-voting : December 14, 2023 (For AGM to be held on December 20, 2023)

f) **Listing on Stock Exchanges** : The Equity Shares of the Company got listed on April 16, 2010 with the following Stock Exchanges:-

a) Bombay Stock Exchange Limited

Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400001.

b) The National Stock Exchange of India Ltd

Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E), Mumbai – 400051.

g) **Stock Code**

(1) Trading Symbol at : Bombay Stock Exchange - 533189

National Stock Exchange of India Ltd.– GOENKA

(2) Demat ISIN Number: INE516K01024
(NSDL & CDSL)

(Note: Annual listing fees for the year 2022-2023 have been paid to all the above Stock Exchanges)

h) **Stock Market Data**

The shares of the company got listed with Bombay Stock Exchange Limited and National Stock Exchange of India Ltd on April 16, 2010.

Month	Bombay Stock Exchange (BSE) In (₹)		National Stock Exchange (NSE) In (₹)	
	Month's High Price	Month's Low Price	Month's High Price	Month's Low Price
April, 2022	3.45	2.68	345	2.70
May, 2022	2.85	2.09	2.80	2.15
June, 2022	2.42	1.53	2.40	1.60
July, 2022	2.09	1.78	2.10	1.85
August, 2022	2.10	1.74	2.10	1.75
September, 2022	2.15	1.71	2.15	1.70
October, 2022	1.89	1.64	1.90	1.65
November, 2022	1.84	1.60	1.80	1.65
December, 2022	1.78	1.21	1.75	1.25
January, 2023	1.44	1.13	1.40	1.10
February, 2023	1.26	0.96	1.25	0.90
March, 2023	1.05	0.85	1.05	0.8

i) **Performance of the share price of the Company in comparison to the BSE Sensex and CNX Nifty on month-wise closing during the year:**

Month	BSE		NSE	
	Goenka	Sensex	Goenka	Nifty
April, 2022	2.78	57060.87	2.75	17102.55
May, 2022	2.22	55566.41	2.25	16661.40
June, 2022	1.93	53018.94	1.90	15780.25
July, 2022	1.82	57104.81	1.85	17158.25
August, 2022	1.90	58245.92	1.90	17759.30
September, 2022	1.21	57426.92	1.80	17094.35
October, 2022	1.71	60746.59	1.70	18012.20
November, 2022	1.68	63099.65	1.70	18758.35
December, 2022	1.33	60840.74	1.25	18191.00
January, 2023	1.14	59549.90	1.10	17662.15
February, 2023	0.96	58962.12	1.00	17303.95
March, 2023	0.85	57960.09	0.80	17359.75

j) Registrar and Share Transfer Agents :

KFin Technologies Private Limited
(Unit: Goenka Diamond and Jewels Limited)
Selenium Tower – B, Plot No. 31 & 32,
Financial District, Nanakramguda,
Serilingampally Mandal,
Hyderabad, 500032
Phone No. 040 – 67161565

k) **Share Transfer System:**

Shares sent for the physical transfer are registered and returned within one month from the date of receipt, if the documents are clear in all respects. The Stakeholders Relationship Committee meets as often as required. There were no share transfers in physical form during 2022-23 and no share transfer was pending as on March 31, 2023.

l) **Dematerialization of Equity Shares**

The Company's shares are traded in dematerialized form only. To facilitate trading in dematerialized form there are two depositories, i.e., National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL). The Company has entered into an agreement with both these depositories. The shareholders can open account with any of the depository participants registered with any of these depositories. As on March 31, 2023 only 15,515 Equity Shares out of 31,70,00,000 equity shares of the Company are in physical form and 31,69,84,485 equity shares of the Company are in dematerialized form.

h) **Demat Suspense Account**

There are no shares lying in the Demat Suspense Account.

m) **Distribution of Shareholdings as on March 31, 2023**

Sl. No.	Category	No. of Shareholders	% of Total Number of Shareholders	Amount	% of Amount
1	1 - 5000	34384	91.10	27833158	8.78
2	5001 - 10000	1664	4.41	13143210	4.15
3	10001 - 20000	852	2.26	12516254	3.95
4	20001 - 30000	297	0.79	7497312	2.37
5	30001 - 40000	125	0.33	4390206	1.38
6	40001 - 50000	124	0.33	5895604	1.86
7	50001 - 100000	182	0.48	13732405	4.33
8	100001 - 200000	66	0.17	9281184	2.93
9	200001 and above	**50**	**0.13**	**222710667**	**70.26**
	TOTAL:	**37744**	**100.00**	**317000000**	**100.00**

n) **Shareholding Pattern as on March 31, 2023**

Category of Shareholders	Holding %
Promoters / Directors/Relatives – Indian	57.55
International Investors (FIIs/NRIs/OCBs)	0.61
Bodies Corporate	3.46
Resident Indians	35.20
Others	3.18
Total	**100.00**

o) Address for Investors Correspondence (For transfer/dematerialisation of Shares and any other query) :

KFin Technologies Private Limited
(Unit Goenka Diamond and Jewels Ltd.)
Kfin Selenium, Tower- B, Plot No 31 & 32,
Financial district,
Hyderabad, 500032
Tel.: 040 67161700
Fax: 040 67161680
Website : www.kfintech.com

p)	**Email Id for investors correspondence**	:	cs@goenkadiamonds.com
q)	**Any query on Annual Report**		Ms. Dimple Jaiswal Company Secretary Goenka Diamond & Jewels Limited 1305, Panchratna, Opera House, Mumbai – 400004 Tel.: + 91 22 43667000 Fax: + 91 22 43669000 e-mail: cs@goenkadiamonds.com

r) **Outstanding GDR/ADR/Warrants/convertible instruments**

The Company has not issued any GDR/ADR/Warrants/convertible instruments during the Financial Year 2022-2023.

s) **Commodity Price Risks / Foreign Exchange Risk And Hedging Activities**

The Company does not trade in commodity market. The Company has in place a robust risk management framework for identification and monitoring and mitigation foreign exchange risks.

t) **Plant Locations**

The Company has diamond processing unit at Surat. However the operations are temporarily closed.

u) **Subsidiary Companies**

The Company has adopted policy for Determining Material Subsidiaries, pursuant to the SEBI LODR. This policy is available on the Company's website. The Company does not have any material unlisted Indian Subsidiary Company during the year under review.

v) Disclosures on compliance with Corporate Governance requirements specified in regulation 17 to 27 of the SEBI LODR have been included in the relevant places of this report. Appropriate information has been placed on the Company's website pursuant to the SEBI LODR.

On behalf of the Board of Directors of
For Goenka Diamond and Jewels Limited

Place: Mumbai
Date: 09-11-2023

Nandlal Goenka
Chairman
Din no. 00125281

FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN
As on financial year ended on March 31, 2023
Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

I. REGISTRATION & OTHER DETAILS:

CIN	L36911RJ1990PLC005651
Registration Date	November 05, 1990
Name of the Company	Goenka Diamond And Jewels Limited
Category/Sub-category of the Company	Company Limited by Shares / Indian Non-Government Company
Address of the Registered office & contact details	401, Panchratana, Moti Singh Bhomiyon Ka Rasta, Johari Bazar, Jaipur – 302004 (Phone No. : 0141 – 2574175)
Whether listed company	Yes
Name, Address & contact details of the Registrar & Transfer Agent, if any.	KFin Technologies Private Limited. Selenium Tower B, Plot No. 31 & 32, Nanakramguda, Serilingampally Mandal Hyderabad- 500 032 Tel.: 040 6716 1565 Website: www.kfintech.com

II. **PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY (**All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

S. No.	Name and Description of main products / Services	NIC Code of the Product/service	% to total turnover of the Company
1	Cutting and polishing of diamonds and manufacturing and retailing of diamond/ jewellery	321	100%

III. **PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -**

All the business activities contributing 10 % or more of the total turnover of the company are as under:

Sl. No.	Name and Description of main products / Services	NIC Code of the Product/ service	% to total turnover of the company	Applicable Sections
A	Holding Company	NA	NA	NA
B	Subsidiary Companies – Indian	NA	NA	NA
C	Subsidiary Companies – Abroad			
1	M.B. Diamond LLC – Russia	321	100%	Section 2(87)
2	Goenka Diamond & Jewels DMCC – Dubai	321	100%	Section 2(87)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

A) Category-wise Share Holding\

Category of Shareholders	No. of Shares held at the end of the year[As on 31-March-2022]				No. of Shares held at the end of the year[As on 31-March-2023]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter s									
(1) **Indian**									
a) Individual/ HUF	182,429,250	-	182,429,250	57.55%	182,429,250	-	182,429,250	57.55%	0.00%
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	-	-	-	-	-	-	-	-	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A)	**182,429,250**	**-**	**182,429,250**	**57.55%**	**182,429,250**	**-**	**182,429,250**	**57.55%**	**0.00%**
B. Public Shareholding		-				-			
1. Institutions		-				-			
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	1,28,91,023	-	1,28,91,023	4.07%	1,09,82,385	-	1,09,82,385	3.46%	-0.61%
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds		-		-		-		-	-
i) Others (specify) – IEPF	2,859	-	2,859	0.00%	2,859	-	2,859	0.00%	0.00%
Sub-total (B)(1):-	**1,28,93,882**	**-**	**1,28,93,882**	**4.07%**	**1,09,85,244**	**-**	**1,09,85,244**	**3.46%**	**-0.61%**
2. Non-Institutions		-				-			
a) Bodies Corp.	83,75,093	-	83,75,093	2.64%	82,04,576	-	82,04,576	2.59%	-0.05%
i) Indian				-				-	-
ii) Overseas				-				-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto ` 2 lakhs	8,50,53,002	15,515	8,50,53,002	26.83%	8,94,06,682	15,515	8,94,06,682	28.20%	1.37%
ii) Individual shareholders holding nominal share capital in excess of Rs 2 lakhs	2,63,17,019	-	2,63,17,019	8.30%	2,21,88,704	-	2,21,88,704	7.00%	-1.30%
c) Others (specify)		-		-		-		-	-
Non Resident Indians	15,45,214	-	15,45,214	0.49%	18,77,239	-	18,77,239	0.59%	0.10%
Overseas Corporate Bodies	-	-	-	-	-	-	-	-	-
Foreign Nationals	0	-	0	0.00%	-	-	-	-	-
Clearing Members	3,86,040	-	3,86,040	0.12%	3,86,040	-	3,86,040	0.12%	0.00%
Trusts	500	-	500	0.00%	500	-	500	0.00%	0.00%
Foreign Bodies - D R	-	-	-	-	-	-	-	-	-
NBFC	-	-	-	-	-	-	-	-	0.00%
Sub-total (B)(2):-	**12,16,64,212**	**15,515**	**12,16,79,727**	**38.38%**	**12,16,64,212**	**15,515**	**12,16,79,727**	**38.38%**	**0.00%**
Total Public Shareholding (B)=(B)(1)+ (B)(2)	**13,45,55,235**	**15,515**	**13,45,70,750**	**42.45%**	**13,45,55,235**	**15,515**	**13,45,70,750**	**42.45%**	**0.00%**
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	**31,69,84,485**	**15,515**	**31,70,00,000**	**100.00%**	**31,69,84,485**	**15,515**	**31,70,00,000**	**100.00%**	**0.00%**

B) Shareholding of Promoters-

SN	Shareholder's Name	Shareholding at the beginning of the year (April 01, 2022)			Shareholding at the end of the year (March 31, 2023)			% change in Shareholding during the Year
		No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	
1	NAVNEET GOENKA	91126875	28.75%	0.00	91126875	28.75%	0.00	0.00
2	#NIRMALA NANDLAL GOENKA	51326250	16.19%	0.00	51326250	16.19%	0.00	0.00
3	NAND LAL GOENKA HUF	34200000	10.79%	0.00	34200000	10.79%	0.00	0.00
4	NANDLAL SHUBHKARAN GOENKA	5600625	1.77%	0.00	5600625	1.77%	0.00	0.00
5	DHRITI SINGHVI	138000	0.04%	0.00	138000	0.04%	0.00	0.00
6	NAMITA JAIN	18750	0.01%	0.00	18750	0.01%	0.00	0
7	NEETA SARAF	18750	0.01%	0.00	18750	0.01%	0.00	0
	Total	182429250	57.55%	0.00	182429250	57.55%	0.00	0.00

\# Out of 51326250 Equity Shares, 40976250 shares were transferred by Mr. Nitin Goenka during Financial Year 2013-14 to Mrs. Nirmala Goenka, which are frozen; and are lying in latter's demat account; and carry no voting rights.

C) Change in Promoters' Shareholding

Particulars	Shareholding at the beginning of the year		Increase/ (Decrease) during the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of The Company	No. of shares	% of total shares of The Company
At the beginning of the year	182429250	57.55%				
Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.):			NIL	NIL	182429250	57.55%
At the end of the year					182429250	57.55%

D) Change in Shareholding Pattern of top ten Shareholders:

(Other than Directors, Promoters and Holders of GDRs and ADRs):

For Each of the Top 10 Shareholders	Shareholding at the beginning of the year (April 01, 2022)		Shareholding at the End of the year (March 31, 2023)	
	No. of shares	% of Equity Capital	No. of shares	% of Equity Capital
PUNJAB NATIONAL BANK $	6897119	2.18%	6897119	2.18%
GENERAL INSURANCE CORPORATION OF INDIA $	5993904	1.89%	4085266	1.29%
SALMAN KHAN $	2885483	0.91%	2885483	0.91%
ANKIT JAIN @	2754820	0.87%	2754820	0.87%
B SUMANTHKUMAR REDDY $	2294447	0.72%	2294447	0.72%
NAYANI HARITHA $	1950136	0.62%	1950136	0.62%
TRACK HOLDINGS PRIVATE LIMITED $	1696260	0.54%	1696260	0.54%
DECENT FINANCIAL SERVICES PVT LTD $	1422660	0.45%	1422660	0.45%
Sagar Agarwal*	901500	0.28%	1313616	0.41%
KUMARASWAMY REDDY BATHINA$	1177997	0.37%	1177997	0.37%
SADHANA SATISH KATARIYA$	1100000	0.35%	1100000	0.35%
MARUTHI DEVI PAIGERI*	1010000	0.32%	1010000	0.32%
SHIVA REDDY*	1000000	0.32%	1000000	0.32%

Note:

1. The shares of the Company are substantially held in dematerialised form and are traded on a daily basis and hence date wise increase/decrease in shareholding is not indicated.
2. $ denotes common top 10 shareholders as on April 1, 2022 and March 31, 2023.
3. @ denotes the Sharehodlers who were in top 10 Shareholders as on March 31, 2022 but not in top 10 as on March 31, 2023.
4. * denotes the shareholders who were not in top 10 as on March 31, 2022 but in Top 10 as on March 31, 2023.

E) Shareholding of Directors and Key Managerial Personnel:

Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year (April 01, 2022)		Cumulative Shareholding during the Year (2022-23)	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the Company
At the beginning of the year (April 01, 2022)	Refer Annexure I			
Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):				
At the end of the year (March 31, 2023)				

Annexure I

SN	Shareholder's Name	Shareholding at the beginning of the year (April 01, 2022)		Cumulative Shareholding during Year (2022-23)		Change in %
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company	
1	NAVNEET GOENKA	91126875	28.75	91126875	28.75	NIL
2	NANDLAL SHUBHKARAN GOENKA	5600625	1.77	5600625	1.77	NIL
3	NAND LAL GOENKA HUF	34200000	10.79	34200000	10.79	NIL
4	#NIRMALA NANDLAL GOENKA	51326250	16.19%	51326250	16.19%	NIL
5	DHRITI SINGHVI	138000	0.04%	138000	0.04%	NIL
6	NAMITA JAIN	18750	0.01%	18750	0.01%	NIL
7	NEETA SARAF	18750	0.01%	18750	0.01%	NIL

Out of 51326250 Equity Shares, 40976250 shares were transferred by Mr. Nitin Goenka during Financial Year 2013-14 to Mrs. Nirmala Goenka, which are frozen; and are lying in latter's demat account; and carry no voting rights.

V) **INDEBTEDNESS-**Indebtedness of the Company including interest outstanding/accrued but not due for payment.

(Rs. In Lakh)

Particular	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial Year				
i) Principal Amount	17240.29	-	-	17240.29
ii) Interest due but not paid	455.49	-	-	455.49
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	17695.78	-	-	17695.78
Change in Indebtedness during the financial Year				
*** Addition**	14.60	-	-	14.60
*** Reduction**	-	-	-	-
Net Change	14.60	-	-	14.60
Indebtedness at the end of the financial year				
i) Principal Amount	17254.89	-	-	17254.89
ii) Interest due but not paid	455.49	-	-	455.49
iii) Interest accrued but not due	17710.38	-	-	17710.38
Total (i+ii+iii)				

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

A. **Remuneration to Managing Director, Whole-time Directors and/or Manager:**

(₹ *In Lakh)*

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
		Nandlal Goenka (Chairman & WTD	Navneet Goenka (Vice-Chairman & MD	
1	Gross salary	5.70	5.28	10.98
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	4.50	3.60	8.10
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	1.20	1.68	2.88
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	0	0	0
2	Stock Option	NIL	NIL	NIL
3	Sweat Equity	NIL	NIL	NIL
4	Commission			
	- as % of profit			
	- others, specify…	NIL	NIL	NIL
5	Others, please specify	NIL	NIL	NIL
	Total (A)	5.70	5.28	10.98
	Ceiling as per the Act	The ceiling is Rs. 60 Lakhs as per Section II of Schedule V of the Companies act, 2013		

B. **Remuneration to other directors**

(₹ *In Lakh)*

SN.	Particulars of Remuneration	Name of Directors			Total Amount
		Sitting Fees	Commission	Others	
1	**Independent Directors**				
	Mr. Bhau Sanjay Dhure	0.17	-	-	0.17
	Ms. Dhara Atul Shah	0.17	-	-	0.17
	Mr. Tushar Momaiyah	0.17	-	-	0.17
	Total (1)	**0.51**	**-**	**-**	**0.51**
2	Other Non-Executive Directors				
	Fee for attending board committee meetings				
	Commission	Not Applicable			
	Others, please specify				
	Total (2)				
	Total (B)=(1+2)	**0.51**	**-**	**-**	**0.51**
	Overall Ceiling as per the Act	No remuneration was paid apart from sitting fees.			

C. **REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD / MANAGER / WTD**

(Rs. In Lakh)

SN	Particulars of Remuneration	Key Managerial Personnel Monika Hissaria (Company Secretary)
1	Gross salary	4.80
	(a) Salary as per provisions contained in section 17(1) of the	4.80
	Income-tax Act, 1961	
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-
2	Stock Option	-
3	Sweat Equity	-
4	Commission	-
	- as % of profit	-
	others, specify…	-
5	Others, please specify	-
	Total	4.80

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: Not Applicable

There were no penalties/punishment/compounding of offences for the breach of any sections of Companies Act against the Company or its Directors or other officers in default, if any, during the year.

CERTIFICATE BY THE PRACTICING COMPANY SECRETARY ON CORPORATE GOVERNANCE

To,

The Members of

Goenka Diamond and Jewels Limited

I have examined the compliance of conditions of Corporate Governance by Goenka Diamond & Jewels Limited, for the year ended on March 31, 2023, as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The compliance of conditions of Corporate Governance is the responsibility of the management. My examination was limited to procedures and implementation thereof, adopted by the company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the company.

In my opinion and to the best of my information and according to the explanations given to me, and the representations made by the management I certify that the company has generally complied with conditions of Corporate Governance as stipulated.

I further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Hon'ble NCLT has appointed IRP w.e.f. December 2022, hence the board stands suspended.

VISHAL N MANSETA
Practicing Company Secretary
C.P. No. : 8981
ACS No. : 25183

Place : Mumbai
Date : November 18, 2023
UDIN : A025183E001961535

CERTIFICATION ON FINANCIAL STATEMENTS OF THE COMPANY

I, Nandlal Goenka, Chairman & an acting CEO of Goenka Diamond & Jewels limited ("the Company"), certify that:

a) I have reviewed the financial statements and cash flow statement for the year ended March 31, 2023 and that to the best of our knowledge and belief:
   (i) These statements do not contain any materially untrue statement or omit any material fact or contain any statement that might be misleading;
   (ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

b) To the best of my knowledge and belief, no transactions entered into by the Company during the year ended March 31, 2023 are fraudulent, illegal or violative of the Company's Code of Conduct.

c) I accept responsibility for establishing and maintaining internal controls for financial reporting and that I have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and have disclosed to the Auditors and Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which I am aware and the steps I have taken or proposed to taken to rectify these deficiencies.

d) I have indicated to the Auditors and the Audit Committee:
   (i) Significant changes in internal control over financial reporting.
   (ii) Significant changes in accounting policies; and
   (iii) That there have been no instances of significant fraud of which I am aware that involve management or other employees having significant role in the Company's internal control system over financial reporting.

On behalf of the Board of Directors
For **Goenka Diamond and Jewels Limited**

Place: Mumbai
Date: November 09, 2023

Nandlal Goenka
Director of Suspended Board of the company

DECLARATION BY CEO UNDER REGULATION 26(3) READ WITH PARA D OF SCHEDULE V OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 REGARDING ADHERANCE TO THE CODE OF CONDUCT

Pursuant to Regulation 26(3) read with Para 'D' of Schedule 'V' of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors and Senior Management personnel have affirmed compliance to their respective Codes of Conduct, as applicable to them for the Financial Year ended March 31, 2022.

The board stands suspended wef appointment of IRP in December 2022

For **Goenka Diamond and Jewels Limited**

Place: **Mumbai**
Date: **November 09, 2023**

Nandlal Goenka
Chairman and Acting CEO

INDEPENDENT AUDITOR'S REPORT

To,

To the Members of

Goenka Diamond and Jewels Limited

Report on the Standalone Ind AS Financial Statements

Disclaimer of Opinion

We were engaged to audit the accompanying standalone Ind AS Financial statements of Goenka Diamond and Jewels Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2023 and the Statement of Profit and Loss (including other comprehensive Income), Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and notes to financial statements, including a summary of the significant accounting policies and other explanatory information.

We do not express an opinion on the accompanying standalone Ind AS financial statements of the Company. Because of the significance of the matter described in the Basis for Disclaimer of Opinion section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on this standalone Ind AS Financial Statements.

Basis for Disclaimer of Opinion

(a) We draw attention to Note No. 38 and 45 of the financial statement regarding commencement of Corporate Insolvency Resolution Process (CIRP) under Insolvency and Bankruptcy Act, 2016 and appointment of Interim Resolution Professional (IRP) to carry function as mentioned under the Code. Consequently, the powers of Board stand suspended and are exercised by the IRP in line with the provisions of the Code. Subsequent to issue of public announcement by IRP, the claims submitted by the financial and operational creditors have been collated by the IRP and no accounting adjustment has been carried out for any excess, short or non-receipt of claims from operational and financial creditors.

(b) We draw attention to Note No. 17(B)(2) and 17(B)(3) of financial statement regarding default in repayment of loans and interest to banks (including ARC) owing to which the banks have classified the account as NPA and recalled its loans and has initiated various legal actions for recovery of its dues including legal action initiated under SARFESI Act, The Recovery of Debts due to Banks and Financial Institution Act, 1993. The outstanding loans, credit balances and interest due to banks (including ARC) amounting to Rs. 17710.38 lacs and adhoc / repayment of loan amount to an asset reconstruction company (ARC) of Rs. 1405.61 lacs for which no confirmation/ statements have been provided to us are subject to reconciliation and subsequent adjustments.

(c) Refer Note No. 9(a) and (b) of financial statement regarding non-provision of the expected credit loss/ impairment relating to overdue Trade Receivables of Rs. 69775.76 Lacs as per the requirement of Ind- AS 109 "Financial Instruments". In view of defaults in payment obligations by the Trade Receivables on due date, non-recoveries from Trade Receivables, non-receipt of confirmations/ reconciliation from Trade receivables, initiation of legal action/ suits against Trade Receivables by the company, notices/ summon to the Company from Enforcement Directorate, Reserve Bank of India, Development Commissioner of Surat SEZ and in absence of clear forward looking information regarding outcome of pending legal actions initiated and time frame and quantum of realisability of these Trade receivables, we are unable to determine the amount of expected credit loss/ impairment based on provision matrix as per the requirements of Ind-AS 109 "Financial Instruments" and its consequential impact, on the financial results.

(d) Trade payables and other payables amounting to Rs. 29717.66 lacs are outstanding since long for which neither any confirmation have been provided nor are we aware of any legal action initiated by the vendors against the Company. In absence of current status and relevant details, we are unable to comment on the payment obligation in this regard and its consequential impact on the financial statements.

(e) Refer Note No. 17(B)(2) regarding default in repayment of loans taken from the banks and non-provision of interest on such loans and consequently based on the calculation done by the management total interest amounting to Rs. 20979.19 Lacs determined at estimated rates, have not been provided for in the books of accounts including interest amounting to Rs. 2730.80 Lacs for year ended on March 31, 2023. Accordingly, finance cost for the year ended on March 31, 2023 is understated by Rs. 2730.80 lacs.

(f) Refer Note No. 9(b), 18(b) and 5(a) of the financial statement wherein, the company has not translated following monetary items denominated in foreign currency as at year ended closing rate and has been carried forward at the rate as at 31st March 2015, 31st March 2016, and / or 31st March 2017, which is not in accordance with Ind-AS -21 "The Effect of changes in Foreign Exchange Rates" and accounting policy followed by the Company.

i. Trade receivable amounting to Rs. 69,703.18 lacs

ii. Trade payables and other payable amounting to Rs. 29717.66 lacs

iii. Loans to subsidiary (including accrued interest) amounting to Rs. 2062.30 lacs

The company has not provided for cumulative exchange gain (net) on the above items amounting to Rs. 12793.91 lacs including exchange gain of Rs. 4361.32 lacs pertaining to the year ended on March 31, 2023 respectively. Accordingly, exchange gain is understated by Rs. 4361.32 for the year ended March 31, 2023.

(g) The Company has made provision for expected credited loss of Rs. 812.35 Lacs against the interest receivable on loan from a subsidiary and has recognized loss of Rs. 49.00 lacs on current investment designated through FVTPL. No deferred tax assets thereon amounting to Rs. 216.79 lacs have been recognized which is not in accordance with Ind AS-12 "Income Taxes.

Had the exchange difference as stated in para (f) above and deferred tax thereon and interest on loans as stated in para (e) above been provided, the loss before tax for the year would have been decreased by Rs. 1630.52 Lacs respectively. Consequently, the overstatement and understatement of assets and liabilities are as under: -

(Rs. In Lakh)

Head of Assets/ Liabilities	**Assets**		**Liabilities**	
	Under statement	**Over Statement**	**Under statement**	**Over statement**
Trade Receivables (exchange gain)	19707.68	-	-	-
Trade Payables (exchange loss)	-	-	7407.54	-
Non-Current financial assets	336.77	-	-	-
Current Financial Assets	158.46	-	-	-
Borrowings			20979.19	
Current financial liabilities			1.46	
Deferred Tax Liability	-	-	197.66	-
Other Equity	-	-	-	8382.93
Total	**20202.91**	**-**	**28585.84**	**8382.93**

Due to uncertainties with respect to settlement of bank dues and interest, adjustments of trade receivables and payables and its consequential impact on taxation thereof, we are unable to ascertain the tax impact and liability, on the financial results.

(h) Refer Note No. 5(b) and 41 (c) of the financial statement, no provision for the expected credit loss/ impairment on loan to a subsidiary amounting to Rs. 1249.95 Lacs has been recognized as per the requirement of Ind- AS 109 "Financial Instruments". The net worth of above subsidiary is negative and based on reasonable and supportable information regarding the current financial status and business condition of the subsidiary, there has been significant increase in credit risk and there could be delay/default in recovery of this amount. Considering the above, we are unable to comment on the amount of expected credit loss/ impairment and its consequential impact, on the financial results.

(i) The Inventory has been taken on the basis of physical verification carried out by the management (including inventory lying with franchisees on approval basis) as at the year end and its valuation is based on determination of estimated net realizable value and specific identification which involves technical judgment of management. In the absence of any valuation by an independent expert, we have relied upon by the physical verification and valuation of the Inventory as certified and determined by the management.

(j) Refer Note No. 41(b) of the financial statement regarding investment of Rs. 2.03 lacs in its subsidiary namely M.B. Diamonds LLC and Rs. 7.44 lacs in its subsidiary namely Goenka Diamond and Jewels DMCC, the net-worth of these subsidiaries is negative. The Company has not made any provision for Impairment against these investments and advance.

(k) Balances with Banks amounting to Rs. 1.55 lacs (debit balances), Other non-current deposits amounting to Rs. 13.23 lacs, other current assets (balance with government authorities) amounting to Rs. 32.48 lacs, Other Current Assets and Liabilities are subject to confirmations and consequential adjustment thereof.

(l) The company has made provision for Impairment of Residential flat/office building at Jaipur having gross block of Rs. 19.72 lacs (WDV of Rs. 5.34 lacs), for which the company neither has possession of such assets nor have any title deeds/ agreement.

Material Uncertainty related to going concern

The Company's operating results have been materially affected due to various factors including non-realization of unconfirmed Trade receivables, defaults in repayment of loans and interest to banks, non-availability of finance due to recall of loans by banks in consortium, legal actions/ insolvency proceedings initiated by banks against company for recovery of its dues, notices/ summon to company/director(s) from Enforcement Directorate, Reserve Bank of India, Development Commissioner of Surat SEZ and from other regulatory authorities, commencement of CIRP proceedings as stated in Note No. 1, Debt Recovery Tribunals and other courts for recovery of banks dues and possession/attachment/sale of company's properties, assignment and transfer of dues in favor of an asset reconstruction company (ARC), pending income tax demands and consequent attachment of bank accounts by Income tax department, reliance on occasional sales for meeting out expenses, overall substantial decrease in volume of business and sales, non-payment of statutory dues and taxes, overdue unconfirmed trade payable, non-realization of loan and interest thereon from a subsidiary etc. We are also unable to determine the impact of actions and forthcoming actions that may be taken by various legal and statutory authorities due to various factors mentioned herein above. These events cause significant doubts on the ability of the company to continue as a going concern. The appropriateness of the going concern assumption is dependent on the company's ability to raise adequate finance from alternative means, settlement of its due from banks and ARC, outcome of CIRP process and recoveries from overseas Trade Receivables to meet its short term and long term obligations as well as to establish consistent business operation. The above situation indicates that material uncertainty exist that cast significant doubt on company's ability to continue as a going concern.

Because of the significance of the matters described above in the "Basis of Disclaimer of Opinion" section of our report, absence of sufficient appropriate audit evidences and Material uncertainty related to Going Concern paragraph above, it is not possible to form an opinion on the financial statements due to the potential interaction of the multiple uncertainties and their possible cumulative effect on the financial statements. Accordingly, we do not express an opinion on the financial statements.

Responsibilities of Management for the Standalone Ind AS Financial Statements

In accordance with the applicable provisions of the Insolvency and Bankruptcy Code, 2016 ("the Code") and related rules and regulations issued thereunder, Corporate Insolvency Process ("CIRP") of Goenka Diamond and Jewels Limited was initiated by financial creditors. The Hon'ble National Company Law Tribunal ("NCLT"), Jaipur Bench, vide order no. CP(IB)2067/MB/2019 delivered on 9th December 2022 appointed an Interim Resolution Professional ("IRP") to manage affairs of the Company in accordance with the provisions of Code. Thereafter, NCLT vide order dated April 12, 2023 appointed Mr. Sourabh Malpani as IRP replacing the previous IRP appointed. Upon appointment of IRP under the Code, the powers of the Board of Directors of the Company remained suspended and vest with the IRP.

The Company's Board of Directors is responsible for the matters stated in Section 134 (5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Standalone Ind AS Financial Statements that give a true and fair view of the financial position, financial performance, cash flows and changes in equity of the Company accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed 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 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 the maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Ind AS 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.

Those Board of Directors are also responsible for overseeing the financial reporting process of the Company.

Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements

Our responsibility is to conduct an audit of the Company's financial statements in accordance with Standards on Auditing and to issue an auditor's report. However, because of the matter described in the Basis for Disclaimer of Opinion section of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these standalone Ind-AS financial statements.

We are independent of the Company in accordance with the Code of Ethics and provisions of the Companies Act, 2013 that are relevant to our audit of the standalone Ind-AS financial statements in India under the Companies Act, 2013, and we have fulfilled our other ethical responsibilities in accordance with the Code of Ethics and the requirements under the Companies act, 2013

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by section 143 (3) of the Act, we report that:

   a. As described in Basis of Disclaimer of Opinion paragraph, we are unable to obtain all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

   b. Due to possible effects of the matters as described in the Basis of Disclaimer of Opinion paragraph, we are unable to state whether proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

   c. The Balance Sheet, Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

   d. Due to effects/ possible effects of the matters described in Basis for Disclaimer of Opinion paragraph, we are unable to state whether the aforesaid standalone Ind-AS financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, Companies (Indian Accounting Standards) Rules, 2015, as amended;

   e. As at March 31, 2023, there are no directors on the board of the Company. Accordingly, reporting on compliance of section 164 (2) of the Act is not applicable;

   f. The matters described in Basis of Disclaimer of opinion paragraph and other observations made in statement on the matters specified in paragraph 3 and 4 of the Order above, may have an adverse effect on the functioning of the Company.

   g. 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" to this report;

   h. 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 explanation given to us, the remuneration paid by the Company to its Directors during the year is in accordance with the provisions of section 197 of the Act;.

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

      i. The Company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements – Refer Note 39 to the Ind AS financial statements;

      ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;

      iii. The amounts which were required to be transferred to the Investor Education and Protection Fund by the Company have been transferred.

      iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) 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 entity ("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) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. The Company has not declared or paid any dividend during the year and therefore compliance of Section 123 of the Act, is not applicable.

vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

For Ummed Jain & Co.
Chartered Accountants
ICAI Firm Reg. No.119250W

U. M. Jain
Partner
Membership No. 070863
Mumbai: May 30, 2023
UDIN No: 23070863BGQKCJ9858

ANNEXURE "A" TO THE INDEPENDENT AUDITORS' REPORT

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

i. In respect of the Company's Property, Plant and Equipment and Intangible Assets:

(a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment. (B) The Company has maintained proper records showing full particulars of intangible assets.

(b) All the Property, Plant and Equipment have been physically verified by the management during the year. There is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the company and the nature of its Property, Plant and Equipment. No material discrepancies were noticed on such verification.

(c) The title deeds of all the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the Company except the following:

Description of property	Gross carrying value (INR in lakhs)	Held in the name of	Whether promoter, director or their relative or employee	Period held- indicate range, whether appropriate	Reason for not being held in name of the Company
Building for the Company	19.72* (Impaired)	Not Registered Yet	No	Prior to 2005-2006	Refer Note No. 3 of standalone financials

' includes residential property having gross value of Rs.9.48 lakhs for which no title deeds are available*

(d) The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) and intangible assets during the year. Hence reporting under clause 3 (i) (d) of the Order is not applicable.

(e) As informed by the management, no proceedings have been initiated during the year or are pending against the Company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended 2016) and rules made thereunder. Hence reporting under clause 3 (i) (e) is not applicable.

ii. (a) As per the information furnished, the Inventories have been physically verified by the management at the year-end. In our opinion, having regard to the size, nature and location of inventory, the coverage and procedure of such verification by the management is appropriate and no discrepancies of 10% or more in aggregate for each class of inventory were noticed on such verification.

(b) The company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks on the basis of security of current assets. As per the information and explanation given to us the quarterly returns or statements have not been submitted to bank for the reason as stated in Note No. 17 of standalone financial statement and therefore we are unable to comment on the same.

iii. As required under clause 3(iii) of the Order, the relevant details to the extent applicable in respect of the investments, guarantee and/or loans or advances in the nature of loans, secured or unsecured, made by the Company during the year to companies, firms, limited liability partnership or any other parties is given as under: -

(a) The aggregate amount during the year, and balance outstanding at the balance sheet date with respect to such loans given to others is as under:

Particulars	Guarantees (INR in lacs)	Securities (In Numbers)	Loans (unsecured) (INR in lacs)	Advances in nature of loans (INR in lacs)
Aggregate amount granted/provided during the year - Subsidiary	Nil	Nil	Nil	Nil
Balance Outstanding as at balance sheet date - Subsidiary	Nil	Nil	1249.95	Nil

(b) The Company has not made any investment, provided any guarantees, given any security or granted any loans and advances in the nature of loans and provided any guarantees and hence, reporting under clause 3 (iii) (b) of the Order is not applicable.

(c) In respect of loans granted to subsidiary by the Company, the schedule of repayment of principal and payment of interest has not been stipulated and therefore we are unable to comment on the repayments of principal amounts and receipts of interest.

(d) In respect of loans granted to subsidiary by the Company, in absence of any stipulation of schedule of repayment of principal and payment of interest we are unable to comment on the amount overdue for more than ninety days. However, amount of Rs. 812.35 lakhs is shown as interest due from subsidiary against which the company has made provision of equivalent amount for expected credit loss.

(e) In the absence of any stipulation of schedule of repayment of principal, we are unable to comment on loans or advances in the nature of loans which has fallen due during the year.

(f) The Company during the year has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment. Hence, reporting under clause 3 (iii) (f) is not applicable.

(iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees and securities provided, where applicable.

(v) The Company has not accepted any deposit or amounts which are deemed to be deposits within the meaning of the provisions of Section 73 to 76 or any other relevant provisions of the Companies Act, 2013 and rules framed there under. Hence, reporting under clause 3 (v) is not applicable.

(vi) As per information and explanation given to us by the management, the Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered by the Company. Hence reporting under clause 3(vi) of the order is not applicable.

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

(a) In our opinion, the Company is not regular in depositing with appropriate authorities, undisputed statutory dues including Provident Fund, Goods and Services Tax (GST), Income Tax, Duty of Custom, Value added tax, Cess and other statutory dues applicable to it.

According to the information and explanations given to us, undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, service tax, and any other material statutory dues applicable to it, were outstanding, at the year end, for a period of more than six months are as under: -

Nature of Statute	Nature of Dues	Amount (In Lakhs)	Period to which the amount relates	Due Date	Date of Payment
Employee Provident Fund Organization	Provident Fund	19.85	2016-17 to 2021-2022	15th day of next month	Not Yet paid
		0.41	01/04/2022 to 31/08/2022		
Employee State Insurance Corporation	E.S.I.C.	2.45	2016-17 to 2021-2022	15th day of next month	Not Yet paid
		0.02	01/04/2022 to 31/08/2022		
Department of Sales Tax, Maharashtra	Profession Tax	1.11	2016-17 to 2021-2022	21st day of next month	Not Yet paid
		0.08	01/04/2022 to 31/08/2022		
Maharashtra Value Added Tax Act, 2002	VAT	4.25	2017-2018	July, 2017	Not Yet paid
Goods & Services Tax Act, 2017	GST	7.33	2017-2018	20th day of next month	Not Yet paid

Nature of Statute	Nature of Dues	Amount (In Lakhs)	Period to which the amount relates	Due Date	Date of Payment
Income Tax Act 1961	Income Tax	203.07 (excluding Interest)	Financial Year 2012-13	31-Mar-13	Not Yet paid
		53.87 (excluding Interest)	Financial Year 2012-2013	14th Oct 2013	Not Yet paid
Central Excise and Customs Act	Service Tax	1.40	FY 2008-2009 FY 2011-2012	Commissioner of Central Excise has decided appeal in favour of the Company, interest amount due	Not Yet paid

(b) Details of statutory dues including Goods and Service Tax and Income Tax which have not been deposited as on March 31, 2023 on account of disputes are as under:

Nature of Statute	Nature of Dues	Amount (In lakhs)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	1,109.47	AY 2008-2009	During the financial year, IRP was appointed by NCLT, Jaipur and subsequently, the Income Tax Department has passed an order dismissing all cross appeals filed by assesse and revenue being not maintainable with liberty to file fresh appeal. The department has filed claim with IRP amounting to Rs. 5068.52 lakhs which has been accepted by the IRP. The amounts shown against the respective assessment year are demands as appearing during the previous financial year.
		702.63	AY 2009-2010	
		70.18	AY 2010-2011	
		2,556.50	AY 2010-2011	
		71.71	AY 2011-2012	
		1,999.72	AY 2012-2013	
		80.45	AY 2013-2014	
		130.26	AY 2014-2015	
		1.42	AY 2018-2019	
		0.40	AY 2017-2018	
		0.20	AY 2016-2017	
		42.12	2009-2010 to 2021-2022	Claimed accepted by IRP
Punjab Value Added Tax	VAT	31.83	FY 2012-13	In the office of Dy. Excise & Taxation Commissioner (Admn). Ludhiana Division, Ludhiana

(viii) According to the information and explanations given to us and records examined by us, there are no transactions that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961. Hence, reporting under clause 3 (viii) is not applicable.

(ix) (a) The Company has defaulted to various banks in re-payment of working capital - export credit facilities and Corporate Loan which have been crystallized and/or became overdue or recalled at various dates, the summarized position of such defaults at the balance sheet date is as under: -

Details of continuing defaults

Name of Bank	Facility	Date of Default	Amount	Date of default ended
Central Bank of India/ Alchemist ARC Ltd	Post & Pre-Shipment Loans	Jan 2014	1,032.78	Continuing
Corporation Bank	Post & Pre-Shipment Loans and Term Loan	April 21, 2016	2,284.80	Continuing
Punjab National Bank	Post & Pre-Shipment Loans and Term Loan	March 31, 2016	4,493.31	Continuing

Name of Bank	Facility	Date of Default	Amount	Date of default ended
Punjab & Sind Bank	Post & Pre-Shipment Loans	June 30, 2014	3,141.25	Continuing
AXIS Bank / Alchemist ARC Ltd	Post & Pre-Shipment Loans and Term Loan	July 31, 2016	2,089.86	Continuing
UCO Bank/ Alchemist ARC Ltd	Post & Pre-Shipment Loans	April 4, 2016	1,002.40	Continuing
Karnataka Bank/ Alchemist ARC Ltd	Post & Pre-Shipment Loans	June 29, 2016	758.82	Continuing
Axis Bank Ltd/ Alchemist ARC Ltd	Overdrawn Balances in Bank Current Account	July 31, 2016	1,362.64	Continuing
Corporation Bank	Overdrawn Balances in Bank Current Account	April 21, 2016	15.31	Continuing
Punjab National Bank	Overdrawn Balances in Bank Current Account	March 31, 2016	2.84	Continuing
Punjab and Sindh Bank	Overdrawn Balances in Bank Current Account	June 30, 2014	1,090.84	Continuing

(b) According to (b) According to the information and explanations given to us and based on the search performed by the management of defaulter list available of various banks website, the Company has not been declared willful defaulter by any bank or financial institution or other lender. Hence, reporting under clause 3 (ix) (b) is not applicable.

(c) Based on our examinations of the records and information and explanations given to us, no term loans have been raised during the year and hence the reporting under clause 3(ix)(c) is not applicable.

(d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year 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 during the year from any entity or person on account of or to meet the obligations of its subsidiaries.

(f) Based on our examinations of the records and information and explanations given to us, the Company has not raised loans during the year on the pledge of securities held in its subsidiaries. Hence, reporting under clause 3 (ix) (f) is not applicable.

(x) (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) is not applicable.

(b) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Hence, reporting under clause 3(x)(b) is not applicable.

(xi) (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

(b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year.

(c) As represented and based on our examination of records made available to us by the management, there are no whistle blower complaints received by the Company during the year, hence reporting under clause 3(xi)(c) is not applicable.

(xii) The Company is not a Nidhi company and hence reporting under clause 3(xii) is not applicable.

(xiii) According to the information and explanations given to us and based on our examination of the records of the Company, the transactions with related parties are in compliance with Sections 177 and 188 of the Companies Act, 2013 where applicable and details of such transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

(xiv) (a) In our opinion and based on our examination, the Company have an internal audit system that commensurate with the nature and size of its business.

(b) The report of internal auditor for the period under audit has been considered by us.

(xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors. Hence, reporting under clause 3(xv) is not applicable.

(xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934 and hence reporting under clause 3(xvi)(a), (b) and (c) is not applicable.

(b) In our opinion, there is no Core Investment Company within the Group and accordingly reporting under clause 3(xvi)(d) is not applicable.

(xvii) The Company has incurred cash losses of Rs. 70.11 lakhs during the financial year covered by our audit and has not incurred cash losses in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year, hence reporting under clause 3(xviii) is not applicable.

(xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements and based on our examination of the evidence supporting the assumptions, indicate that material uncertainty exists that may cast a significant doubt on the company's ability to continue as going concern.

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) Based on the examination of the records of the Company and information and explanation given to us, due to losses incurred, requirement of section 135 of the Act is not applicable to the Company. Hence, reporting under clause 3(xx)(a) and (b) is not applicable.

For Ummed Jain & Co.
Chartered Accountants
ICAI Firm Reg. No.119250W

U. M. Jain
Partner
Membership No 070863
Mumbai: May 30, 2023
UDIN No: 23070863BGQKCJ9858

Annexure - B to the Auditors' Report

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

Disclaimer of Opinion

We were engaged to audit the internal financial controls over financial reporting of GOENKA DIAMOND AND JEWELS LIMITED ("Company") as of 31 March 2023 in conjunction with our audit of the financial statements of the

Company for the year ended on that date.

We do not express an opinion on the internal financial controls over financial reporting of the Company. Because of the significance of the matter described in the 'Basis for Disclaimer of Opinion' section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on internal financial controls over financial reporting of the Company.

Basis for Disclaimer Opinion

The system of internal financial controls over financial reporting with regard to the Company were not made available to us to enable us to determine if the Company has established adequate internal financial control over financial reporting and whether such internal financial controls were operating effectively as at March 31, 2023 due to reasons as stated in Note 45 of the financial statements. We have been informed that all transactions post CIRP period have been duly approved. We have verified its supporting's, approvals on test basis. Since we have not been provided with risk control matrix, process notes etc. we are unable to comment on it.

We have considered the disclaimer reported above in determining the nature, timing, and extent of audit tests applied in our audit of the financial statements of the Company, and the disclaimer has affected our opinion on the financial statements of the Company and we have issued a disclaimer of opinion on the financial statements (refer 'basis for disclaimer of opinion paragraph) in our audit report of even date).

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by ICAI and the Standards on Auditing as specified prescribed under Section 143 (10) of the Companies Act, 2013 Act, to the extent applicable to an audit of internal financial controls.

Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate Internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of un-authorised 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.

For Ummed Jain & Co.
Chartered Accountants
ICAI Firm Reg. No.119250W

U. M. Jain
Partner
Membership No. 070863
Mumbai: May 30, 2023
UDIN No: 23070863BGQKCJ9858

Standalone Balance Sheet as at March 31,2023

Amount in Lakhs Except Share Data

Particulars	Note No	As at March 31, 2023	As at March 31, 2022
I ASSETS			
1 Non-Current Assets			
(a) Property, Plant and Equipment	3	693.28	703.82
(b) Financial Assets			
(i) Investments	4	19.48	19.48
(ii) Loans	5	1,249.95	1,249.95
(iii) Others financial assets	6	13.23	13.23
(c) Deferred tax assets (Net)	7	31.45	31.11
2 Current assets			
(a) Inventories	8	762.19	779.62
(b) Financial Assets			
(i) Trade Receivables	9	69,775.76	69,730.17
(ii) Cash and cash equivalents	10	24.44	89.01
(iv) Others financial assets	11	1,406.38	1,406.23
(c) Other current assets	12	38.39	39.72
Total Assets		**74,014.55**	**74,062.33**
II EQUITY AND LIABILITIES			
1 Equity			
(a) Equity Share capital	13	3,170.00	3,170.00
(b) Other Equity	14	21,905.59	22,093.52
2 Non-current liabilities			
(a) Financial Liabilities			
(i) Borrowings	15	-	-
(b) Provisions	16	10.64	9.11
3 Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	17	17,710.38	17,695.78
(ii) Trade payables	18		
A. Dues to micro and small enterprise		-	-
B. Dues other than micro and small enterprise		29,834.45	29,777.83
(iii) Other financial liabilities	19	635.94	623.49
(b) Other current liabilities	20	147.38	141.83
(c) Provisions	21	2.02	1.01
(d) Current Tax Liabilities (Net)	22	598.14	549.78
Total Equity and Liabilities		**74,014.55**	**74,062.33**
Significant Accounting Policies	**1 & 2**		
Other Notes to Financial Statements	**30 to 45**		

As per our attached report of even date

For and on behalf of the Board

For UMMED JAIN & CO.
Chartered Accountants
F.R. No.: 119250W

NANDLAL GOENKA
Chairman & Chief Executive Officer
(SUSPENDED BOARD)
DIN No. 00125281

BHAU DHURE
Chairman Audit Committee
(SUSPENDED BOARD)
DIN : 08067074

UMMED MAL JAIN
Partner
M.No.: 070863

NAVNEET GOENKA
Managing Director & Chief Financial Officer
(SUSPENDED BOARD)
DIN No. 00164428

DIMPAL JAISWAL
Company Secretary
M. No.: 71236

SOURABH MALPANI
Interim Resolution Professional
M.No.: 402440

Place - Mumbai
Date - 30/05/2023

Place - Mumbai
Date - 30/05/2023

Place - JAIPUR
Date - 30/05/2023

Standalone Statement of Profit and Loss For The Year Ended March 31, 2023

Amount in Lakhs Except Share Data

	Particulars	Note No.	For the year ended March 31,2023	For the year ended March 31,2022
I	Revenue From Operations	23	152.77	421.15
II	Other Income	24	64.94	59.95
III	**Total Income (I+II)**		**217.71**	**481.11**
IV	**EXPENSES**			
	Cost of Material Consumed	25	130.71	323.66
	Changes in inventories of finished goods, stock-in trade and WIP	26	(4.30)	55.35
	Employee benefits expense	27	47.77	54.32
	Finance costs	28	58.85	55.24
	Depreciation and amortization expense	3	54.01	43.54
	Other expenses	29	118.36	119.85
	Total Expenses (IV)		**405.40**	**651.96**
V	**Profit/(loss) before exceptional item and tax (III- IV)**		**(187.69)**	**(170.86)**
VI	**Exceptional Item (Refer Note 40(d))**		**-**	-
VII	**Profit/(loss) before tax (V+VI))**		**(187.69)**	**(170.86)**
VIII	**Tax expense:**	32		
	(1) Current tax		-	-
	(2) Deferred tax		(0.19)	1.63
IX	**(Loss) for the year (VII-VIII)**		**(187.51)**	**(172.48)**
X	**Other Comprehensive (loss)/Income**			
	(i) Items that will not be reclassified to profit or loss		(0.56)	7.50
	(a) Remeasurement of defined benefit obligation			
	(ii) Income tax relating to above		0.15	(1.95)
	(iii) Items that will be reclassified to profit or loss		-	-
	(iv) Income tax relating to above		-	-
	Total other comprehensive income		**(0.42)**	**5.55**
XI	**Total Comprehensive Income for the year (Comprising Profit(Loss) and Other Comprehensive Income for the year) [IX+X]**		**(187.93)**	**(166.93)**
XII	Earnings per equity share (face value Rs.1/- Per Share)	**37**		
	Basic		(0.06)	(0.05)
	Diluted		(0.06)	(0.05)
Significant Accounting Policies		**1&2**		
Other Notes to Financial Statements		**30 to 45**		

As per our attached report of even date

For UMMED JAIN & CO.
Chartered Accountants
F.R. No.: 119250W

UMMED MAL JAIN
Partner
M.No.: 070863

Place - Mumbai
Date - 30/05/2023

For and on behalf of the Board

NANDLAL GOENKA
Chairman & Chief Executive Officer
(SUSPENDED BOARD)
DIN No. 00125281

BHAU DHURE
Chairman Audit Committee
(SUSPENDED BOARD)
DIN : 08067074

NAVNEET GOENKA
Managing Director & Chief Financial Officer
(SUSPENDED BOARD)
DIN No. 00164428

DIMPAL JAISWAL
Company Secretary
M. No.: 71236

Place - Mumbai
Date - 30/05/2023

SOURABH MALPANI
Interim Resolution Professional
M.No.: 402440

Place - JAIPUR
Date - 30/05/2023

Standalone Statement of Cash Flows for the year ended March 31, 2023

Amount in Lakhs Except Share Data

	Particulars	Year ended March, 31 2023	Year ended March, 31 2022
A.	**CASH FLOW FROM OPERATING ACTIVITIES**		
	Net (loss) before tax	(187.69)	(170.86)
	Adjustment for:		
	Depreciation	54.01	43.54
	Gratuity (OCI)	(0.56)	7.50
	Finance Charges Paid	58.85	55.24
	Interest Income	(63.74)	(58.75)
	Provision for expected credit loss	63.57	58.48
	Operating Profit before Working Capital Changes	**(75.57)**	**(64.86)**
	Adjustment for		
	Trade and other receivables(financial and non financial)*	(44.04)	3.26
	Inventories	17.43	374.14
	Trade payable	56.62	(52.72)
	Other liabilities and provision (financial and non financial)	24.67	(152.44)
	Cash generated from operations	**(20.90)**	**107.40**
	Income Tax Paid (Net)	-	-
	Net cash from Operating Activities	**(20.90)**	**107.40**
B	**CASH FLOW FROM INVESTING ACTIVITIES**		
	Payment for purchase of Property, Plant and Equipment	(43.47)	(28.53)
	Net cash from investing activities	**(43.47)**	**(28.53)**
C	**CASH FLOW FROM FINANCING ACTIVITIES**		
	Proceed from Borrowings	-	-
	Net cash from financing activities	**-**	**-**
	Net increase in Cash and Cash equivalent (A+B+C)	(64.38)	78.87
	Cash and Cash equivalent in the Opening balance	86.20	7.33
	Cash and Cash equivalent in the Closing balance	**21.82**	**86.20**
	Note :		
	Reconciliation of component of cash and cash equivalent:		
	Closing Cash and Cash Equivalents as per books		
	Cash & Cash Equivalents (Refer Note No. 10)	21.82	86.20
	Cash and Cash equivalent as per statement of cash flows	**21.82**	**86.20**
	Cash in hand	3.76	32.60
	Current Accounts	18.06	53.60
	Total	**21.82**	**86.20**

Standalone Statement of Cash Flows for the year ended March 31, 2023

Notes:

1 The Statement of cash flows has been prepared under the Indirect method as set out in Ind AS 7 on Statement of cash flows notified under Section 133 of The Companies Act 2013, read together with Paragraph 7 of the Companies (Indian Accounting Standard) Rules 2015 (as amended).

2 The Company does not have any cash flow from financing activities. Hence, the disclosure showing movement of cash flows from financing activities is not required.

As per our attached report of even date		**For and on behalf of the Board**	
For UMMED JAIN & CO. **Chartered Accountants** **F.R. No.: 119250W**	**NANDLAL GOENKA** **Chairman & Chief Executive Officer** **(SUSPENDED BOARD)** **DIN No. 00125281**	**BHAU DHURE** **Chairman Audit Committee** **(SUSPENDED BOARD)** **DIN : 08067074**	
UMMED MAL JAIN **Partner** **M.No.: 070863**	**NAVNEET GOENKA** **Managing Director & Chief Financial Officer** **(SUSPENDED BOARD)** **DIN No. 00164428**	**DIMPAL JAISWAL** **Company Secretary** **M. No.: 71236**	**SOURABH MALPANI** **Interim Resolution Professional** **M.No.: 402440**
Place - Mumbai Date - 30/05/2023		Place - Mumbai Date - 30/05/2023	Place - JAIPUR Date - 30/05/2023

Standalone Statement of Changes In Equity March 31, 2023

A. Equity Share Capital

Particulars	Amount in lakhs
Balance as at April 1, 2021	**3,170.00**
Changes in equity share capital	-
Balance as at March 31, 2022	**3,170.00**
Changes in equity share capital	-
Balance as at March 31, 2023	**3,170.00**

B Other Equity

Amount in Lakhs Except Share Data

Particulars	Reserves and Surplus			Other Comprehensive Income	Total
	Securities Premium	General Reserve	Retained Earnings	Remeasurement of Defined benefit obligation	
Balance as at April 1,2021	**10,885.07**	**99.08**	**11,272.29**	**4.04**	**22,260.45**
Profit for the year	-	-	(172.48)	-	(172.48)
Other Comprehensive Income (Net of Tax)	-	-	-	5.55	5.55
Balance as at March 31, 2022	**10,885.07**	**99.08**	**11,099.80**	**9.59**	**22,093.52**
Profits for the year	-	-	(187.51)	-	(187.51)
Other Comprehensive Income (Net of Tax)	-	-	-	(0.42)	(0.42)
Balance as at March 31, 2023	**10,885.07**	**99.08**	**10,912.29**	**9.17**	**21,905.59**

As per our attached report of even date

For and on behalf of the Board

For UMMED JAIN & CO.
Chartered Accountants
F.R. No.: 119250W

NANDLAL GOENKA
Chairman & Chief Executive Officer
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DIMPAL JAISWAL
Company Secretary
M. No.: 71236

SOURABH MALPANI
Interim Resolution Professional
M.No.: 402440

Place - Mumbai
Date - 30/05/2023

Place - Mumbai
Date - 30/05/2023

Place - JAIPUR
Date - 30/05/2023

NOTES FORMING PART OF STANDALONE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

Note: - 1

Corporate Information

Goenka Diamond and Jewels Limited ("the Company") is a public limited company domiciled in India and incorporated under the Companies Act, 1956. The Company is engaged in the business of trading and manufacturing of diamond and gold jewellery. The Company is listed on Bombay Stock Exchange Limited (BSE) and the National Stock Exchange of India Limited (NSE).

The financial statement has been approved by the Board of Directors as on 30th May, 2023.

Notes: - 2

I. **Basis of preparation and presentation**

Statement of Compliance: The Standalone Ind AS Financial Statements have been prepared in accordance with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules as amended time to time and accounting principles generally accepted in India.

The Standalone Ind AS Financial Statements have been prepared on the historical cost basis except for certain financial instruments measured at fair values, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current / non-current classification. An asset is treated as current when it is:

a) Expected to be realised or intended to be sold or consumed in normal operating cycle

b) Held primarily for the purpose of trading, or

c) Expected to be realised within twelve months after the reporting period other than for (a) above, or

d) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

a) It is expected to be settled in normal operating cycle

b) It is held primarily for the purpose of trading

c) It is due to be settled within twelve months after the reporting period other than for (a) above, or

d) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non-current.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or liability, the Company takes in to account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these Standalone Ind AS Financial Statements is determined on such a basis, except for leasing transactions that are within the scope of Ind AS 17, and measurement that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurement is categorized into level 1, 2 and 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurements in its entirely, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

NOTES FORMING PART OF STANDALONE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

- Level 2 inputs are inputs, other than quoted prices included within level 1, that are observable for the asset or liability, either directly or indirectly, and
- Level 3 inputs are unobservable inputs for the asset or liability.

II. **Summary of significant accounting policies:**

A. **Property, plant and equipment**

The cost of property, plant and equipment comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, including relevant borrowing costs for qualifying assets.

Depreciation is recognized so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using written down value method as per the useful life prescribed in Schedule II to the Companies Act, 2013.

Leasehold land is amortized over the initial period of lease.

The expenditure incurred on improvement on leased premises is written off proportionately over the initial period of lease.

The Company reviews the residual value, useful lives and depreciation method annually and, if expectations differ from previous estimates, the change is accounted for as a change in accounting estimate on a prospective basis.

B. **Intangible assets**

Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the assets will flow to the Company and the cost of the assets can be measured reliably. Intangible assets are stated at cost less accumulated amortisation and impairment loss, if any.

Expenditure on software is recognized as 'Intangible Assets' and is amortized over a period of three years.

C. **Impairment of tangible and intangible assets other than goodwill**

At the end of each reporting period, the carrying amounts of tangible and intangible assets are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest Company of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the Statement of Profit and Loss.

NOTES FORMING PART OF STANDALONE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

D. **Leases**

Leases

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

The Company accounts for each lease component within the contract as a lease separately from non-lease components of the contract and allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

The Company recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets are depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. Right of- use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate. For leases with reasonably similar characteristics, the Company, on a lease by lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Company is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. The Company recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and statement of profit and loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognises any remaining amount of the re-measurement in statement of profit and loss.

The Company has elected not to apply the requirements of Ind AS 116 Leases to short term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognised as an expense on a straight-line basis over the lease term.

E. **Inventories**

- Inventories are valued at lower of cost and estimated net realisable value. 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 management, which has been relied upon by the Auditors.

F. **Revenue recognition**

IND AS 115: Revenue from contract with customers

The Company earns revenue primarily from sale of cut and polished diamonds, gold and diamond studded jewellery etc.

Ind AS 115 provides a single, principles based five-step model to be applied to all contracts with customers. The five steps in the model are as follows:

- Identify the contract with the customer;
- Identify the performance obligations in the contract;
- Determine the transaction price;
- Allocate the transaction price to the performance obligations in the contracts;
- Recognise revenue when (or as) the entity satisfies a performance obligation.

Revenue is recognised upon transfer of promised goods to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products. In case of sale of gold and diamond jewellery, the revenue is recognised on transfer of control of promised goods to customers.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

Unearned and deferred revenue (“contract liability”) is recognised when there is billings in excess of revenues. The billing schedules agreed with customers include periodic performance-based payments and / or milestone-based progress payments. Invoices are payable within contractually agreed credit period.

Contracts are subject to modification to account for changes in contract specification and requirements. The Company reviews modification to contract in conjunction with the original contract, basis which the transaction price could be allocated to a new performance obligation, or transaction price of an existing obligation could undergo a change. In the event transaction price is revised for existing obligation, a cumulative adjustment is accounted for.

Use of significant judgements in revenue recognition:

- The Company’s contracts with customers could include promises to transfer multiple products to a customer. The Company assesses the products promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligation involves judgement to determine the deliverables and the ability of the customer to benefit independently from such deliverables.
- Judgement is also required to determine the transaction price for the contract. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as volume discounts, service level credits, performance bonuses, price concessions and incentives. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct product or service from the customer. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period. The Company allocates the elements of variable considerations to all the performance obligations of the contract unless there is observable evidence that they pertain to one or more distinct performance obligations.
- The Company uses judgement to determine an appropriate standalone selling price for a performance obligation. The Company allocates the transaction price to each performance obligation on the basis of the relative standalone selling price of each distinct product or service promised in the contract. Where standalone selling price is not observable, the Company uses the expected cost-plus margin approach to allocate the transaction price to each distinct performance obligation.

- The Company exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Company considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such products, transfer of significant risks and rewards to the customer etc.

The company does not have any unsatisfied performance obligation as at the year end.

Interest income

Interest income is recognised on a time proportion basis following effective interest rate method.

Dividend income

Revenue is recognized when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

G. **Borrowing costs**

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. Capitalisation of the borrowing costs is suspended during extended periods in which it suspends active development of a qualifying asset.

All other borrowing costs are recognised in the Statement of Profit and Loss in the period in which they are incurred.

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs

H. **Employee benefits**

Retirement benefit costs and termination benefits

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

For defined benefit retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Defined benefit costs are categorised as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- re-measurement

The Company presents the first two components of defined benefit costs in the Statement of Profit and Loss in the line item 'Employee benefits expenses. Curtailment gains and losses are accounted for as past service costs.

Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding interest), is reflected immediately in the statement of financial position with a charge or credit recognised in other comprehensive income in the period in which they occur. Re-measurement recognised in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to the Statement of profit and loss. Past service cost is recognised in the Statement of Profit and Loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset.

The retirement benefit obligation recognised in the statement of financial position represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.

Short-term and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

I. **Foreign currencies**

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).

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. 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 retranslated.

Exchange differences on monetary items are recognised in Statement of Profit and Loss in the period in which they arise.

J. **Financial Instruments**

Financial instruments comprise of financial assets and financial liabilities. Financial asset primarily comprises of investments, loans and advances, trade receivables and cash and cash equivalents. Financial liabilities primarily comprise of borrowings, trade and other payables.

Financial assets and financial liabilities are recognised when an entity becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. However, trade receivables that do not contain significant financial component are valued at transaction price. However, trade receivables that do not contain significant financial component are valued at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through Statement of Profit and Loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit and loss are recognised immediately in Statement of Profit and Loss.

I. **Financial assets**

a) **Initial recognition and measurement**

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

All recognized financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets

b) **Investments in subsidiaries and associates**

Investment in subsidiaries and associates are accounted at cost. Where the carrying amount of an investment is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount and the difference is transferred to the Statement of Profit and Loss. On disposal of investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to Statement of Profit and Loss.

c) **Classification of financial assets**

For purposes of subsequent measurement, financial assets are classified in two broad categories:

1. Financial assets at amortised cost
2. Financial assets at fair value

Where assets are measured at fair value, gains and losses are either recognized in the statement of profit and loss (i.e. fair value through profit and loss) (FVTPL), or recognized in other comprehensive income (i.e. fair value through other comprehensive income) (FVTOCI)

Financial asset at amortised cost

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated at FVTPL:

- The asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. The Company has recognized its financial assets at amortised cost.

d) **Effective interest method**

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognized in the Statement of Profit and Loss and is included in the ‘Other income’ line item.

e) **De-recognition of financial assets**

The Company de-recognizes a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognizes its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognize the financial asset and also recognizes a collateralized borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset’s carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in the Statement of Profit and Loss if such gain or loss would have otherwise been recognised in the Statement of Profit and Loss on disposal of that financial asset.

f) **Impairment of financial assets**

The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, debt instruments at FVTOCI, lease receivables, trade receivables, other contractual rights to receive cash or other financial asset.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). The Company estimates cash flows by considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instrument.

The Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the life-time expected credit losses and represent the lifetime cash shortfalls that will result if default occurs within the 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

If the Company measured loss allowance for a financial instrument at lifetime expected credit loss model in the previous period, but determines at the end of a reporting period that the credit risk has not increased significantly since initial recognition due to improvement in credit quality as compared to the previous period, the Company again measures the loss allowance based on 12-month expected credit losses.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Company uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

II. **Financial liabilities and equity instruments**

a) **Classification as debt or equity**

Debt and equity instruments issued by a company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

b) **Equity instruments**

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company’s own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in Statement of Profit and Loss on the purchase, sale, issue or cancellation of the Company’s own equity instruments.

c) **Financial liabilities**

Financial liabilities are classified as either financial liabilities ‘at FVTPL’ or ‘other financial liabilities’.

Financial liabilities at FVTPL:

Financial liabilities are classified as at FVTPL when the financial liability is either held for trading or it is designated as at FVTPL.

A financial liability is classified as held for trading if:

- It has been incurred principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

A financial liability other than a financial liability held for trading may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise;
- the financial liability forms part of a Company of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Company's documented risk management or investment strategy, and information about the Companying is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and Ind AS 109 permits the entire combined contract to be designated as at FVTPL in accordance with Ind AS 109.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in Statement of Profit and Loss. The net gain or loss recognised in Statement of Profit and Loss incorporates any interest paid on the financial liability and is included in the 'Other Income' line item in the Statement of Profit and Loss.

Other financial liabilities:

Other financial liabilities (including borrowings and trade and other payables) that are not held-for-trading and are not designated as at FVTPL are subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities:

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in Statement of Profit or Loss.

K. **Taxation**

Income tax expense represents the sum of the current tax and deferred tax.

Current tax

Current tax is the amount of tax payable based on the taxable profit for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Standalone Ind AS Financial Statements and the corresponding tax bases used in the computation of taxable profit. 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 the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax during the specified period i.e., the period for which MAT credit is allowed to be carried forward as per tax laws. The Company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal income tax during the specified period.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

The company has not recognised deferred tax assets on unabsorbed depreciation and carried forward of losses due to lack of reasonable certainty that future taxable income will be there against which such deferred tax assets can be set off,

Current and deferred tax for the period

Current and deferred tax are recognised in the Statement of Profit and Loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

L. **Provisions, contingent liabilities and contingent assets**

Provisions are recognised when the Company has a present obligation (legal or constructive), as a result of past event, and it is probable that an outflow of resources embodying economic benefits, that can be reliably estimated, will be required to settle such an obligation. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liabilities are not recognised but disclosed unless the probability of an outflow of resources is remote. Contingent assets are disclosed where inflow of economic benefits is probable.

M. **Earnings per share**

Basic earnings per share are computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the profit after tax by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

III. **Key sources of estimation uncertainty and critical accounting judgements**

The preparation of the Standalone Ind AS Financial Statements requires management to make judgments', estimates and assumptions about the reported amounts of assets and liabilities, and, income and expenses that are not readily apparent from other sources. Such judgments, estimates and associated assumptions are evaluated based on historical experience and various other factors, including estimation of the effects of uncertain future events, which are believed to be reasonable under the circumstances. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

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 Standalone Ind AS 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.

NOTES FORMING PART OF STANDALONE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

i) **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 Standalone Ind AS Financial Statements is based on the Company's assessment that the Company will continue as a going concern

ii) **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.

iii) **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.

iv) **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.

v) **Defined benefit plans (gratuity benefits)**

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate; future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

Further details about gratuity obligations are given in Note 32.

vi) **Recoverability of financial assets**

Assessment of recoverability of trade receivables require 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. See Note 9 for further disclosures on impairment of trade receivables.

IV. **Standards issued but not yet effective and have not been adopted early by the Company**

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, as below:

Ind AS 1 - Presentation of Financial Statements - This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and the impact of the amendment is insignificant in the Company's standalone financial statements.

Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors - This amendment has introduced a definition of 'accounting estimates' and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and there is no impact on its standalone financial statements.

Ind AS 12 - Income Taxes - This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and there is no impact on its standalone financial statement.

NOTES FORMING PART OF STANDALONE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

3 Property, Plant and Equipment

Amount in Lakhs Except Share Data

Cost/ Valuation	Lease Hold Land	Lease Hold Factory Land	Buildings	Plant & Machinery	Electric Installation	Furniture & Fixtures	Vehicles	Office Equipment	Computers	Improvement on Leasehold Premises	Total
Gross carrying amount											
Balance at 1 April 2021	**27.36**	**668.41**	**680.14**	**153.30**	**22.87**	**16.96**	**112.80**	**62.01**	**73.38**	**146.14**	**1,963.38**
Additions	-	-	-	-	-	-	28.53	-	-	-	28.53
Disposals	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-
At 31 March 2022	**27.36**	**668.41**	**680.14**	**153.30**	**22.87**	**16.96**	**141.33**	**62.01**	**73.38**	**146.14**	**1,991.90**
Additions	-	-	-	-	-	-	43.47	-	-	-	**43.47**
Disposals	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-
At 31 March 2023	**27.36**	**668.41**	**680.14**	**153.30**	**22.87**	**16.96**	**184.81**	**62.01**	**73.38**	**146.14**	**2,035.38**

Depreciation and impairment	Lease Hold Land	Lease Hold Factory Land	Buildings	Plant & Machinery	Electric Installation	Furniture & Fixtures	Vehicles	Office Equipment	Computers	Improvement on Leasehold Premises	Total
Balance at 1 April 2021	**25.99**	**200.52**	**455.59**	**142.71**	**21.72**	**16.12**	**107.40**	**58.63**	**69.72**	**146.14**	**1,244.55**
Depreciation expense & Impairment	-	22.28	14.75	1.91	-	-	4.59	-	-	-	43.54
Disposal	-	-	-	-	-	-	-	-	-	-	-
At 31 March 2022	**25.99**	**222.80**	**470.34**	**144.62**	**21.72**	**16.12**	**111.99**	**58.63**	**69.72**	**146.14**	**1,288.08**
Depreciation expense & Impairment	-	22.28	18.77	1.44	-	-	11.52	-	-	-	54.01
Disposal	-	-	-	-	-	-	-	-	-	-	-
At 31 March 2023	**25.99**	**245.08**	**489.11**	**146.06**	**21.72**	**16.12**	**123.52**	**58.63**	**69.72**	**146.14**	**1,342.09**

Net Carrying Amount	Lease Hold Land	Lease Hold Factory Land	Buildings	Plant & Machinery	Electric Installation	Furniture & Fixtures	Vehicles	Office Equipment	Computers	Improvement on Leasehold Premises	Total
At 31 March 2023	1.37	423.33	191.03	7.24	1.14	0.84	61.29	3.38	3.66	-	**693.28**
At 31 March 2022	1.37	445.61	209.80	8.68	1.14	0.84	29.34	3.38	3.66	-	**703.82**

Notes

1 Building includes 5 No. shares held in Mount Unique CHS.

2 Building includes Flat at Jaipur which is not yet registered in the name of the company.

	Relevant line item in the Balance Sheet	Description of item of property	Gross Carrying Value	Titile deeds in the name of	Whether title deed holder is a promoter, director or relative of promoter / director or employee of promoter / director	Property held since which date	Reason for not being held in the name of the Company
	Building for the Company	Office Space	19.72 (since impaired)	Not Registered Yet	No	prior to 2005-2006	Refer Note Below

Note: In absence of title deeds of buildings (including building as mentioned above) having total Gross value of Rs. 19.72 lakhs and WDV of Rs. 5.34 lakhs as on March 31, 2023 have been impaired and the impairment loss of Rs. 5.34 lakhs is included in depreciation charged during the year.

NOTES FORMING PART OF STANDALONE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

4 Non Current Financial Asset- Investment

Amount in Lakhs Except Share Data

	Particulars	As at March 31 2023	As at March 31 2022
	Trade Investment (Unquoted)		
1	**Investment in Equity Instruments**		
	Investment in Subsidiary (Fully Paid up) (at cost)		
	a. 9500 Share being 95% of the issued Capital of M/s. M.B. Diamonds LLC	2.03	2.03
	b. 50 share being 100% of the issued Capital of M/s. Goenka Diamond & Jewels DMCC	7.44	7.44
2	**Investment in Partnership Firm (at cost)**		
	Solitaire Diamonds Exports	10.00	10.00
3	**Investment in Equity Instruments (Unquoted)**		
	At fair value through profit and loss		
	49,00,000 (P.Y : 49,00,000) equity shares of Rs. 1 each of M/s. Gem Gold Mining Pvt. Ltd.	-	-
	Total	**19.48**	**19.48**

a. Details of Investment in Partnership Firm

Name of the Partners	Share (%)	Capital
M/s Goenka Diamond & Jewels Ltd	99.00	10.00
Mr. Arjunlal Sharma	1.00	0.10
Total	**100.00**	**10.10**

b.

Notes:-	31.03.2023	31.03.2022
Aggregate amount of unquoted investment	-	-
Aggregate amount of impairment in value of investments	-	-

c Disclosure pursuant to Ind As 27 'Separate Financial Statement' for investment in equity instruments of subsidiaries:

Name of entity	Country of Incorporation	Proportion of ownership interest
M.B. Diamonds LLC	Russia	95%
Goenka Diamond & Jewels DMCC	Dubai	100%

Note: The country of incorporation of above subsidiaries is their principle place of business. The subsidiaries are engaged in Diamond and Gold Jewellery trading.

d The Company in earlier year has subscribed to 49,00,000 12% Optionally Convertible Debentures of Rs. 100 each valuing at 429.29 lacs of Gem Gold Mining Private Limited (issuing company) which were due in August, 2021. However, the issuing company has expressed its inability to redeem these debentures and payment of cumulative interest as the net-worth of the issuing company has been completely eroded and has no liquidity. The Company had right to excercise its option for conversion of its debentures and cumulative interest into equity of the issuing company which would have resulted in issuing company becoming subsidiary of the Company and would not have resulted in any cash-inflow. Therefore, the company and issuing company arrived at settlement wherein the issuing company has issued 49,00,000 equity shares of Rs. 1 each against the outstanding OCD's and payment of Rs. 50.00 lacs against the cumulative interest. Accordingly, the company has relinquished its option rights and charged off amount of OCD of Rs. 429.29 lacs and differential accumulated interest amounting to Rs. 149.50 lacs to Profit and Loss Account. The newly alloted 49,00,000 equity shares of Rs. 1 each under settlement of OCD's have been fair valued at Rs. NIL.

NOTES FORMING PART OF STANDALONE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

5 Loans

Amount in Lakhs Except Share Data

Particulars	As at March 31 2023	As at March 31 2022
Unsecured and which have significant increase in credit risk		
Loan to related parties		
Subsidiary	1,249.95	1,249.95
Total	**1,249.95**	**1,249.95**

Breakup of Security details	As at March 31 2023	As at March 31 2022
Loans considered good – Secured	-	-
Loans considered good - Unsecured	-	-
Loans which have significant increase in credit risk	1,249.95	1,249.95
Loans – credit impaired	-	-
Total	**1,249.95**	**1,249.95**
Loss allowance	**-**	**-**
Total	**1,249.95**	**1,249.95**

Loans or advances in the nature of loans are granted to Promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013,) either severally or jointly with any other person, that are repayable on demand or without specifying any terms of repayment are as below:

Type of Borrower	Amount of loan outstanding	Percentage to the total Loans
As at March 31, 2023		
Promoters	-	-
Directors	-	-
KMPs	-	-
Related Parties	1,249.95	100%
As at March 31, 2022		
Promoters	-	-
Directors	-	-
KMPs	-	-
Related Parties	1,249.95	100%

(a) Contrary to Ind AS 21 , Loan given to Subsidiary denominated in foreign currency amounting to Rs. 1249.95 lakhs have not been restated based on exchange rate as at the end of the year, as it is deemed prudent not to take cognizance of unrealised exchange difference on notional basis due to uncertainties with regard to expected time frame for realisation. The company shall account for the actual exchange difference at the time of realization. Consequently, the Loan is understated Rs.336.77 lakhs (Previous Year Rs. 211.97 lakhs) as at the year end.

(b) The Loan to subsidiary is in the nature of long term investment and was given for set up of business of the subsidiary and is part of net investment in the subsidiary,. Though due to certain unfavourable conditions in the past and slow down of business activity, the working of subsidiary is kept in abeyance. As and when the conditions turn favourable, the management is hopeful that they will be able to revive the business of the subsidiary and shall be able to recover the loan (including accrued interest) in near future. The company during the year has provided for expected credited loss of Rs.63.57 lacs (Previous Year Rs. 58.48 lacs) against the accrued interest on the loan to subsidiary. The time frame of recovery of loan cannot be estimated and therefore amount of expected credit loss required to be recognised cannot be ascertained.

NOTES FORMING PART OF STANDALONE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

6 Other Non-Current Financial Assets

Amount in Lakhs Except Share Data

Particulars	As at March 31 2023	As at March 31 2022
Unsecured and considered good		
Bank deposits #	4.09	4.09
Security Deposit ##	9.14	9.14
Total	**13.23**	**13.23**

These deposits are pledged with Banks and various authorities.

Includes Rs. 1 lakh (P/Y Rs.1 lakhs) security deposit given to Chairman, Managing Director and their relatives.

7 Deferred Tax Assets (Net)

Amount in Lakhs Except Share Data

Particulars	As at March 31 2023	As at March 31 2022
On account of Gratuity & Compensated Absences	20.03	19.39
On account of Depreciation	11.42	11.73
Total	**31.45**	**31.11**

Notes

1. The management has not created deferred tax assets on unabsorbed depreciation and carried forward of losses due to lack of reasonable certainty that sufficient future taxable income will be there against which deferred tax assets will be set off.
2. Net deferred tax (credit)/charge for the year of Rs. 0.34 lakhs (Previous year Rs. 3.58 lakhs) has been recognised in the Statement of Profit and Loss for the year.

8 Inventories (at cost or NRV whichever is lower)

(As taken, valued and certified by management)

Amount in Lakhs Except Share Data

Particulars	As at March 31 2023	As at March 31 2022
Raw Materials	659.71	681.44
Finished Goods	102.48	98.18
Total	**762.19**	**779.62**

9 Trade Receivables

Amount in Lakhs Except Share Data

Particulars	As at March 31 2023	As at March 31 2022
Unsecured and which have significant increase in credit risk		
Others (Refer footnote) (Refer Note No. 41(a))	69,775.76	69,730.17
Total	**69,775.76**	**69,730.17**

NOTES FORMING PART OF STANDALONE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

Particulars	As at March 31 2023	As at March 31 2022
Undisputed Trade receivables considered good	-	-
Undisputed Trade receivables which have significant increase in credit risk	72.58	26.99
Undisputed Trade receivables – Credit impaired	-	-
Disputed Trade receivables considered good	-	-
Disputed Trade receivables which have significant increase in credit risk	69,703.18	69,703.18
Disputed Trade receivables – Credit impaired	-	-
Total	**69,775.76**	**69,730.17**
Loss allowance	**-**	**-**
Total trade receivables	**69,775.76**	**69,730.17**

Trade receivables ageing Schedules for the year ended March 31, 2023 and year ended March 31, 2022:

Undisputed Trade receivables – which have significant increase in credit risk

Particulars	As at March 31 2023	As at March 31 2022
Not Due	-	-
Less than 6 months	45.59	-
6 months - 1 year	-	-
1-2 year	-	-
2- 3 years	-	1.69
More the 3 years	26.99	25.30
Total	**72.58**	**26.99**

Disputed Trade receivables which have significant increase in credit risk

Particulars	As at March 31 2023	As at March 31 2022
Not Due	-	-
Less than 6 months	-	-
6 months - 1 year	-	-
1-2 year	-	-
2- 3 years	-	-
More the 3 years	69,703.18	69,703.18
Total	**69,703.18**	**69,703.18**

a. There have been defaults on payment obligations by the trade receivables on due date and recoveries from these trade receivables are not significant, due to certain unfavourable developments in earlier years and economic slowdown especially in diamond sector. No confirmation have been received by these trade receivables. The Company is taking all possible efforts to recover old trade receivables and had initiated legal action wherever considered necessary. However, looking at the past record regarding recovery from Trade receivables, the management is of the opinion that looking to the uncertainty regarding time frame and quantum of realisation from these trade receivables, amount of expected credit loss required to be recognised cannot be estimated and therefore no provision for expected credit loss is required to be made against these trade receivables.

NOTES FORMING PART OF STANDALONE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

b. Contrary to Ind AS 21, trade receivables denominated in foreign currency amounting to Rs. 69,703.18 lakhs have not been restated based on exchange rate as at the end of the year. These trade receivables have been carried forward based on exchange rate as at the end of March 31, 2015 and/ or March 31, 2016, as it is deemed prudent not to take cognizance of unrealised exchange difference on notional basis due to uncertainties with regard to expected time frame for realisation of trade receivables. The company shall account for the actual exchange difference at the time of realization of these trade receivables. Consequently, the trade receivables are understated Rs. 19707.68 lakhs as at the year end.

10 Cash and Cash Equivalents

Amount in Lakhs Except Share Data

Particulars	As at March 31 2023	As at March 31 2022
Balances with bank		
In Current Account	20.68	56.40
Cash on hand	3.76	32.60
Total	**24.44**	**89.01**
Cash and cash equivalent as per Ins AS-7	21.82	86.20

11 Other Current Financial Assets

Amount in Lakhs Except Share Data

Particulars	As at March 31 2023	As at March 31 2022
Unsecured considered good		
Interest receivable on investments and deposits	0.86	0.62
Others	2,217.87	2,154.40
Less: Provision for expected credit loss	(812.35)	(748.78)
Total	**1,406.38**	**1,406.23**

a) The Company has given Rs. 1405.61 lacs (P.Y. Rs. 1405.61 Lacs) to Alchemist Asset Reconstruction Company Ltd (ARC) as adhoc / repayment of loans to show its intent of settlement of its dues with four lender banks assigned to ARC. The terms and conditions of the settlement are yet to be finalised.

12 Other Current Assets

Amount in Lakhs Except Share Data

Particulars	As at March 31 2023	As at March 31 2022
Prepaid Expenses	-	1.98
Advance to Suppliers	5.90	5.25
Balances with Tax Authorities	32.48	32.48
Total	**38.39**	**39.72**

NOTES FORMING PART OF STANDALONE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

13 Share Capital

a The details of Authorised, Issued, Subscribed and paid up capital are as under :-

Amount in Lakhs Except Share Data

Particulars	As at March 31, 2023		As at March 31, 2022	
	Number	Amount	Number	Amount
Authorised Share Capital				
Equity Shares of Rs.1/- each fully paid up	330,000,000	3,300.00	330,000,000	3,300.00
(P/Y Rs.1/- per share fully paid up)				
Issued, Subscribed and Paid up				
Equity Shares of Rs.1/- each fully paid up	317,000,000	3,170.00	317,000,000	3,170.00
		3,170.00		**3,170.00**

b The Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting year is as under :-

Amount in Lakhs Except Share Data

Particulars	As at March 31, 2023		As at March 31, 2022	
	Number	Amount	Number	Amount
Equity Shares:				
Shares outstanding at the beginning of the year	31,70,00,000	3,170.00	31,70,00,000	3,170.00
Shares Issued during the year	-	-	-	-
Shares outstanding at the end of the year	31,70,00,000	3,170.00	31,70,00,000	3,170.00

c Rights, preferences and restrictions attached to shares:

(i) The company has one class of equity shares having a par value of Rs.1 per share. Each shareholder is eligible for one vote per share held In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

(ii) Subsequent to dispute between promoters during the year under review, hon'ble Company Law Board (CLB) has directed that 4,09,76,250 equity shares of Goenka Diamond & Jewels Limited shall not carry any voting rights, pending the disposal of company petition before CLB.

(iii) During the earlier year PNB has sold 409.76 lakhs equity shares of promoters pledged with consortium against the borrowing limits. The sale proceed of these shares have not been adjusted by the PNB against the outstanding dues and therefore no adjustment for the same has been made in the books of account.

The details of shareholders of Promoter and other shareholders holding more than 5% equity shares as at reporting date are as under :-

Amount in Lakhs Except Share Data

Name of Shareholders	As at March 31, 2023		As at March 31, 2022	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Equity Shares:				
Nandlal Goenka (Refer Note No. 14 c (iii))	5,600,625	1.77%	5,600,625	1.77%
Nitin Goenka (Refer Note No. 14 c (ii))	-	0.00%	-	0.00%
Navneet Goenka (Refer Note No. 14 c (iii)	91,126,875	28.75%	91,126,875	28.75%
Nand Lal Goenka (HUF)	34,200,000	10.79%	34,200,000	10.79%
Nirmala Goenka (Refer Note No. 14 c (ii))	51,326,250	16.19%	51,326,250	16.19%

Note : - The Company's equity share had been subdivided and face value per share had been changed from Rs.10/- per share to Rs.1/- per share w.e.f. 29th Oct 2012.

NOTES FORMING PART OF STANDALONE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

14 Other Equity

Amount in Lakhs Except Share Data

Particulars	As at March 31, 2023	As at March 31, 2022
Securities Premium	10,885.07	10,885.07
General Reserve	99.08	99.08
Retained Earnings		-
Opening Balance	11,099.78	11,272.26
Add: loss during the year	(187.51)	(172.48)
Closing Balance	**10,912.27**	**11,099.78**
Other Comprehensive Income		
Remeasurement of Defined Benefit Plan	9.17	9.59
Total	**21,905.59**	**22,093.52**

a. **Retained earnings**

Retained earnings are the profits of the company earned till date after all distribution made to shareholders.

b. **Securities Premium**

This reserve is created by excess of amount received over face value of shares. This reserve will be utlilised as per the provision of Companies Act, 2013.

c. **General Reserve**

This reserve is created by transferring amount from retained earning. This reserve is freely available for distribution.

15 Borrowing

Amount in Lakhs Except Share Data

Particulars	As at March 31, 2023	As at March 31, 2022
Secured		
Corporate Loan	-	-
(Since recalled shown as "Short Term Borrowing")		
(Refer Note No. 17)		
Total	**-**	**-**

16 Provision

Amount in Lakhs Except Share Data

Particulars	As at March 31, 2023	As at March 31, 2022
Provision For Employee Benefits:		
Provision for Gratuity (refer note 31)	10.10	8.81
Provision for Compensated Absences (refer note 31)	0.54	0.30
Total	**10.64**	**9.11**

NOTES FORMING PART OF STANDALONE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

17 Current Borrowing

Amount in Lakhs Except Share Data

Particulars	As at March 31, 2023	As at March 31, 2022
Loans Facilities Recalled by Banks (Refer Note A below)		
1) Post- Shipment Loans	6,447.87	6,447.87
2) Pre- Shipment Loans	2,764.17	2,764.17
3) Corporate Loan	707.32	707.32
4) Debit Balance in Bank Current Account	1,108.99	1,108.99
5) ARC Account	6,211.93	6,211.93
6) Union Bank of India - Loan as per NCLT Order	5.00	-
7) Punjab National Bank - Loan as per NCLT Order	9.60	-
Interest accrued and due on borrowing	455.49	455.49
Total	**17,710.38**	**17,695.78**

Notes:

A.: Loan facilities recalled by banks include Rs.17,710.38 lakhs (Previous year Rs. 17,695.78 lakhs) being outstanding loan and loan assigned to ARC, credit balance and interest due to banks for which neither bank statement nor confirmations of balance were received.

B. Details of Continuing Defaults **Amount in Lakhs Except Share Data**

Name of Bank	Date of Default	Amount
Central Bank of India -Post & Pre Shipment Loans	Jan 2014	1,032.78
Corporation Bank - Post & Pre Shipment Loans and Term Loan	21-04-2016	2,284.80
Punjab National Bank - Post & Pre Shipment Loans and Term Loan	31-03-2016	4,493.31
Punjab & Sind Bank - Post & Pre Shipment Loans	30-06-2014	3,141.25
AXIS Bank - Post & Pre Shipment Loans and Term Loan Alchemist ARC Ltd	31-07-2016	2,089.86
UCO Bank - Alchemist ARC Ltd	04-04-2016	1,002.40
Karnataka Bank - Alchemist ARC Ltd	29-06-2016	758.82
Axis Bank Ltd - Overdrawn Balances in Bank Current Account Alchemist ARC Ltd	31-07-2016	1,362.64
Corporation Bank - Overdrawn Balances in Bank Current Account	21-04-2016	15.31
Punjab National Bank - Overdrawn Balances in Bank Current Account	31-03-2016	2.84
Punjab Sindh Bank - Overdrawn Balances in Bank Current Account	30-06-2014	1,090.84

1. Date of default is considered as date of NPA
2. The above defaults does not includes defaults of payment of interests, as the company is not accounting for any interest from April 1, 2016 even though the banks have either charged interest but subsequently reversed or have not charged interest. Further, it has been decided by the Board not to provide any interest amounting to Rs. 20979.19 lakhs (Current year interest Rs. 2,730.80 lakhs) as calculated by the management @17 % (approx.) on working capital borrowing availed by the Company, due to pending proposal for settlement of entire dues, envisaging part-payment of principal amount due to the banks. In some instances banks have charged interest from current account which has resulted in credit balances in current account as at year end and is shown above “Current Borrowings”. The above amount of interest calculated by the management may differ from the amount of claims received from the secured financial creditors which is pending verification by the IRP.
3. Lead Bank Punjab National Bank, on behalf of all consortium banks, had issued fresh notice u/s 13(2) of the SARFAESI Act (after withdrawing its earlier notice) on October 22, 2018 for an amount of Rs. 216.62 crores owed by company to the consortium banks (excluding dues of one bank) and Asset Reconstruction Company up to March 31, 2018 and subsequently issued possession notices for company’s properties and thereafter for sale of secured assets of the company which was stayed by DRT-1, Mumbai vide its order dated December 30, 2019. Further, Punjab & Sind Bank

NOTES FORMING PART OF STANDALONE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

(one of the consortium bank) has issued separate notice u/s 13(2) of the SARFAESI Act on January 07, 2020 for recovery of an amount of Rs. 77.26 Crores (including interest upto December 31, 2019) within 60 days of the receipt of notice, which as per the management is already covered under the above stay order by DRT. Further, Mumbai DRT has also issued summons dated June 3, 2019 on application made by Punjab & Sind Bank (one of the consortium bank) under section 19(4) of The Recovery of Debts due to Banks and Financial Institution Act, 1993 for recovery of an amount of Rs. 56.92 crores owed by company to the bank, which is pending for final outcome. Further on appilcation by the Corporation Bank, DRT- Mumbai has also issued summons dated September 16,2020 under The Recovery of Debts due to Banks and Financial Institution Act, 1993 for recovery of Rs.30.41 crs, the proceeding for which is still pending. Four lender banks up to the reporting date have already transferred and assigned its outstanding dues against company to an Asset Reconstruction Company. State Bank of India accepted the One Time Settlement (OTS) proposal submitted by the Company. However, OTS proposal submitted to other banks has been rejected by the banks. One of the secured financial creditor has filed appeal at the National Company Law Tribunal, Jaipur on 24th April 2019 against the company for recovery of its dues. The National Company Law Tribunal, Jaipur has passed order no. CP No. (IB) -114/7/JPR/2019, IA/(IB) 580/JPR/2022 dated December 9, 2022 and has appointed IRP to carry function as mentioned under the Code for recovery of dues.

***Credit Facilities are secured by:**

i) First pari passu charge on all tangible and intangible assets including current assets viz., stock of raw materials, work in progress and finished goods.

ii) Further secured, on pari-passu basis: -

a) Equitable Mortgage of Land and Building at C-114 & C-115A, Shivaji Marg, Tilak Nagar, Jaipur in the name of one of the director, Flat No. 4, Mount Unique Bldg., 62-A, Peddar Road, Mumbai, Factory land and building at surat, Shop No. 1, 2 & Garage of Parekh Mansion Mumbai and Office at 1305, Pancharatna, Mumbai belonging to director and their relatives. Further secured by Land at Badlapur belonging to group company and 4.09 crore equity shares in name of one of the director.

b) Personal Guarantees of Chairman, Vice Chairman & Managing Director and Director & their relatives

****Credit Facilities are secured by:**

First pari-passu charge on Ground plus 3 storied commercial building located at plot no. 13, Municipal Corporation House No. 14, Ward no. 30, Kh No. 86, Street No. 161, City Survey No. 223, C A Road, Nagpur

C. Since, the loans of the Company has been recalled and the Company has been declared NPA by the Banks, the banks are neither allowing any transactions nor calculating drawing power or reviewing the account performance and therefore it is not necessary to submit any quarterly returns/statements to any of the banks from which it has taken borrwings on the security of current assets.

D. The management has not received any communication from banks regarding declaration of the Company as willful defaulter. Further, the management of the Company has also performed search of defaulters lists available on banks website and the name of the Company is not appearing on defaulters list in any of the banks website.

E. The Charges amounting to Rs. 19,800 lacs has been registered in favour of the security trustee (for consortium), Rs. 993 lacs in favour of ARC and Rs.248 lacs in favour of a bank against the borrowings of the Company. During the previous years, the borrowings have been assigned to ARC's by a few banks and OTS has been entered with a Bank. The Company is not in a position to give effect of these transactions as cumulative charges are registered in favour of security trustee and the Bank shall only give effect of this transaction on complete settlement of its dues.

18 Trade Payable

Amount in Lakhs Except Share Data

Particulars	As at March 31, 2023	As at March 31, 2022
Trade Payable		
Micro and small medium enterprise	-	-
Others	29,834.45	29,777.83
Total	**29,834.45**	**29,777.83**

NOTES FORMING PART OF STANDALONE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

Trade payable ageing Schedules for the Year ended March 31, 2023 and Year ended March 31, 2022:

Particulars	As at March 31, 2023	As at March 31, 2022
MSME	-	-
Other than MSME	29,834.45	29,777.83
Disputed dues - MSME	-	-
Disputed dues - other than MSME	-	-
Total	**29,834.45**	**29,777.83**

Outstanding for the year ended March 31, 2023 from the due date of payment

Particulars	MSME	Others
Less than 1 year	-	58.09
1-2 year	-	8.30
2- 3 years	-	2.12
More the 3 years	-	29,765.93
Total	**-**	**29,834.45**

Outstanding for the year ended March 31, 2022 from the due date of payment

Particulars	MSME	Others
Less than 1 year	-	10.43
1-2 year	-	2.12
2- 3 years	-	-
More the 3 years	-	29,765.28
Total	**-**	**29,777.83**

Note: In absence of any evidence which supports or corroborates the fact of disagreement, the trade payables have been considered as un-disputed.

(a) Trade Payables include overdue amounts (mainly unclaimed) of Rs. Nil (Previous Year Rs. Nil) including interest of Rs. Nil (Previous Year Rs. Nil) payable to Micro & Small enterprises. The company does not owe any amount to Micro & Small enterprises. These enterprises have been identified on the basis of information available to the Company and relied upon by the auditors.

(b) Contrary to IND AS 21, trade payables denominated in foreign currency amounting to Rs. 29,717.66 lakhs have not been restated based on exchange rate as at the end of the year. These trade payables have been carried forward based on exchange rate as at the end of March 31, 2016 or at transaction date rate whichever is later, as it is deemed prudent not to take cognizance of unrealised exchange difference on notional basis due to uncertainties with regard to expected time frame for payment of these trade payables which is dependent of recovery from trade receivables. The company shall account for the actual exchange difference at the time of payment of these trade payables. Accordingly, the trade payables are understated by Rs.7,407.54 lakhs as at the year end.

19 Other Current Financial Liabilities

Amount in Lakhs Except Share Data

Particulars	As at March 31, 2023	As at March 31, 2022
Employee benefit payables	3.82	3.71
Due to director's in current account	20.73	18.12
Other Payables	611.40	601.66
Total	**635.94**	**623.49**

Notes:

A : Other payables includes debit balance in capital account of one of the subsidiary Solitaire Diamond Exports.

B : Investor Education and Protection Fund to be credited by the amount as and when required

NOTES FORMING PART OF STANDALONE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

20 Other Current Liabilities

Amount in Lakhs Except Share Data

Particulars	As at March 31, 2023	As at March 31, 2022
Statutory Dues (including PF,TDS, GST etc.)	147.38	141.83
Total	**147.38**	**141.83**

21 Provision

Amount in Lakhs Except Share Data

Particulars	As at March 31, 2022	As at March 31, 2021
Provision for employee benefits:		
Provision for Gratuity (refer note 31)	1.79	0.89
Provision for Compensated Absences (refer note 31)	0.23	0.12
Total	**2.02**	**1.01**

22 Current Tax liabilities

Amount in Lakhs Except Share Data

Particulars	As at March 31, 2023	As at March 31, 2022
Provision for Tax (Net of advances tax as at 31st March, 2023; Rs.1,122.20 lakhs , As at 31st March, 2022; Rs.1,121.85 lakhs)	598.14	549.78
Total	**598.14**	**549.78**

23 Revenue from Operations

Amount in Lakhs Except Share Data

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Sale of Products	162.50	425.66
Other operating revenue		-
a) Share of (loss) from partnership firm	(9.73)	(4.51)
Total	**152.77**	**421.15**

24 Other Income

Amount in Lakhs Except Share Data

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Interest	63.74	58.75
Other income		
a) Other Income	1.20	1.20
Total	**64.94**	**59.95**

NOTES FORMING PART OF STANDALONE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

25 Cost of Raw Material Consumed

Amount in Lakhs Except Share Data

Particulars	**For the year ended March 31, 2023**	**For the year ended March 31, 2022**
Opening Stock of Raw material/ Material in process	681.44	1,000.22
Add: Purchases	108.98	4.88
	790.42	**1,005.10**
Less:		
Closing Stock of Raw material/ Material in process	659.71	681.44
Total	**130.71**	**323.66**

26 Changes in Inventories of finished goods, stock-in-trade and work in progress

Amount in Lakhs Except Share Data

Particulars	**For the year ended March 31, 2023**	**For the year ended March 31, 2022**
Opening Stock of Finished Goods	98.18	153.53
Less:		
Closing Stock of Finished Goods	102.48	98.18
Total	**(4.30)**	**55.35**

27 Employee Benefit Expenses

Amount in Lakhs Except Share Data

Particulars	**For the year ended March 31, 2023**	**For the year ended March 31, 2022**
Salaries, Bonus and Wages etc.	46.54	52.58
Contribution to provident/ pension & other funds	0.86	1.16
Staff welfare expenses	0.37	0.59
Total	**47.77**	**54.32**

28 Finance Cost

Amount in Lakhs Except Share Data

Particulars	**For the year ended March 31, 2023**	**For the year ended March 31, 2022**
Interest		
Other Finance Charges	0.05	0.03
Interest on Delayed Payment of Taxes	58.80	55.22
Total	**58.85**	**55.24**

NOTES FORMING PART OF STANDALONE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

29 Other expenses

Amount in Lakhs Except Share Data

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Administrative & Selling Expenses		
Rent, Rates and Taxes	5.27	1.98
Water & Electricity	2.96	4.05
Insurance	0.39	0.06
Travelling and Conveyance	0.13	0.10
Legal and Professional	13.10	10.42
Postage and Telephone	0.31	0.40
Printing and Stationery	1.51	1.08
Advertisement and Business Promotion	1.65	4.15
Directors' Remuneration	7.20	10.80
Director's Sitting Fees	0.53	0.98
Misc. Expenses	3.59	5.91
Repair & Maintenance	5.29	15.16
Diamond Certification Charges	-	1.17
Provision for expected credit loss (Refer Note no. 5(b))	63.57	58.48
IRP Expenses	7.26	-
Auditors' Remuneration		
- Statuary Audit Fees	5.13	5.13
- Taxation Matters	0.49	-
- Reimbursement of Expenses	-	-
Total	**118.36**	**119.85**

30 Financial Instruments

The significant accounting policies, including the criteria of recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability are disclosed in note 4-6,9-12,16,18-20 of the Ind AS financial statements.

(a) Financial assets and liabilities

The carrying value of financial instruments by categories is as follows:

Amount in Lakhs Except Share Data

Particulars	As at March 31, 2023	As at March 31, 2022
Financial assets - measured at FVTPL		
Investment in Equity Shares of Gem Gold Mining Pvt. Limited	-	-
Financial assets - measured at amortised cost		
Loans	1,249.95	1,249.95
Trade receivables	69,775.76	69,730.17
Cash and cash equivalent	24.44	89.01
Other financial assets	1,419.61	1,419.47
Total financial assets	**72,469.76**	**72,488.59**
Financial liabilities - measured at amortised cost		
Borrowings	17,710.38	17,695.78
Trade Payable	29,834.45	29,777.83
Other Financial liabilities	635.94	623.49
Total financial liabilities	**48,180.77**	**48,097.10**

Carrying amounts of cash and cash equivalents, trade receivables, loans, other financial assets, current borrowings, trade payable and other financial liabilities as at March 31, 2023 and March 31,2022 approximate the fair value because of their short term nature.

Fair Value Hierarchy

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are whether observable or unobservable and consists of the following three levels:

Level 1: Inputs are quoted prices (unadjusted) in active markets for identical assets and liabilities.

Level 2: Inputs are other than quoted prices included within level 1 that are observable for the asset or liability either directly (i.e. prices) or indirectly (i.e. derived from prices).

Level 3: Inputs are not based on observable market data unobservable inputs. Fair value are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

(b) Financial Risk Management

The Board of Directors reviews the risk management policy from time to time and the said policy aims at enhancing shareholders' value and providing an optimum risk-reward trade off. The risk management approach 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.

A brief description of the various risks which the company is likely to face are as under:

(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, 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 which have been declared NPA by the banks and interest at a higher rate is charged by the banks. So, interest rate risk is high in case of Company.

Interest rate sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to interest rates for both fixed and floating rate borrowings at the end of the reporting period. For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 50 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates. Since all the consortium bankers has recalled their loans, details of interest charged by banks are not available from FY 2016-17 onwards, hence disclosure required for interest rate sensitivity cannot be given.

(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) and from its investing activities (primarily loans granted to various parties including related parties). 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 account has been declared NPA by the bank and the company is unable to get new finance from banks. Also, the company is highly dependent on cash sales to meet its day to day expenses.

NOTES FORMING PART OF STANDALONE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

Amount in Lakhs Except Share Data

Particulars	Amount payable during below period		
	As at March 31, 2023	Within 1 year	More than 1 year
Financial liabilities			
Borrowings	17,710.38	17,710.38	-
Trade payables	29,834.45	29,834.45	-
Other financial liabilities	635.94	635.94	-
Total	**48,180.77**	**48,180.77**	**-**

Amount in Lakhs Except Share Data

Particulars	Amount payable during below period		
	As at March 31, 2022	Within 1 year	More than 1 year
Financial liabilities			
Borrowings	17,695.78	17,695.78	-
Trade payables	29,777.83	29,777.83	-
Other financial liabilities	623.49	623.49	-
Total	**48,097.10**	**48,097.10**	**-**

(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.

Foreign currency risk management

The Company undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise.

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of March 31, 2023 is as follows.

Amount in Lakhs Except Share Data

Particulars	As at March 31, 2023		
	FCY	INR	Total
Financial assets			
(a) Trade Receivables	69,703.18	72.58	69,775.76
(b) Cash and cash equivalents	0.42	24.02	24.44
(c) Loans	1,249.95	-	1,249.95
(d) Investment	-	-	-
(e) Other financial assets	812.35	607.26	1,419.61
Total financial assets	**71,765.89**	**703.87**	**72,469.76**
Financial Liabilities			
(a) Non-current borrowings	-	-	-
(b) Current borrowing	-	17,710.38	17,710.38
(c) Trade payables	29,712.79	121.66	29,834.45
(d) Other Financial liabilities	143.84	492.10	635.94
Total financial liabilities	**29,856.63**	**18,324.14**	**48,180.77**
Excess of financial liabilities over financial assets	**(41,909.26)**	**17,620.27**	**(24,288.98)**
Hedge for foreign currency risk	**-**	**-**	**-**
Net exposure of foreign currency risk	**(41,909.26)**	**17,620.27**	**(24,288.98)**
Sensitivity impact on Net liabilities/(assets) exposure at 5%	**(2,095.46)**	**NA**	**(1,214.45)**

NOTES FORMING PART OF STANDALONE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of March 31, 2022 is as follows.

Amount in Lakhs Except Share Data

Particulars	As at March 31, 2022		
	FCY	INR	Total
Financial assets			
(a) Trade Receivables	69,703.18	26.99	69,730.17
(b) Cash and cash equivalents	0.42	88.59	89.01
(c) Loans	1,249.95	-	1,249.95
(d) Investment	-	-	-
(e) Other financial assets	748.78	670.68	1,419.46
Total financial assets	**71,702.32**	**786.26**	**72,488.59**
Financial Liabilities			
(a) Long term borrowings	-	-	-
(b) Short term borrowing	-	17,695.78	17,695.78
(c) Trade payables	29,712.79	65.04	29,777.83
(d) Other Financial liabilities	157.04	466.45	623.49
Total financial liabilities	**29,869.82**	**18,227.27**	**48,097.10**
Excess of financial liabilities over financial assets	**(41,832.50)**	**17,441.01**	**(24,391.49)**
Hedge for foreign currency risk	**-**	**-**	**-**
Net exposure of foreign currency risk	**(41,832.50)**	**17,441.01**	**(24,391.49)**
Sensitivity impact on Net liabilities/(assets) exposure at 5%	**(2,091.62)**	**NA**	**(1,219.57)**

(c) Capital Management

For the purposes of the company's capital management, capital includes share capital. The primary objective of the company's capital management is to maximize shareholders' value. The company manages its capital structure and market adjustments in the light of changes in economic environment and the requirements of the financial covenants.

The gearing ratio at the end of reporting period was as follows

Amount in Lakhs Except Share Data

Particulars	As at March 31, 2023	As at March 31, 2022
Gross Debt	17,710.38	17,695.78
Cash and cash equivalents	(24.44)	(89.01)
Net Debt (A)	**17,685.94**	**17,606.77**
Total Equity as per Balance Sheet (B)	25,075.59	25,263.52
Gearing ratio (A/B)	0.705	0.697

31 As per Ind AS 19, "Employee Benefits", the disclosure of employee benefits as defined in AS is given below.

Defined Contribution Plans:

1. Provident Fund
2. State Defined Contribution Plan
3. Employers Contribution to Employees State Insurance

NOTES FORMING PART OF STANDALONE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

These Contributions are recognised as an expense in Note No. 28 "Employee Benefit Expenses" of the Statement of Profit and Loss.

Amount in Lakhs Except Share Data

Particulars	For the year ended March 31 2023	For the year ended March 31, 2022
Employers Contribution to Provident Fund	0.81	1.11
Employers Contribution to Employee State Insurance	0.05	0.05
	0.86	**1.16**

Defined Benefit Plan

The company provides gratuity benefits to its employees as per the statute. Present value of gratuity obligation (Non-Funded) based on actuarial valuation done by an independent valuer using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The following table sets out the status of the gratuity plan and the amounts recognised in the Company's financial statements as at March 31, 2023:

31.1 Reconciliation of opening and closing balances of Defined Benefit Obligation:

Amount in Lakhs Except Share Data

Description	For the year ended March 31 2023	For the year ended March 31, 2022
Net Liability at the beginning of the year	**9.69**	**13.33**
Benefit Paid	-	-
Interest cost	0.64	0.85
Current Service cost	1.00	1.13
Past Service Cost	-	-
Remeasurements on obligation - Gain/(Loss)	0.56	(5.63)
Liability at the end of the year	**11.89**	**9.69**

31.2 Reconciliation of fair value of plan assets and obligations:

Amount in Lakhs Except Share Data

Description	For the year ended March 31 2023	For the year ended March 31, 2022
Liability at the end of the year	11.89	9.69
Fair value of Plan Assets at the end of the year	-	-
Surplus / (Deficit)	**(11.89)**	**(9.69)**
Current Liability	1.79	0.89
Non Current Liability	10.10	8.81
Amount Recognised in the Balance Sheet	**11.89**	**9.69**

NOTES FORMING PART OF STANDALONE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

31.3 Expense recognized during the period:

Amount in Lakhs Except Share Data

Description	**For the year ended March 31 2023**	**For the year ended March 31, 2022**
Current service cost	1.00	1.13
Past service cost and loss/(gain) on curtailments and settlement	-	-
Net Interest Cost	0.64	0.85
Expenses Recognised in Statement of Profit and Loss	**1.64**	**1.98**

31.4 Expense recognized during the year in Statement of OCI

Amount in Lakhs Except Share Data

Particulars	**For the year ended March 31 2023**	**For the year ended March 31, 2022**
Actuarial (gain)/loss	0.56	(5.63)
Expense Recognised in OCI	**0.56**	**(5.63)**

31.5 Actuarial Assumptions:

Particulars	**As at March 31, 2023**	**As at March 31, 2022**
Mortality table	**Indian Assured Live Mortality (2012-14)**	**Indian Assured Live Mortality (2012-14)**
Discount rate	7.40%	6.90%
Salary growth rate	7.00%	7.00%
Expected Rate of Return	NA (Non-Funded)	NA (Non-Funded)

The estimates of rate of escalation in salary considered in actuarial valuation, takes into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is extracted from the report obtained from Actuary.

Risk exposure and asset liability matching

Liability Risks:-

(a) **Asset-liability Mismatch Risk**

Risk which arise if there is a mismatch in the duration of the assets relative to the liabilities by mismatching duration with the defined benefit liabilities, the company is successfully able to neutralize valuation swings caused by interest rate movements.

Hence Companies are encouraged to adopt assets- Liability management.

(b) **Discount Rate Risk**

Variations in the discount rate used to compute the present value of the liabilities may seem small, but in practise can have a significant impact on the defined benefit liabilities.

(c) **Future salary Escalation and inflation risk**

Since the price inflation and salary growth are linked economically, they are combined for disclosure purposes. Rising salaries will often result in higher future defined benefit payments regulating in a higher present value of liabilities especially unexpected salary increases provide at management's discretion may lead to uncertainties in estimating this increasing risk.

NOTES FORMING PART OF STANDALONE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

(d) Unfunded Risk

This represents unmanaged risk and growing liability. There is an inherent risk here that the company may default on paying the benefits in adverse circumstances. Funding the plan removes volatility in company's financials and also benefit risk through return on the funds made available for the plan

There is no contribution under defined contribution plans and defined benefit plans in respect of Key Management Personnel.

31.6 Expected future benefit payments:

The following benefits payments, for each of the next five years and the aggregate five years thereafter, after expected to be paid:

Amount in Lakhs Except Share Data

Year	Expected Benefit Payment
1	1.79
2	3.06
3	0.76
4	0.74
5	0.73
6 to 10	4.18
Projected benefit Obligation	**11.26**

The Expected contribution for the next year is Rs.1.79 lakhs

The average outstanding term of obligation (years) as at valuation date is 6.64 year.

31.7 Sensitivity Analysis

Sensitivity analysis indicates the influence of a reasonable change in certain significant assumptions on the outcome of the Defined benefit obligation (DBO) and aids in understanding the uncertainty of reported amounts. Sensitivity analysis is done by varying one parameter at a time and studying its impact.

(a) The current service cost recognised as an expenses included in the Note 27 ‘Employee benefits expense’ as gratuity. The remeasurement of the net defined benefit liability is included in other comprehensive income.

(b) The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the Actuary.

Significant actuarial assumptions for the determination of the defined obligation are discount rate, expected salary increase and mortality. The sensitivity analysis above have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

(a) Impact of change in discount rate, future salary increase, withdrawal rate on defined benefit obligation when base assumption is decreased/increased.

Amount in Lakhs Except Share Data

Year	**31/03/2023**	
Sensitivity Level	**Defined benefit obligation**	
Assumptions	**Increase**	**Decrease**
Discount rate (+/- 0.50%)	11.53	12.28
Salary growth rate (+/- 0.50%)	12.27	11.54
Withdrawal rate (+/- 10% of withdrawal rate)	11.92	11.87

NOTES FORMING PART OF STANDALONE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

Amount in Lakhs Except Share Data

Year	**31/03/2022**	
Sensitivity Level	**Defined benefit obligation**	
Assumptions	**Increase**	**Decrease**
Discount rate (+/- 0.50%)	9.35	10.06
Salary growth rate (+/- 0.50%)	10.05	9.36
Withdrawal rate (+/- 10% of withdrawal rate)	9.70	9.69

b. Compensated Absences (Non – Funded Scheme)

Compensated Absences has been provided based on valuation, as at the balance sheet date, made by independent actuaries .

The amount recognised in the statement of profit & loss during the year is 0.35 lakhs (P.Y. Rs. (1.44) lakhs)

Amount in Lakhs Except Share Data

Description	**For the Year Ended March 31, 2023**	**For the Year Ended March 31, 2022**
Unfunded obligation recognised in the Balance Sheet	0.77	0.42
Shown as		
Non-Current Provision (refer note no. 17)	0.54	0.30
Current Provision (refer note no. 22)	0.23	0.12

32 Income Taxes

Indian companies are subject to Indian income tax on a standalone basis. Entity is assessed to tax on taxable profits determined for each fiscal year beginning on April 1 and ending on March 31.

Statutory income taxes are assessed based on book profits prepared under generally accepted accounting principles in India adjusted in accordance with the provisions of the (Indian) Income Tax Act, 1961. The adjustments generally relate to depreciation of fixed assets, disallowances of certain provisions and accruals, deduction for tax holidays, the set-off of tax losses and depreciation carried forward and retirement benefit costs. Statutory income tax is charged at 22% plus a surcharge and higher education cess.

a) Income taxes expenses

Amount in Lakhs Except Share Data

Particulars	**For the Year Ended March 31, 2023**	**For the Year Ended March 31, 2022**
Recognised in Statement of Profit and Loss		
Current tax		
In respect of the current year	-	-
Deferred tax		
In respect of the current year	(0.19)	1.63
Recognised in Other Comprehensive Income		
Deferred tax		
In respect of the current year	(0.15)	1.95
Total	**(0.34)**	**3.58**

NOTES FORMING PART OF STANDALONE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

A reconciliation of income tax expense applicable to accounting profit / (loss) before tax at the statutory income tax rate to recognise income tax expense for the year indicated are as follows :

Amount in Lakhs Except Share Data

Particulars	As at March 31 2023	As at March 31 2022
Accounting profit before income tax	**(187.69)**	**(170.86)**
Statutory income tax rate	25.17%	25.17%
Tax at statutory income tax rate	**(47.24)**	**(43.00)**
Tax Effect of:		
43B disallowance	(0.65)	1.77
Item disallowed under Income Tax Act, 1961	16.00	14.72
DTA not recognise on loss	31.24	28.28
Difference between book base and tax base of Property, Plant and Equipment	0.31	1.81
Income taxes recognised in the statement of income	**(0.34)**	**3.58**

Movement in deferred tax asset:

Amount in Lakhs Except Share Data

Deferred tax balances in relation to	As at April 01, 2022	Charge during the year	As at March 31, 2023
Property, plant and equipment	11.73	0.31	11.42
Gratuity and leave encashment	19.39	(0.65)	20.03
Total deferred tax for the year	**31.11**	**(0.34)**	**31.45**

Amount in Lakhs Except Share Data

Deferred tax balances in relation to	As at April 01, 2021	Charge during the year	As at March 31, 2022
Property, plant and equipment	13.54	1.81	11.73
Gratuity and leave encashment	21.15	1.77	19.39
Total deferred tax for the year	**34.69**	**3.58**	**31.11**

33 Segment Reporting

The operating segments have been identified on the basis of nature of products.

i. Segment revenue includes sales and other income directly identifiable with the segment including inter-segment revenue.

ii. Expenses that are directly identifiable with the segment are considered for determining the segment result.

iii. Expenses / Incomes which are not directly allocable to the segments are included under un-allocable expenditure / incomes.

iv. Segment results include margins on inter-segment sales which are reduced in arriving at the profit before tax of the Group.

v. Segment assets and liabilities include those directly identifiable with the respective segments. Un-allocable assets and liabilities represent the assets and liabilities that relate to the Group as a whole and not allocable to any segment.

vi. Inter – Segment revenue :- Segment revenue resulting from transactions with other business segments is accounted on the basis of transfer price agreed between the segments. Such transfer prices are either determined to yield a desired margin or agreed on a negotiated basis.

NOTES FORMING PART OF STANDALONE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

(a) Primary segment information

The company has identified two operating business segments viz. Diamond and Gem and Retail Jewellery operations as per Ind AS 108.

Amount in Lakhs Except Share Data

Particulars	Business Segments				Total	
	Diamond		Jewellery			
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Segment Revenue						
External Sales	108.32	421.15	44.45	-	152.77	421.15
Inter Segment Sales						
Segment Result	(17.79)	279.74	(73.02)	(348.19)	(90.81)	(68.45)
Unallocated Finance charges	-		-		(58.85)	(55.24)
Unallocated expenses					(102.98)	(107.12)
Unallocated Income					64.94	59.95
Profit before tax					**(187.69)**	**(170.86)**
Income tax (net)					0.19	(1.63)
Profit after tax					**(187.51)**	**(172.48)**
Other Information						
Segment assets	64,097.49	64,072.92	7,564.99	7,563.59	71,662.49	71,636.51
Unallocated other assets					2,352.06	2,425.83
Total assets					**74,014.55**	**74,062.33**
Segment liabilities	29,673.10	29,629.90	186.96	187.11	29,860.06	29,817.00
Unallocated other liabilities					44,154.48	44,245.33
Total liabilities					**74,014.55**	**74,062.33**
Non-cash expenses other than Deprecation						

(b) Secondary segment information

Amount in Lakhs Except Share Data

Particulars	Business Segments				Total	
	Domestic		Rest of the world			
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Segment Revenue based on customers location	152.77	421.15	-	-	152.77	421.15
Segment Assets	4,207.56	4,255.35	69,806.99	69,806.99	74,014.55	74,062.33

34 Related Party Disclosures:

A. List of related parties with whom transactions have taken place and relationships:

Subsidiaries (Direct)

1. M.B. Diamonds LLC - Russia
2. Goenka Diamond & Jewels DMCC - Dubai
3. Solitaire Diamond Exports

NOTES FORMING PART OF STANDALONE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

Enterprises in which Key management personnel are interested :

1. Goenka Diamonds Private Limited
2. Mystique Jewels
3. Goenka Jewellers
4. Geet Holdings Private Limited
5. Yash Complex Private Limited
6. Sonam Complex Private Limited
7. Goenka Mining Resources Private Limited
8. Goenka Entertainments Private Limited
9. Goenka Properties Private Limited
10. Gem Gold Mining Private Limited
11. Top Minerals Private Limited
12. Aureus Gold Mines Private Limited
13. Shree Vriddhi Mines and Minerals Private Limited
14. Goenka Power and Infra Limited
15. D.V.Exports
16. Dinyog Finvest Private Limited
17. Nand Lal Goenka(HUF)

Key Management Personnel (KMP):

1. Sh Nandlal Goenka
2. Sh Navneet Goenka

Relative of Key Management Personnel

1. Smt. Namita Jain (Daughter of Sh Nandlal Goenka)
2. Smt. Neeta Saraf (Daughter of Sh Nandlal Goenka)
3. Smt. Nirmala Goenka (Wife of Sh Nandlal Goenka)
4. Smt. Bhawna Goenka (Wife of Sh Navneet Goenka)

B. Related Party Transactions

Amount in Lakhs Except Share Data

Particular	Subsidiary		Key Managerial Personnel & their relatives	
	2022-23	2021-22	2022-23	2021-22
1. Transactions during the year				
a. Remuneration #				
i. Nandlal Goenka	-	-	4.50	6.00
ii. Navneet Goenka	-	-	3.60	4.80
iii. Sanjeev Kumar Jain	-	-	3.85	3.98
b. Perquisites				
i. Navneet Goenka	-	-	1.68	2.24
ii. Nandlal Goenka	-	-	1.20	1.60
c. Interest Received	63.47	58.48	-	-
d. Share of Profit from Partnership Firm	(9.73)	(4.51)	-	-
e. Payment made behalf of Subsidiary				
Solitaire Diamond Exports	-	0.78	-	-

NOTES FORMING PART OF STANDALONE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

Amount in Lakhs Except Share Data

Particular	Subsidiary		Key Managerial Personnel & their relatives	
	2022-23	2021-22	2022-23	2021-22
g. Provision for expected credit loss				
Goenka Diamond & Jewels DMCC	63.47	58.48	-	-
h. Receipt of Interest Receivable				
Gem Gold Mining Pvt. Ltd.	-	-	-	50.00
2. Balances as at year ended				
a. Loans Given				
Goenka Diamond & Jewels DMCC	1,249.95	1,249.95	-	-
b. Interest Accrued and Due				
Goenka Diamond & Jewels DMCC	812.35	748.78	-	-
Less: Provision for expected credit loss	812.35	748.78	-	
Net Balance	-			
c. Security Deposits				
i. Bhawna Goenka	-	-	0.50	0.50
ii. Nirmala Goenka	-	-	0.50	0.50
d. Credit Balance of following parties				
i. Nandlal Goenka	-	-	17.86	14.92
ii. Navneet Goenka	-	-	2.87	3.20
iv. Bhawna Goenka	-	-	14.63	14.63
v. Nirmala Goenka	-	-	16.43	16.43
e. Investment in Subsidiaries	19.48	19.48	-	-
f. Balance in Current A/c- Partnership Firm	(493.91)	(484.18)	-	-

As liability for gratuity and compensated expenses are computed for all the employees in aggregate, the amounts relating to the Key Management Personnel cannot be individually identified

35 Ratios Analysis and its elements

Particulars	As at March 31, 2023	As at March 31, 2022	% change from March 31, 2022 to March 31, 2023
Current Ratio	1.47	1.48	(0.34)
Debt-Equity Ratio	0.71	0.70	0.83
Debt Service Coverage Ratio	-	-	-
Return on Equity Ratio*	(0.01)	(0.01)	9.48
Inventory turnover ratio*	0.16	0.39	(58.18)
Trade Receivables turnover ratio	0.00	0.01	(63.74)
Trade payables turnover ratio	0.00	0.00	2,133.56
Net capital turnover ratio	0.01	0.02	(63.45)
Net profit ratio*	(1.23)	(0.41)	199.71
Return on Capital employed*	(0.00)	(0.00)	11.90

NOTES FORMING PART OF STANDALONE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

Reasons for significant variance in above ratio*

Particulars	% change from March 31, 2022 to March 31, 2023
Trade Receivables turnover ratio	Net sales of the company has decreased substantially during the current year because of this the ratio has decreased.
Net capital turnover ratio	
Net profit ratio	
Trade Payables turnover ratio	During the year, purchases of the company has increased as compared to previous year so the ratio has been decreased.
Inventory turnover ratio	The Inventory of the Company is reducing because Company is not making manufacturing and doing sale just to meet it's day to day operations.

Ratios	Numerator	Denominator	As at March 31, 2023		As at March 31, 2022	
			Numerator	Denominator	Numerator	Denominator
Current Ratio	Current Assets	Current Liability	72,007.16	48,928.31	72,044.74	48,789.71
Debt-Equity Ratio	Total Debt	Total Equity	17,710.38	25,075.59	17,695.78	25,263.52
Debt Service Coverage Ratio	Net Profit after taxes + Depreciation and other amortizations + Interest	Interest and Lease Payments + Principle Payments	(74.65)	-	(73.70)	-
Return on Equity Ratio	Net Profit after taxes	Average Total Equity	(187.51)	25,169.55	(172.48)	25,346.98
Inventory turnover ratio	Cost of goods sold	Average Inventory	126.41	770.91	379.02	966.69
Trade Receivables turnover ratio	Net Credit Sales	Average accounts receivables	152.77	69,752.96	421.15	69,732.36
Trade payables turnover ratio	Net Credit Purchases	Average payables	108.98	29,806.14	4.88	29,804.19
Net capital turnover ratio	Net Sales	Working Capital	152.77	23,078.85	421.15	23,255.03
Net profit ratio	Net Profit after taxes	Net Sales	(187.51)	152.77	(172.48)	421.15
Return on Capital employed	Earning before interest and taxes	Tangible Net Worth + Total Debt + Deferred Tax Liability/(assets)	(128.85)	42,754.53	(115.62)	42,928.18

36 During the financial year 2010-2011, the Company had completed its Initial Public Offer (IPO) comprising of Rs. 93.71 lakhs equity shares of Rs. 10/- which were issued at a price of Rs. 135/- per equity share (including share premium of Rs. 125/- per equity share) and raised funds amounting to Rs. 12650.85 lakhs. Out of the said proceeds, Rs. 12573.87 lakhs have been utilised on objects approved by the Board of Directors and Share Holders. The Remaining amount of Rs.76.98 lakhs have been attached / adjusted by the Government authorities against the disputed dues.

37 Earnings Per Share (EPS)

Amount in Lakhs Except Share Data

Particular	Year Ended March 31, 2023	Year Ended March 31, 2022
a) Loss attributable to Equity Shareholders for Basic and Diluted EPS (`.)	(187.51)	(172.48)
b) Weighted average number of equity shares outstanding during the year for basic & diluted EPS	317,000,000	317,000,000
c) Basic and Diluted Earnings Per Share (a/b)	(0.06)	(0.05)

NOTES FORMING PART OF STANDALONE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

38 (A) The Union Bank of India (Formerly known as Corporation Bank) has filed appeal at the National Company Law Tribunal, Jaipur on 24th April 2019 against the company for recovery of its dues. The National Company Law Tribunal, Jaipur has passed order no. CP No. (IB) -114/7/JPR/2019, IA/(IB) 580/JPR/2022 dated December 9, 2022 mentioning appointment of Mr. Vishal Bidawatjika as the Interim Resolution Professional("IRP") of the company. On April 12, 2023, the National Company Law Tribunal, Jaipur has passed order to appointed Mr. Sourabh Malpani as IRP of the company replacing the previous IRP Mr. Vishal Bidawatjika. Upon commencement of the CIRP, the powers of the Board of Directors of the Company stand temporarily suspended and are exercised by the IRP

(B) The financial creditors (secured) of the Company have submitted their claims of Rs. 45083.13 lakhs, out of which partial claim of principal amount of Rs. 42679.31 lakhs have been admitted and amount of claims under verification is Rs. 2403.82 lakhs. The operational creditors (Unsecured) of the company has submitted its claimed of Rs. 23.42 lakhs and same has been admitted by the IRP. The Income Tax Department has also submitted it's claimed of Rs. 5068.52 lakhs which is admitted by the IRP of the company. The amount of claim admitted by the IRP may be different than the amounts reflecting in the financial statements of the Company as on March 31, 2023. Pending final outcome of the CIRP, no adjustment has been made in these financial statements for the differential amounts, if any.

39 Contingent Liabilities

(a) Claims against the Company not acknowledged as debts

In respect of Interest on recalled loans or loans classified by the banks as NPA where interest in earlier years is either not applied or penal interest / higher rate of interest is applied. The Company till March 2016 has provided in its best judgement all probable interest liability. Thereafter the company has not recognised any interest liability payable to banks. The secured financial creditors have filed claims amounting to Rs. 45083.13 lakhs against the outstanding amount of Rs. 17710.38 lakhs is appearing in the financial statements. The differential amount of Rs. 27372.75 lakhs has not been acknowledged as debts by the company. Apart for above, claims from operational creditors and tax authorities have been admitted by the IRP which may be different from the amount recognized in the books of accounts and to that extent the company has not acknowledged these claims as debts.

(b) Disputed Demand with Government Authorities

Amount in Lakhs Except Share Data

Particular	**As at March 31, 2023**	**As at March 31, 2022**
i) Income Tax Matters (Against which company has preferred appeals)	5,068.52	6,722.93
	(claimed accepted by IRP)	
During the FY 2022-23, IRP is appointed by NCLT, Jaipur and Income Tax Department has filed its claim with IRP. The Income Tax Department issued its order dated 08/05/2023 that IRP is appointed hence all appeals are liable to be dismissed being not maintainable at this stage.		
ii) Service Tax Matter (Appeal filed by company)	1.40	1.40
iii) Punjab Value Added Tax demand against which company has preferred appeal	31.83	31.83

40 The Income tax Authorities during the search u/s 132 of I.T Act 1961 on 13th August 1993 seized 5580 cts. of emerald cut valued at Rs. 8.19 lakhs. The same has been shown in the closing stock of emerald cut in the books of Accounts

NOTES FORMING PART OF STANDALONE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

41 (a) Due to certain unfavourable developments and sluggish market in earlier periods, there is substantial decrease in sales and volume of the business. Recoveries from trade receivables are slow and there is a temporary mismatch in the cash flow resulting in overdue creditors, default in repayment of statutory dues and dues to banks owing to which all banks have classified the account as NPA and recalled their loans. The management is hopeful that these old trade receivables shall be recovered as the company has initiated legal actions against such debtors, wherever considered necessary. Further, the management is taking all possible steps to revive the business operations and intend to approach consortium bankers for restructuring/ one-time settlement of the its entire loan dues and assumes that Company will have adequate cash flow from export realisation to defray its entire debt obligation in phased manner. At the same time, management is hopeful that it will be able to raise adequate finance from internal accruals and alternate means to meet its short term and long term obligations. Hence the accounts of the Company are prepared on going concern basis.

(b) No provision has been made on an investment of Rs. 2.03 lakhs by the Company in its subsidiary namely M/s. M. B. Diamond LLC (Russia) and investment of Rs. 7.44 lacs in subsidiary namely Goenka Diamond & Jewels DMCC, (Dubai) whose net-worth are negative as the management is of view that the investments are in the nature of long term investments and the diminution in value is temporary in nature. The management is confident that these subsidiaries shall revive its business operations in near future.

(c) Loan given to subsidiary is in the nature long term loan for set up of business of the subsidiary and is part of net investment in subsidiary. The operation of the subsidiary shall soon be revived and this loan will be recovered in near future and therefore no provision for expected credit loss is required. However, the company during the previous years adnd current year has provided for expected credited loss of Rs. 812.35 lacs against the accrued interest on the loan to subsidiary.

42 Advances to Subsidiaries

Amount in Lakhs Except Share Data

Particular	March 31, 2023	March 31, 2022
a) Maximum Amount Outstanding		
M/s. Goenka Diamond & Jewels DMCC (Wholly Owned Subsidiary)	1,249.95	1,249.95
b) Year End Balance		
M/s. Goenka Diamond & Jewels DMCC (Wholly Owned Subsidiary)	1,249.95	1,249.95

Disclosure under section 186: The above advances have been given and utilized for general business purpose.

43 In the opinion of the Board, all assets other than property, plant & equipment and non current investment have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated in the Balance Sheet.

44 **Other Statutory information**

(i) The Company do not have any benami property, and no proceeding has been initiated against the Company for holding any benami property;

(ii) The Company has not advanced or loaned or invested funds to any other persons or entities, including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) 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;

(iii) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year;

(iv) The Company has not revalued any of its property, plant and equipment, right-of-use assets or intangible assets and the Company does not hold any immovable property or investment property;

(v) No search or seizure operation has been carried out on Company during the year;

(vi) The Company do not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956;

NOTES FORMING PART OF STANDALONE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

(vii) The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Companies Act, 2013;

(viii) The Company is not covered under section 135 of the Companies Act, 2013;"

45 Point for financial statements

These financial statements of the Company for the year ended March 31, 2023 pertains to period both prior and post commencement of CIRP. These financial statements have been signed by the Interim Resolution Professional (IRP) while exercising the powers of the Board of Directors of the company, which has been conferred upon him in terms of the provisions of Section 17 of the Insolvency and Bankruptcy Code 2016. Since these financial statements also belong to the period when the affairs of the Company were being managed and •governed by the erstwhile Board of Directors of the Company, these financial statements have been prepared with the same 'basis of preparation' as adopted by the erstwhile Board of Directors as enumerated upon the Board under Section 134 (5) of the Companies Act, 2013 and related regulations..

Due to suspension of Board of Directors of the Company, it was not feasible or practical to provide requisite information for assessment of internal financial control relating to transactions for financial Year 2022-23 which pertains to the period prior to appointment of IRP

46 Previous year figures have been re-grouped / re-arranged wherever necessary.

As per our attached report of even date	**For & On behalf of the Board**	
For UMMED JAIN & CO.		
Chartered Accountants	**NAVNEET GOENKA**	**NANDLAL GOENKA**
F.R. No.: 119250W	**Managing Director & Chief Financial Officer**	**Chairman & Chief Executive Officer**
	(SUSPENDED BOARD)	**(SUSPENDED BOARD)**
	DIN No. 00164428	**DIN No. 00125281**
UMMED MAL JAIN	**SOURABH MALPANI**	**DIMPAL JAISWAL**
Partner	**Interim Resolution Professional**	**Company Secretary**
M.No.: 070863	**M.No.: 402440**	**M. No.: 71236**
Place - Mumbai	**Place - JAIPUR**	**BHAU DHURE**
Date - 30/05/2023	**Date - 30/05/2023**	**Chairman Audit Committee**
		(SUSPENDED BOARD)
		DIN : 08067074
		Place - Mumbai
		Date - 30/05/2023

INDEPENDENT AUDITOR'S REPORT

To,

To the Members of

Goenka Diamond and Jewels Limited

Report on the Consolidated Ind AS Financial Statements

Disclaimer of Opinion

We were engaged to audit the accompanying consolidated Ind AS Financial statements of Goenka Diamond and Jewels Limited (hereinafter referred to as 'the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), which comprise the Consolidated Balance Sheet as at 31st March, 2023 and the Consolidated Statement of Profit and Loss (including other comprehensive Income), Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year then ended, and notes to financial statements, including a summary of the significant accounting policies and other explanatory information.

We do not express an opinion on the accompanying consolidated Ind AS financial statements of the Group. Because of the significance of the matter described in the Basis for Disclaimer of Opinion section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on this consolidated Ind AS Financial Statements.

Basis for Disclaimer of Opinion

(a) Refer Note No. 36 and 42 of consolidated financial statements regarding commencement of Corporate Insolvency Resolution Process (CIRP) under Insolvency and Bankruptcy Act, 2016 and appointment of Interim Resolution Professional (IRP) to carry function as mentioned under the Code for Holding Company. Consequently, the powers of Board stand suspended and are exercised by the IRP in line with the provisions of the Code. Subsequent to issue of public announcement by IRP, the claims submitted by the financial and operational creditors have been collated by the IRP and no accounting adjustment has been carried out for any excess, short or non-receipt of claims from operational and financial creditors.

(b) We draw attention to Note No. 16(B)(2) and 16(B)(3) of consolidated financial statements regarding default in repayment of loans and interest by holding company to the banks (including ARC) owing to which the banks have classified the account as NPA and recalled its loans and initiated various legal actions for recovery of its dues including legal action initiated under SARFESI Act, The Recovery of Debts due to Banks and Financial Institution Act, 1993. The outstanding loans, credit balances and interest due to banks (including ARC) amounting to Rs. 17710.38 lacs and adhoc / repayment of loan amount to an asset reconstruction company (ARC) amounting to Rs. 1405.61 lacs for which no confirmation/ statements have been obtained and are subject to reconciliation and subsequent adjustments. Further, in absence of any agreement, we are unable to comment regarding settlement/ recoverability of the deposit/ advance amounting to Rs. 1405.61 lacs given to ARC

(c) Refer Note no. 8(a) of consolidated financial statements regarding non-provision of the expected credit loss/ impairment relating to overdue Trade Receivables of Rs. 75627.02 Lacs has been recognized as per the requirement of Ind- AS 109 "Financial Instruments". In view of defaults in payment obligations by the Trade Receivables on due date, non-recoveries from Trade Receivables, non-confirmations/ reconciliation from Trade receivables, initiation of legal action/ suits against Trade Receivables by the holding company, notices/ summon to the holding company/director(s) of holding company from Enforcement Directorate, Reserve Bank of India, Development Commissioner of Surat SEZ and in absence of clear forward looking information regarding outcome of pending legal actions initiated and time frame and quantum of realisability of these Trade receivables, we are unable to determine the amount of expected credit loss/ impairment based on provision matrix as per the requirements of Ind-AS 109 "Financial Instruments" and its consequential impact, on the financial results.

(d) Trade payables and other payables by holding company amounting to Rs. 29717.66 lacs are outstanding since long for which neither any confirmation have been provided nor are we aware of any legal action initiated by the vendors against the Holding Company. In absence of current status and relevant details, we are unable to comment on the payment obligation in this regard and its consequential impact on the financial statements.

(e) The Holding Company has defaulted on repayment of loans taken from the banks due to which the banks have recalled their loans and have initiated legal actions. Refer Note No. 16(B)(2) of consolidated financial statements wherein it is stated that the Holding Company's management has decided not to provide interest on such loans and consequently based on the calculation done by the management total interest amounting to Rs. 20979.19 Lacs calculated at estimated rates, has not been provided for in the books of accounts including interest amounting to 2730.80 lacs for year ended March 31, 2023. Accordingly, finance cost for the year ended March 31, 2023 is understated by Rs. 2730.80 lacs.

(f) Refer Note No 8(b) and 17(b) of the consolidated financial statement wherein, the holding company has not translated following monetary items denominated in foreign currency as at the nine month ended closing rate and has been carried forward at the rate as at 31st March 2015, 31st March 2016, and / or 31st March 2017, which is not in accordance with Ind-AS -21 "The Effect of changes in Foreign Exchange Rates" and accounting policy followed by the group.

i. Trade receivable amounting to Rs. 69,703.18 lacs

ii. Trade payables and other payable amounting to Rs. 29,717.66 lacs

The Holding Company has not provided for cumulative exchange gain (net) on the above items amounting to Rs. 12298.69 lacs including exchange gain of Rs. 4165.16 lacs for the year ended March 31, 2023. Accordingly, exchange gain for the year ended March 31, 2023 is understated by Rs. 4165.16 lacs.

(g) The Holding Company has recognized loss of Rs. 49.00 lakhs on current investment designated through FVTPL. No deferred tax assets thereon amounting to Rs. 12.33 lacs has been recognized which is not in accordance with Ind AS-12 "Income Taxes"

Had the exchange difference and deferred tax thereon as stated in para (f & g) above and interest on loans as stated in para (e) above been provided, the loss before tax for the year ended would have been decreased by Rs. 1434.36 Lacs. Consequently, the overstatement and understatement of assets and liabilities are as under: -

Head of Assets/ Liabilities	Assets		Liabilities	
	Understatement	Overstatement	Understatement	Overstatement
Trade Receivables	19707.68	-	-	-
Trade Payables	-	-	7407.54	-
Borrowings	-	-	20979.19	-
Current financial liabilities			1.46	
Deferred Tax Liability	-	-	401.78	-
Other Equity	-	-		9082.28
Total	**19707.68**	**-**	**28789.96**	**9082.28**

Due to uncertainties with respect to settlement of bank dues and interest, adjustments of trade receivables and payables and its consequential impact on taxation thereof, we are unable to ascertain the tax impact and liability, on the financial results.

(h) The Inventory of holding company has been taken on the basis of physical verification carried out by the management (including inventory lying with franchisee on approval basis) as at the year end and its valuation is based on determination of estimated net realizable value and specific identification which involves technical judgment of management. In the absence of any valuation by an independent expert, we have relied upon by the physical verification and valuation of the Inventory as certified and determined by the management.

(i) Balances with Banks amounting to Rs 1.55 lacs (debit balances), Other non-current deposits amounting to Rs. 13.23 lacs, other current assets (balance with government authorities) amounting to Rs. 32.48 lacs, Other Current Assets and Liabilities are subject to confirmations and consequential adjustment thereof.

(j) Refer Note No. 3 of consolidated financial statement, the holding has made provision for Impairment of Residential flat/ office building at Jaipur having gross block of Rs. 19.72 lacs (WDV of Rs. 5.34 lacs), for which the holding company neither has possession of such assets nor have any title deeds/agreement.

Material Uncertainty related to going concern

The Group's operating results have been materially affected due to various factors including non-realization of Trade receivables, defaults in repayment of loans and interest to banks, non-availability of finance due to recall of loans by banks in consortium, legal actions/ insolvency proceedings initiated by banks against holding company for recovery of its dues, notices/ summon to the holding company/director(s) of holding company from Enforcement Directorate, Reserve Bank of India, Development Commissioner of Surat SEZ and from other regulatory authorities, commencement of CIRP proceeding as stated in Note No. 1, Debt Recovery Tribunals and other courts for recovery of banks dues and possession/attachment/sale of holding company's properties, assignment and transfer of dues of banks in favor of an asset reconstruction company (ARC), pending income tax demands and consequent attachment of bank accounts by Income tax department, reliance on occasional sales for meeting out expenses, overall substantial decrease in volume of business and sales, non-payment of statutory dues and taxes, overdue creditors, etc. We are also unable to determine the impact of actions and forthcoming actions that may be taken by various legal and statutory authorities due to various factors mentioned herein above. These events cause significant doubts on the ability of the group to continue as a going concern. The appropriateness of the going concern assumption is dependent on the group's ability to raise adequate finance from alternative means, settlement of holding company's due from banks and ARC, outcome of CIRP process and or recoveries from overseas Trade Receivables to meet its short term and long term obligations as well as to establish consistent business operation. The above situation indicates that material uncertainty exist that cast significant doubt on group's ability to continue as a going concern.

Because of the significance of the matters described above in the "Basis of Disclaimer of Opinion" section of our report, absence of sufficient appropriate audit evidences and Material uncertainty related to Going Concern paragraph above, it is not possible to form an opinion on the financial statements due to the potential interaction of the multiple uncertainties and their possible cumulative effect on the financial statements. Accordingly, we do not express an opinion on the consolidated Ind-AS financial statements.

Responsibilities of Management for the Consolidated Ind AS Financial Statements

In accordance with the applicable provisions of the Insolvency and Bankruptcy Code, 2016 ("the Code") and related rules and regulations issued thereunder, Corporate Insolvency Process ("CIRP") of Holding Company Goenka Diamond and Jewels Limited was initiated by financial creditors. The Hon'ble National Company Law Tribunal ("NCLT"), Jaipur Bench, vide order no. CP(IB)2067/MB/2019 delivered on 9th December 2022 appointed an Interim Resolution Professional ("IRP") to manage affairs of the Company in accordance with the provisions of Code. Thereafter, NCLT vide order dated April 12, 2023 appointed Mr. Sourabh Malpani as IRP replacing the previous IRP appointed. Upon appointment of IRP under the Code, the powers of the Board of Directors of the Holding Company remained suspended and vest with the IRP.

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Companies Act, 2013 (the Act) that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act.

The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring 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, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid. In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements

Our responsibility is to conduct an audit of the Company's consolidated financial statements in accordance with Standards on Auditing and to issue an auditor's report. However, because of the matter described in the Basis for Disclaimer of Opinion section of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these consolidated Ind-AS financial statements.

We are independent of the Group in accordance with the Code of Ethics and provisions of the Companies Act, 2013 that are relevant to our audit of the consolidated Ind-AS financial statements in India under the Companies Act, 2013, and we have fulfilled our other ethical responsibilities in accordance with the Code of Ethics and the requirements under the Companies Act, 2013

Other Matters

We did not audit the financial statements of three subsidiaries included in the Statement, whose financial results reflects, total assets of Rs. 6801.96 lacs, total revenue of Rs. Nil and total loss after tax of Rs. 115.23 lacs for the year ended March 31, 2023 , as considered in the Statement. These financial statements have been audited by the other auditors whose reports have been furnished to us by the Management. Our opinion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based solely on the reports of other auditors. Two of these subsidiaries are located outside India whose financial statements have been prepared in accordance with accounting principles generally accepted in their respective countries and which has been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Holding Company's management has converted the financial statements of such subsidiaries located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India and obtained fit for consolidation report from other auditors whose report have been relied upon by us. Our opinion in so far as it relates to the balances and affairs of such subsidiaries located outside India and Ind AS conversion adjustments is based on the report of other auditors.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, the clause no (i)(c), (ii)(b) and (vii)(a) of Parents Company's report contains qualification or adverse remarks on the matters specified in paragraphs 3 and 4 of the Order. The subsidiaries are either incorporated outside India or are non-corporate entity and therefore are not required to report on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by Section 143(3) of the Act, based on our engagement for audit and on the consideration of report of the other auditors on separate financial statements of subsidiaries, as noted in the 'other matter' paragraph, we report, to the extent applicable, that:

   a. As described in Basis of Disclaimer of Opinion paragraph, we are unable to obtain all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

   b. Due to possible effects of the matters as described in the Basis of Disclaimer of Opinion paragraph, we are unable to state whether proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

   c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

   d. Due to effects/ possible effects of the matters described in Basis for Disclaimer of Opinion paragraph, we are unable to state whether the aforesaid consolidated financial statements comply with the Indian Accounting Standards specified under section 133 of the Act.

   e. As at March 31, 2023, there are no directors on the board of the Holding Company. Accordingly, reporting on compliance of section 164 (2) of the Act is not applicable.

   f. The matters described in Basis of Disclaimer of opinion paragraph and other observations made in statement on the matters specified in paragraph 3 and 4 of the Order above, may have an adverse effect on the functioning of the Company.

   g. With respect to the adequacy of Internal Financial Control over financial reporting of the Group, since the subsidiaries companies are incorporated outside India and a subsidiary entity is not material to the Group, no separate report on internal financial control over financial reporting and the operating effectiveness of such controls, for the Group is being issued;

   h. 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 explanation given to us, the remuneration paid by the Holding Company to its Directors during the year is in accordance with the provisions of section 197 of the Act;.

   i. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries, as noted in the 'Other matter' paragraph:

i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group. Refer Note No. 37 to the consolidated financial statements.

ii. The Group has made provision in the consolidated financial statements, as required under the applicable law or Ind AS, for material foreseeable losses, on long-term contracts including derivative contracts.

iii. The amounts which is required to be transferred to the Investor Education and Protection Fund by the Holding Company for the year ended 31 March 2023 has been transferred.

iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) 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 entity ("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 Group ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Group from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. The Group has not declared or paid any dividend during the year and therefore compliance of Section 123 of the Act, is not applicable.

vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Holding Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023

For Ummed Jain & Co.
Chartered Accountants
ICAI Firm Reg. No.119250W

U. M. Jain
Partner
Membership No. 070863
Mumbai: May 30, 2023
UDIN No: 23070863BGQKCK6462

Consolidated Balance Sheet as at March 31, 2023

Amount in Lakhs Except Share Data

Particulars	Note No	As at March 31, 2023	As at March 31, 2022
I ASSETS			
1 Non-Current Assets			
(a) Property, Plant and Equipment	3	696.98	708.54
(b) Financial Assets			
(i) Investments	4	-	-
(ii) Others financial assets	5	13.73	13.71
(c) Deferred tax assets (Net)	6	31.45	31.11
2 Current assets			
(a) Inventories	7	1,001.68	1,064.33
(b) Financial Assets			
(i) Trade receivables	8	76,287.97	75,729.84
(ii) Cash and cash equivalents	9	58.79	120.48
(iii) Others financial assets	10	1,407.49	1,407.11
(c) Other current assets	11	49.10	49.89
Total Assets		**79,547.19**	**79,125.03**
II EQUITY AND LIABILITIES			
1 Equity			
(a) Equity Share capital	12	3,170.00	3,170.00
(b) Other Equity	13	20,695.94	20,952.40
Equity attributable to the owners of the Company		**23,865.94**	**24,122.40**
(c) Non Controlling Interest	13	6.63	6.73
Total Equity		**23,872.57**	**24,129.12**
2 Non-current liabilities			
(a) Financial Liabilities			
(i) Borrowings	14	-	-
(b) Provisions	15	10.64	9.11
3 Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	16	18,124.49	18,087.95
(ii) Trade payables	17		
A. Dues to micro and small enterprise		-	-
B. Dues other than micro and small		36,575.12	35,997.71
(iii) Other financial liabilities	18	213.24	205.31
(b) Other current liabilities	19	147.46	141.91
(c) Provisions	20	2.02	1.01
(d) Current Tax Liabilities (Net)	21	601.64	552.91
Total Equity and Liabilities		**79,547.19**	**79,125.03**
Significant Accounting Policies	**1 & 2**		
Other Notes to Financial Statements	**29 to 44**		

As per our attached report of even date

For and on behalf of the Board

For UMMED JAIN & CO.
Chartered Accountants
F.R. No.: 119250W

NANDLAL GOENKA
Chairman & Chief Executive Officer
(SUSPENDED BOARD)
DIN No. 00125281

BHAU DHURE
Chairman Audit Committee
(SUSPENDED BOARD)
DIN : 08067074

UMMED MAL JAIN
Partner
M.No.: 070863

NAVNEET GOENKA
Managing Director & Chief Financial Officer
(SUSPENDED BOARD)
DIN No. 00164428

DIMPAL JAISWAL
Company Secretary
M. No.: 71236

SOURABH MALPANI
Interim Resolution Professional
M.No.: 402440

Place - Mumbai
Date - 30/05/2023

Place - Mumbai
Date - 30/05/2023

Place - JAIPUR
Date - 30/05/2023

Consolidated Statement of Profit And Loss For The Year Ended March 31, 2023

Amount in Lakhs Except Share Data

	Particulars	Note No.	For the year ended March 31 2023	For the year ended March 31 2022
I	Revenue From Operations	22	162.50	425.66
II	Other Income	23	4.43	1.49
III	**Total Income (I+II)**		**166.93**	**427.15**
IV	**EXPENSES**			
	Cost of Material Consumed	24	130.70	323.66
	Changes in inventories of finished goods, stock-in trade and work in progress	25	40.93	145.28
	Employee benefits expense	26	47.77	54.32
	Finance costs	27	58.85	55.24
	Depreciation and amortization expense	3	55.04	44.56
	Other expenses	28	63.26	76.86
	Total Expenses (IV)		**396.55**	**699.92**
V	**Profit/(loss) before exceptional item and tax (III- IV)**		**(229.62)**	**(272.77)**
VI	**Exceptional Item (Refer Note 39(b))**		**-**	**-**
VII	**Profit/(loss) before tax (V+VI)**		**(229.62)**	**(272.77)**
VI	**Tax expense:**			
	(1) Current tax		-	-
	(2) Deferred tax		(0.19)	1.63
VII	**Profit/(Loss) for the year (V-VI)**		**(229.43)**	**(274.40)**
VIII	**Other Comprehensive Income**			-
	(i) Items that will not be reclassified to profit or loss		(0.56)	7.50
	(a) Remeasurement of defined benefit obligation			
	(ii) Income tax on above		0.15	(1.95)
	(iii) Items that will be reclassified to profit or loss		(26.71)	9.46
	(a) Net gain/ (loss) on translation of foreign currency operation			
	(iv) Income tax on above		-	-
	Total other comprehensive income		**(27.12)**	**15.01**
IX	**Total Comprehensive Income for the period (VII+VIII)(Comprising Profit/(Loss) and Other Comprehensive Income for the period)**		**(256.56)**	**(259.39)**
X	Loss for the year attributable to:			
	a) Owners of the parent		(229.34)	(274.35)
	b) Non-controlling interests		(0.10)	(0.05)
XI	Other comprehensive income attributable to:			
	a) Owners of the parent		(27.12)	15.01
	b) Non-controlling interests		-	-
XII	Earnings per equity share (face value Rs.1/- Per Share)	35		
	Basic		(0.07)	(0.09)
	Diluted		(0.07)	(0.09)
Significant Accounting Policies		**1 & 2**		
Other Notes to Financial Statements		**29 to 44**		

As per our attached report of even date

For and on behalf of the Board

For UMMED JAIN & CO.
Chartered Accountants
F.R. No.: 119250W

NANDLAL GOENKA
Chairman & Chief Executive Officer
(SUSPENDED BOARD)
DIN No. 00125281

BHAU DHURE
Chairman Audit Committee
(SUSPENDED BOARD)
DIN : 08067074

UMMED MAL JAIN
Partner
M.No.: 070863

NAVNEET GOENKA
Managing Director & Chief Financial Officer
(SUSPENDED BOARD)
DIN No. 00164428

DIMPAL JAISWAL
Company Secretary
M. No.: 71236

SOURABH MALPANI
Interim Resolution Professional
M.No.: 402440

Place - Mumbai
Date - 30/05/2023

Place - Mumbai
Date - 30/05/2023

Place - JAIPUR
Date - 30/05/2023

Consolidated Statement of Cash Flows For The Year Ended March 31, 2023

Amount in Lakhs Except Share Data

	Particulars	Year ended March 31, 2023	Year ended March 31, 2022
A.	CASH FLOW FROM OPERATING ACTIVITIES		
	Net loss before tax	(229.62)	(272.77)
	Adjustment for		
	Depreciation	55.04	44.56
	Unrealised Exchange Difference	(19.13)	9.46
	Gratuity (OCI)	(0.56)	7.50
	Finance Charges Paid	58.85	55.24
	Interest Income	(0.28)	(0.29)
	Operating Profit before Working Capital Changes	**(135.72)**	**(156.29)**
	Adjustment for		
	Trade and other receivables(financial and non financial)	(111.08)	(193.63)
	Inventories	62.65	464.06
	Trade payable	123.66	148.05
	Other liabilities and provision (financial and non financial)	5.91	8.20
	Cash generated from operations	**(54.57)**	**270.39**
	Income Tax Paid (Net)	-	-
	Net cash from Operating Activities	**(54.57)**	**270.39**
B	CASH FLOW FROM INVESTING ACTIVITIES		
	Purchase of Property Plant and Equipment	(43.47)	(28.53)
	Net cash from investing activities	**(43.47)**	**(28.53)**
C	CASH FLOW FROM FINANCING ACTIVITIES		
	Receipt of borrowings	36.54	(162.34)
	Net cash from financing activities	**36.54**	**(162.34)**
	Net increase in Cash and Cash equivalent (A+B+C)	(61.51)	79.53
	Cash and Cash equivalent in the Opening balance	117.68	38.15
	Cash and Cash equivalent in the Closing balance	**56.17**	**117.68**
	Note :		
	Reconciliation of component of cash and cash equivalent:		
	Closing Cash and Cash Equivalents as per books		
	Cash & Cash Equivalents (Refer Note No. 9)	56.17	117.68
	Cash and Cash equivalent as per statement of cash flows	**56.17**	**117.68**
	Cash in hand	3.97	32.79
	Current Accounts	52.21	84.89
	Total	**56.17**	**117.68**

Consolidated Statement of Cash Flows For The Year Ended March 31, 2022

Notes:

1 The Statement of consolidated cash flows has been prepared under the Indirect method as set out in Ind AS 7 on Statement of cash flows notified under Section 133 of The Companies Act 2013, read together with Paragraph 7 of the Companies (Indian Accounting Standard) Rules 2015 (as amended).

2 The Group does not have any cash flow from financing activities. Hence, the disclosure showing movement of cash flows from financing activities is not required.

As per our attached report of even date		**For and on behalf of the Board**	
For UMMED JAIN & CO.	**NANDLAL GOENKA**	**BHAU DHURE**	
Chartered Accountants	**Chairman & Chief Executive Officer**	**Chairman Audit Committee**	
F.R. No.: 119250W	**(SUSPENDED BOARD)**	**(SUSPENDED BOARD)**	
	DIN No. 00125281	**DIN : 08067074**	
UMMED MAL JAIN	**NAVNEET GOENKA**	**DIMPAL JAISWAL**	**SOURABH MALPANI**
Partner	**Managing Director & Chief Financial Officer**	**Company Secretary**	**Interim Resolution Professional**
M.No.: 070863	**(SUSPENDED BOARD)**	**M. No.: 71236**	**M.No.: 402440**
	DIN No. 00164428		
Place - Mumbai		Place - Mumbai	Place - JAIPUR
Date - 30/05/2023		Date - 30/05/2023	Date - 30/05/2023

Consolidated Statement of Changes In Equity March 31, 2023

A. Equity Share Capital

Particulars	Amount in Lakhs
Balance as at April 1, 2021	**3,170.00**
Changes in equity share capital	-
Balance as at March 31, 2022	**3,170.00**
Changes in equity share capital	-
Balance as at March 31, 2023	**3,170.00**

B. Other Equity

Amount in Lakhs Except Share Data

Particulars	Reserves and Surplus			Other Comprehensive Income		Attributable to the owners of the Company	Attributable to the non-controlling interest	Total
	Securities Premium	General Reserve	Retained Earnings	Foreign Currency Translation Reserve	Remeasurement of Defined benefit obligation			
Balance as at April 1, 2021	**10,885.07**	**99.08**	**9,584.38**	**639.18**	**4.05**	**21,211.74**	**6.77**	**21,218.53**
Loss for the year	-	-	(274.35)	-	-	(274.35)	(0.05)	(274.40)
Other Comprehensive Income (Net of Tax)	-	-	-	9.46	5.55	15.01	-	15.01
Balance as at March 31, 2022	**10,885.07**	**99.08**	**9,310.03**	**648.64**	**9.59**	**20,952.40**	**6.73**	**20,959.13**
Loss for the year	-	-	(229.34)	-	-	(229.34)	(0.10)	(229.43)
Other Comprehensive Income (Net of Tax)	-	-	-	(26.71)	(0.42)	(27.12)	-	(27.12)
Balance as at March 31, 2023	**10,885.07**	**99.08**	**9,080.69**	**621.94**	**9.17**	**20,695.94**	**6.63**	**20,702.57**

As per our attached report of even date

For and on behalf of the Board

For UMMED JAIN & CO.
Chartered Accountants
F.R. No.: 119250W

NANDLAL GOENKA
Chairman & Chief Executive Officer
(SUSPENDED BOARD)
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Company Secretary
M. No.: 71236

SOURABH MALPANI
Interim Resolution Professional
M.No.: 402440

Place - Mumbai
Date - 30/05/2023

Place - Mumbai
Date - 30/05/2023

Place - JAIPUR
Date - 30/05/2023

NOTES FORMING PART OF CONSOLIDATED IND-AS FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

Note: - 1

Corporate Information

Goenka Diamond and Jewels Limited (“the Holding Company”) is a public limited company domiciled in India and incorporated under the Companies Act, 1956. The Company is engaged in the business of trading and manufacturing of diamond and gold jewellery. The Company is listed on Bombay Stock Exchange Limited (BSE) and the National Stock Exchange of India Limited (NSE).

The consolidated financial statement has been approved by the Board of Directors of holding company as on 30th May, 2023.

Note: - 2

I. **Basis of preparation and presentation**

Statement of Compliance: The Consolidated Financial Statements of M/s. Goenka Diamond & Jewels Limited (‘the holding Company’) and its Subsidiaries (together referred to as ‘GDJL Group’) have been prepared in accordance with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules as amended time to time and accounting principles generally accepted in India.

The Consolidated Financial Statements have been prepared on the historical cost basis except for certain financial instruments measured at fair values, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Current versus non-current classification

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

a) Expected to be realised or intended to be sold or consumed in normal operating cycle

b) Held primarily for the purpose of trading, or

c) Expected to be realised within twelve months after the reporting period other than for (a) above, or

d) Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

a) It is expected to be settled in normal operating cycle

b) It is held primarily for the purpose of trading

c) It is due to be settled within twelve months after the reporting period other than for (a) above, or

d) There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non-current.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or liability, the group takes in to account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for leasing transactions that are within the scope of Ind AS 17, and measurement that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurement are categorized into level 1, 2 and 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurements in its entirely, which are described as follows:

NOTES FORMING PART OF CONSOLIDATED IND-AS FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within level 1, that are observable for the asset or liability, either directly or indirectly, and
- Level 3 inputs are unobservable inputs for the asset or liability.

II. **Basis of Consolidation**

i. **Subsidiaries**

Subsidiaries are all entities (including structured entities) over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the group.

The group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and balance sheet respectively.

ii. **Associates**

Associates are all entities over which the group has significant influence but not control or joint control. This is generally the case where the group holds between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting (see (iv) below), after initially being recognised at cost.

iii. **Joint arrangements**

Under Ind AS 111 Joint Arrangements, investments in joint arrangements are classified as either joint operations or joint ventures. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangement.

Joint ventures

Interests in joint ventures are accounted for using the equity method (see (iv) below), after initially being recognized at cost in the consolidated balance sheet.

iv. **Equity method**

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the group share of the post-acquisition profits or losses of the investee in profit and loss, and the group share of other comprehensive income of the investee in other comprehensive income.

When the group share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the Holding Company and its associates and joint ventures are eliminated to the extent of the group interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the group.

The carrying amounts of equity accounted investments are tested for impairment in accordance with the policy described below.

v. **Changes in ownership interests**

The group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised within equity.

When the group ceases to consolidate or equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognized in other comprehensive income are reclassified to profit or loss.

If the ownership interest in a joint venture or an associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to profit or loss where appropriate.

III. **Summary of significant accounting policies:**

A. **Property, plant and equipment**

The cost of property, plant and equipment comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, including relevant borrowing costs for qualifying assets.

Depreciation is recognized so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using written down value method as per the useful life prescribed in Schedule II to the Companies Act, 2013.

Leasehold land is amortized over the initial period of lease.

The expenditure incurred on improvement on leased premises is written off proportionately over the initial period of lease.

The group reviews the residual value, useful lives and depreciation method annually and, if expectations differ from previous estimates, the change is accounted for as a change in accounting estimate on a prospective basis.

B. **Intangible assets**

Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the assets will flow to the group and the cost of the assets can be measured reliably. Intangible assets are stated at cost less accumulated amortisation and impairment loss, if any.

Expenditure on software is recognized as ‘Intangible Assets’ and is amortized over a period of three years.

C. **Impairment of tangible and intangible assets other than goodwill**

At the end of each reporting period, the carrying amounts of tangible and intangible assets are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the group estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

The group bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the group's CGUs to which the individual assets are allocated. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the group extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the Statement of Profit and Loss.

D. **Leases**

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee

The Group accounts for each lease component within the contract as a lease separately from non-lease components of the contract and allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components.

The Group recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets are depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. Right of- use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

The Group measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Group uses incremental borrowing rate. For leases with reasonably similar characteristics, the Group, on a lease by lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Group is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. The Group recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and statement of profit and loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Group recognises any remaining amount of the re-measurement in statement of profit and loss.

The Group has elected not to apply the requirements of Ind AS 116 Leases to short term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognised as an expense on a straight-line basis over the lease term.

NOTES FORMING PART OF CONSOLIDATED IND-AS FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

E. **Inventories**

- Inventories are valued at lower of cost and estimated net realisable value. 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 management, which has been relied upon by the Auditors.

F. **Revenue recognition**

IND AS 115: Revenue from contract with customers

The Group earns revenue primarily from sale of cut and polished diamonds, gold and diamond jewellery ETC.

Ind AS 115 provides a single, principles based five-step model to be applied to all contracts with customers. The five steps in the model are as follows:

- Identify the contract with the customer;
- Identify the performance obligations in the contract;
- Determine the transaction price;
- Allocate the transaction price to the performance obligations in the contracts;
- Recognise revenue when (or as) the entity satisfies a performance obligation.

Revenue is recognised upon transfer of promised goods to customers in an amount that reflects the consideration which the Group expects to receive in exchange for those products. In case of sale of gold and diamond jewellery, the revenue is recognised on transfer of control of promised goods to customers.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

Unearned and deferred revenue ("contract liability") is recognised when there are billings in excess of revenues. The billing schedules agreed with customers include periodic performance-based payments and / or milestone-based progress payments. Invoices are payable within contractually agreed credit period.

Contracts are subject to modification to account for changes in contract specification and requirements. The Group reviews modification to contract in conjunction with the original contract, basis which the transaction price could be allocated to a new performance obligation, or transaction price of an existing obligation could undergo a change. In the event transaction price is revised for existing obligation, a cumulative adjustment is accounted for.

Use of significant judgements in revenue recognition:

- The Group's contracts with customers could include promises to transfer multiple products to a customer. The Group assesses the products promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligation involves judgement to determine the deliverables and the ability of the customer to benefit independently from such deliverables.
- Judgement is also required to determine the transaction price for the contract. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as volume discounts, service level credits, performance bonuses, price concessions and incentives. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component.

Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct product or service from the customer. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period. The Group allocates the elements of variable considerations to all the performance obligations of the contract unless there is observable evidence that they pertain to one or more distinct performance obligations.

- The Group uses judgement to determine an appropriate standalone selling price for a performance obligation. The Group allocates the transaction price to each performance obligation on the basis of the relative standalone selling price of each distinct product or service promised in the contract. Where standalone selling price is not observable, the Group uses the expected cost-plus margin approach to allocate the transaction price to each distinct performance obligation.
- The Group exercises judgement in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Group considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such products, transfer of significant risks and rewards to the customer etc.

The Group does not have any unsatisfied performance obligation as at the year end.

Interest income

Interest income is recognised on a time proportion basis following effective interest rate method.

Dividend income

Revenue is recognized when the group's right to receive the payment is established, which is generally when shareholders approve the dividend.

G. **Borrowing costs**

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. Capitalisation of the borrowing costs is suspended during extended periods in which it suspends active development of a qualifying asset.

All other borrowing costs are recognised in the Statement of Profit and Loss in the period in which they are incurred.

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs

H. **Employee benefits**

Retirement benefit costs and termination benefits

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions.

For defined benefit retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Defined benefit costs are categorised as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- re-measurement

The group presents the first two components of defined benefit costs in the Statement of Profit and Loss in the line item 'Employee benefits expenses. Curtailment gains and losses are accounted for as past service costs.

NOTES FORMING PART OF CONSOLIDATED IND-AS FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding interest), is reflected immediately in the statement of financial position with a charge or credit recognised in other comprehensive income in the period in which they occur. Re-measurement recognised in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to the Statement of profit and loss. Past service cost is recognised in the Statement of Profit and Loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset.

The retirement benefit obligation recognised in the statement of financial position represents the actual deficit or surplus in the group's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.

Short-term and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the group in respect of services provided by employees up to the reporting date.

I. **Foreign currencies**

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

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. 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 retranslated.

Exchange differences on monetary items are recognised in Statement of Profit and Loss in the period in which they arise.

J. **Financial Instruments**

Financial instruments comprise of financial assets and financial liabilities. Financial asset primarily comprises of investments, loans and advances, trade receivables and cash and cash equivalents. Financial liabilities primarily comprise of borrowings, trade and other payables.

Financial assets and financial liabilities are recognised when an entity becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. However, trade receivables that do not contain significant financial component are valued at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through Statement of Profit and Loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit and loss are recognised immediately in Statement of Profit and Loss.

NOTES FORMING PART OF CONSOLIDATED IND-AS FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

I. **Financial assets**

a) **Initial recognition and measurement**

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. However, trade receivables that do not contain significant financial component are valued at transaction price. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

All recognized financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

b) **Classification of financial assets**

For purposes of subsequent measurement, financial assets are classified in two broad categories:

1. Financial assets at amortised cost
2. Financial assets at fair value

Where assets are measured at fair value, gains and losses are either recognized in the statement of profit and loss (i.e. fair value through profit and loss) (FVTPL), or recognized in other comprehensive income (i.e. fair value through other comprehensive income) (FVTOCI)

Financial asset at amortised cost

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated at FVTPL:

- The asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

This category is the most relevant to the group. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. The group has recognized its financial assets at amortised cost.

c) **Effective interest method**

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognized in the Statement of Profit and Loss and is included in the ‘Other income’ line item.

d) **Derecognition of financial assets**

The group derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the group retains substantially all the risks and rewards of ownership of a transferred financial asset, the group continues to recognise the financial asset and also recognises a collateralized borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in the Statement of Profit and Loss if such gain or loss would have otherwise been recognised in the Statement of Profit and Loss on disposal of that financial asset.

e) **Impairment of financial assets**

The group applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, debt instruments at FVTOCI, lease receivables, trade receivables, other contractual rights to receive cash or other financial asset.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the group in accordance with the contract and all the cash flows that the Group expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). The Group estimates cash flows by considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instrument.

The Group measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the life-time expected credit losses and represent the lifetime cash shortfalls that will result if default occurs within the 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

If the Group measured loss allowance for a financial instrument at lifetime expected credit loss model in the previous period, but determines at the end of a reporting period that the credit risk has not increased significantly since initial recognition due to improvement in credit quality as compared to the previous period, the Group again measures the loss allowance based on 12-month expected credit losses.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Group uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 18, the Group always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Group has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

II. **Financial liabilities and equity instruments**

a) **Classification as debt or equity**

Debt and equity instruments issued by a Group are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

b) **Equity instruments**

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Group's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in Statement of Profit and Loss on the purchase, sale, issue or cancellation of the Group's own equity instruments.

c) **Financial liabilities**

Financial liabilities are classified as either financial liabilities 'at FVTPL' or 'other financial liabilities'.

Financial liabilities at FVTPL:

Financial liabilities are classified as at FVTPL when the financial liability is either held for trading or it is designated as at FVTPL.

A financial liability is classified as held for trading if:

- It has been incurred principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- It is a derivative that is not designated and effective as a hedging instrument.

A financial liability other than a financial liability held for trading may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise;
- the financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Group's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- It forms part of a contract containing one or more embedded derivatives, and Ind AS 109 permits the entire combined contract to be designated as at FVTPL in accordance with Ind AS 109.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in Statement of Profit and Loss. The net gain or loss recognised in Statement of Profit and Loss incorporates any interest paid on the financial liability and is included in the 'Other Income' line item in the Statement of Profit and Loss.

Other financial liabilities:

Other financial liabilities (including borrowings and trade and other payables) that are not held-for-trading and are not designated as at FVTPL are subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities:

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. An exchange with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in Statement of Profit or Loss.

NOTES FORMING PART OF CONSOLIDATED IND-AS FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

K. **Taxation**

Income tax expense represents the sum of the current tax and deferred tax.

Current tax

Current tax is the amount of tax payable based on the taxable profit for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. 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 the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Group will pay normal income tax during the specified period i.e., the period for which MAT credit is allowed to be carried forward as per tax laws. The Group reviews the “MAT credit entitlement” asset at each reporting date and writes down the asset to the extent the Group does not have convincing evidence that it will pay normal income tax during the specified period.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

The Group has not recognised deferred tax assets on unabsorbed depreciation and carried forward of losses due to lack of reasonable certainty that future taxable income will be there against which such deferred tax assets can be set off,

Current and deferred tax for the period

Current and deferred tax are recognised in the Statement of Profit and Loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

L. **Provisions, contingent liabilities and contingent assets**

Provisions are recognised when the Group has a present obligation (legal or constructive), as a result of past event, and it is probable that an outflow of resources embodying economic benefits, that can be reliably estimated, will be required to settle such an obligation. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liabilities are not recognised but disclosed unless the probability of an outflow of resources is remote. Contingent assets are disclosed where inflow of economic benefits is probable.

M. **Earnings per share**

Basic earnings per share are computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the profit after tax by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

IV. **Key sources of estimation uncertainty and critical accounting judgements**

The preparation of the consolidated financial statements requires management to make judgements, estimates and assumptions about the reported amounts of assets and liabilities, and, income and expenses that are not readily apparent from other sources. Such judgments, estimates and associated assumptions are evaluated based on historical experience and various other factors, including estimation of the effects of uncertain future events, which are believed to be reasonable under the circumstances. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

The following are the critical judgements and estimations that have been made by the management in the process of applying the Group's accounting policies and that have the most significant effect on the amount recognised in the consolidated 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.

i) **Going Concern**

The management at each close makes an assessment of the Group'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 consolidated financial statements are based on the Group's assessment that the Group will continue as a going concern.

ii) **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.

iii) **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.

iv) **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.

v) **Defined benefit plans (gratuity benefits)**

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate; future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

NOTES FORMING PART OF CONSOLIDATED IND-AS FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

Further details about gratuity obligations are given in Note 30.

vi) **Recoverability of financial assets**

Assessments of recoverability of trade receivables require 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. See Note 8 for further disclosures on impairment of trade receivables.

V. **Standards issued but not yet effective and have not been adopted early by the Group**

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, as below:

Ind AS 1 - Presentation of Consolidated Financial Statements - This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The group has evaluated the amendment and the impact of the amendment is insignificant in the group's consolidated financial statements.

Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors - This amendment has introduced a definition of 'accounting estimates' and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The group has evaluated the amendment and there is no impact on its consolidated financial statements.

Ind AS 12 - Income Taxes - This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The group has evaluated the amendment and there is no impact on its consolidated financial statement.

NOTES FORMING PART OF CONSOLIDATED IND-AS FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

3 Property, Plant and Equipment

Amount in Lakhs Except Share Data

Cost/ Valuation	Lease Hold Land	Lease Hold Factory Land	Buildings	Plant & Machinery	Electric Installation	Furniture & Fixtures	Vehicles	Office Equipment	Computers	Improvement on Leasehold Premises	Total
1. Gross carrying amount											
Balance at 1 April 2021	**42.41**	**668.41**	**680.14**	**153.30**	**22.98**	**16.96**	**62.05**	**113.29**	**73.38**	**146.14**	**1,979.07**
Additions	-	-	-	-	-	-	28.53	-	-	-	**28.53**
Disposals	-	-	-	-	-	-	-	-	-	-	**-**
At 31 March 2022	**42.41**	**668.41**	**680.14**	**153.30**	**22.98**	**16.96**	**90.58**	**113.29**	**73.38**	**146.14**	**2,007.60**
Additions	-	-	-	-	-	-	43.47	-	-	-	**43.47**
Disposals	-	-	-	-	-	-	-	-	-	-	**-**
At 31 March 2023	**42.41**	**668.41**	**680.14**	**153.30**	**22.98**	**16.96**	**134.05**	**113.29**	**73.38**	**146.14**	**2,051.07**

Depreciation and impairment	Lease Hold Land	Lease Hold Factory Land	Buildings	Plant & Machinery	Electric Installation	Furniture & Fixtures	Vehicles	Office Equipment	Computers	Improvement on Leasehold Premises	Total
Balance at 1 April 2021	**34.52**	**201.53**	**455.60**	**142.74**	**21.79**	**16.12**	**57.73**	**108.62**	**69.72**	**146.14**	**1,254.52**
Depreciation expense	-	23.28	14.75	1.94	-	-	4.59	-	-	-	44.56
Disposal	-	-	-		-	-	-	.	-		-
At 31 March 2022	**34.52**	**224.81**	**470.35**	**144.68**	**21.79**	**16.12**	**62.32**	**108.62**	**69.72**	**146.14**	**1,299.07**
Depreciation expense	-	23.28	18.77	1.46	-	-	11.52	-	-	-	55.04
Disposal	-	-	-	-	-	-	-	-	-	-	-
At 31 March 2023	**34.52**	**248.10**	**489.11**	**146.14**	**21.79**	**16.12**	**73.85**	**108.62**	**69.72**	**146.14**	**1,354.11**

Net Carrying Amount	Lease Hold Land	Lease Hold Factory Land	Buildings	Plant & Machinery	Electric Installation	Furniture & Fixtures	Vehicles	Office Equipment	Computers	Improvement on Leasehold Premises	Total
At 31 March 2023	7.89	420.32	191.03	7.16	1.19	0.84	60.20	4.67	3.66	-	**696.98**
At 31 March 2022	7.89	443.60	209.80	8.62	1.19	0.84	28.25	4.67	3.66	-	**708.54**

Notes

1 Building includes 5 No. shares held in Mount Unique CHS.

2 Building includes Flat at Jaipur which is not yet registered in the name of the Company.

	Relevant line item in the Balance Sheet	Description of item of property	Gross Carrying Value	Titile deeds in the name of	Whether title deed holder is a promoter, director or relative of promoter / director or employee of promoter / director	Property held since which date	Reason for not being held in the name of the Company
	Building for the Company	Office Space	19.72 (since impaired)	Not Registered Yet	No	prior to 2005-2006	Refer Note Below

Note: In absence of title deeds of buildings (including building as mentioned above) having total Gross value of Rs. 19.72 lakhs and WDV of Rs. 5.34 lakhs as on March 31, 2023 have been impaired and the impairment loss of Rs. 5.34 lakhs is included in depreciation charged during the year

NOTES FORMING PART OF CONSOLIDATED IND-AS FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

4 Non current financial asset- Investment

Amount in Lakhs Except Share Data

Particulars	As at 31 March 2023	As at 31 March 2022
1 **Investment in Equity Instruments (Unquoted)**		
At fair value through profit and loss		
49,00,000 equity shares of Rs. 1 each of M/s. Gem Gold Mining Pvt. Ltd.	-	-
Total	**-**	**-**

a.

Notes:-	**31.03.2023**	**31.03.2022**
Aggregate amount of Non Quoted Investment	-	-
Aggregate amount of provision for diminution in value of Investment	-	-

b. The Holding Company in earlier year has subscribed to 49,00,000 12% Optionally Convertible Debentures of Rs. 100 each valuing at 429.29 lacs of Gem Gold Mining Private Limited (issuing company) which were due in August, 2021. However, the issuing company has expressed its inability to redeem these debentures and payment of cumulative interest as the net-worth of the issuing company has been completely eroded and has no liquidity. The Holding Company had right to excercise its option for conversion of its debentures and cumulative interest into equity of the issuing company which would have resulted in issuing company becoming subsidiary of the Holding Company and would not have resulted in any cash-inflow. Therefore, during the previous year the holding company and issuing company arrived at settlement wherein the issuing company has issued 49,00,000 equity shares of Rs. 1 each against the outstanding OCD's and payment of Rs. 50.00 lacs against the cumulative interest. Accordingly, the group has relinquished its option rights and charged off amount of OCD of Rs. 429.29 lacs and differential accumulated interest amounting to Rs. 149.50 lacs to Conslidated Statement of Profit and Loss during the previous year. The newly alloted 49,00,000 equity shares of Rs. 1 each under settlement of OCD's have been fair valued at Rs. NIL.

5 Other non-current financial assets

Amount in Lakhs Except Share Data

Particulars	As at 31 March 2023	As at 31 March 2022
Unsecured and considered good		
Bank deposits #	4.19	4.19
Security Deposit ##	9.54	9.52
Total	**13.73**	**13.71**

These deposits are pledged with Banks and various authorities.

Includes Rs. 1 lakh (P/Y Rs. 1 lakhs) security deposit given to Chairman, Managing Director and their relatives.

6 Deferred Tax Assets (Net)

Amount in Lakhs Except Share Data

Particulars	As at 31 March 2023	As at 31 March 2022
On account of Gratuity & Compensated Absences	20.03	19.39
On account of Depreciation	11.42	11.73
Total	**31.45**	**31.11**

Notes :

1. The management has not created deferred tax assets on unabsorbed depreciation and carried forward of losses due to lack of reasonable certainty that sufficient future taxable income will be there against which deferred tax assets will be set off,.
2. Net deferred tax (credit)/charge for the year of Rs. 0.33 lakhs (Previous year Rs.3.58 lakhs) has been recognised in the Statement of Profit and Loss for the year.

NOTES FORMING PART OF CONSOLIDATED IND-AS FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

7 **Inventories (at cost or NRV whichever is lower)**

(As taken, valued and certified by management)

Amount in Lakhs Except Share Data

Particulars	As at 31 March 2023	As at 31 March 2022
Raw Materials	728.33	740.72
Finished Goods	273.35	323.61
Total	**1,001.68**	**1,064.33**

8 **Trade Receivables**

Amount in Lakhs Except Share Data

Particulars	As at 31 March 2023	As at 31 March 2022
Unsecured and which have significant increase in credit risk		
Others	76,287.97	75,729.84
Total	**76,287.97**	**75,729.84**

Particulars	As at March 31 2023	As at March 31 2022
Undisputed Trade receivables considered good	-	-
Undisputed Trade receivables which have significant increase in credit risk	6,584.79	6,026.66
Undisputed Trade receivables – Credit impaired	-	-
Disputed Trade receivables considered good	-	-
Disputed Trade receivables which have significant increase in credit risk	69,703.18	69,703.18
Disputed Trade receivables – Credit impaired	-	-
Total	**76,287.97**	**75,729.84**
Loss allowance	**-**	**-**
Total trade receivables	**76,287.97**	**75,729.84**

Trade receivables ageing Schedules for the year ended March 31, 2023 and year ended March 31, 2022:

Undisputed Trade receivables – which have significant increase in credit risk

Particulars	As at March 31 2023	As at March 31 2022
Not Due	-	-
Less than 6 months	45.59	-
6 months - 1 year	-	-
1-2 year	-	-
2- 3 years	-	1.69
More the 3 years	6,539.20	6,024.97
Total	**6,584.79**	**6,026.66**

NOTES FORMING PART OF CONSOLIDATED IND-AS FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

Disputed Trade receivables – which have significant increase in credit risk

Particulars	As at March 31 2023	As at March 31 2022
Not Due	-	-
Less than 6 months	-	-
6 months - 1 year	-	-
1-2 year	-	-
2- 3 years	-	-
More the 3 years	69,703.18	69,703.18
Total	**69,703.18**	**69,703.18**

Note: Disputed debtors shown above are those parties against which the holding company has initiated legal action/ issued notice for recovery.

(a) There have been defaults on payment obligations by the trade receivables on due date and recoveries from these trade receivables are not significant, due to certain unfavorable developments in earlier years and economic slowdown especially in diamond sector. No confirmation have been received by these trade receivables. The group is taking all possible efforts to recover old trade receivables and had initiated legal action wherever considered necessary. However, looking at the past record regarding recovery from Trade receivables, the management is of the opinion that looking to the uncertainty regarding time frame and quantum of realisation from these trade receivables, amount of expected credit loss required to be recognised cannot be estimated and therefore no provision for expected credit loss is required to be made against these trade receivables.

(b) Contrary to Ind AS 21, trade receivables denominated in foreign currency amounting to Rs. 69,703.18 lakhs have not been restated based on exchange rate as at the end of the year. These Trade Receivables have been carried forward based on exchange rate as at the end of March 31, 2015 and/ or March 31, 2016, as it is deemed prudent not to take cognizance of unrealised exchange difference on notional basis due to uncertainties with regard to expected time frame for realisation of Trade Receivables. The group shall account for the actual exchange difference at the time of realization of these trade receivables. Consequently, the trade receivables are understated Rs. 19,707.68 lakhs as at the year end.

9 Cash and cash equivalents

Amount in Lakhs Except Share Data

Particulars	As at 31 March 2023	As at 31 March 2022
Balances with bank		
In current account	54.82	87.69
Cash on hand	3.97	32.79
Total	**58.79**	**120.48**
Cash and cash equivalent as per Ind AS-7	56.17	117.68

10 Other current financial assets

Amount in Lakhs Except Share Data

Particulars	As at 31 March 2023	As at 31 March 2022
Unsecured considered good		
Interest Accrued on investments and deposits	0.97	0.71
Others#	1,406.52	1,406.40
Total	**1,407.49**	**1,407.11**

#The Group has given Rs. 1,405.61 lacs to Alchemist Asset Reconstruction Company Ltd (ARC) as as adhoc / repayment of loans to show its intent of settlement of its dues with four lender banks assigned to ARC. The terms and conditions of the settlement are yet to be finalised.

NOTES FORMING PART OF CONSOLIDATED IND-AS FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

11 Other current assets

Amount in Lakhs Except Share Data

Particulars	As at 31 March 2023	As at 31 March 2022
Advance to employees	0.06	0.05
Prepaid Expenses	-	1.98
Advance to vendors	5.90	5.25
Balances with Tax Authorities	43.13	42.61
Total	**49.10**	**49.89**

12 Share Capital

a The details of Authorised, Issued, Subscribed and paid up capital are as under :-

Amount in Lakhs Except Share Data

Particulars	As at March 31, 2023		As at March 31, 2022	
	Number	Amount	Number	Amount
Authorised Share Capital				
Equity Shares of Rs. 1/- each fully paid up	330,000,000	3,300.00	330,000,000	3,300.00
Issued, Subscribed and Paid up				
Equity Shares of Rs.1/- each fully paid up	317,000,000	3,170.00	317,000,000	3,170.00
		3,170.00		**3,170.00**

b The Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting year is as under :-

Amount in Lakhs Except Share Data

Particulars	As at March 31, 2023		As at March 31, 2022	
	Number	Amount	Number	Amount
Equity Shares:				
Shares outstanding at the beginning of the year	317,000,000	3,170.00	317,000,000	3,170.00
Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	317,000,000	3,170.00	317,000,000	3,170.00

c Rights, preferences and restrictions attached to shares:

(i) The company has one class of equity shares having a par value of Rs.1 per share. Each shareholder is eligible for one vote per share held In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

(ii) Subsequent to dispute between promoters during the year under review, hon'ble Company Law Board (CLB) has directed that 4,09,76,250 equity shares of Goenka Diamond & Jewels Limited shall not carry any voting rights, pending the disposal of company petition before CLB.

(iii) During the earlier year PNB has sold 409.76 lakhs equity shares of promoters pledged with consortium against the borrowing limits. The sale proceed of these shares have not been adjusted by the PNB against the outstanding dues and therefore no adjustment for the same has been made in the books of account.

NOTES FORMING PART OF CONSOLIDATED IND-AS FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

The details of shareholders of Promoter and other shareholders holding more than 5% equity shares as at reporting date are as under :-

Amount in Lakhs Except Share Data

Name of Shareholders	As at March 31, 2023		As at March 31, 2022	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Equity Shares:				
Nandlal Goenka (Refer Note No. 13 c (iii))	5,600,625	1.77%	5,600,625	1.77%
Nitin Goenka (Refer Note No. 13 c (ii))	-	0.00%	-	0.00%
Navneet Goenka (Refer Note No. 13 c (iii)	91,126,875	28.75%	91,126,875	28.75%
Nand Lal Goenka (HUF)	34,200,000	10.79%	34,200,000	10.79%
Nirmala Goenka (Refer Note No. 13 c (ii)	51,326,250	16.19%	51,326,250	16.19%

Note : - The Company's equity share had been subdivided and face value per share had been changed from Rs.10/- per share to Rs.1/- per share w.e.f. 29th Oct 2012.

13 Other Equity

Amount in Lakhs Except Share Data

Particulars	As at 31 March 2023	As at 31 March 2022
Securities Premium Reserve	10,885.07	10,885.07
General Reserve	99.08	99.08
Retained Earnings		
Opening Balance	9,310.02	9,584.37
Add: Profit During the year	(229.34)	(274.35)
Retained Earnings	9,080.68	9,310.02
Other Comprehensive Income		
Opening Balance	648.64	639.18
Add: During the year	(26.71)	9.46
Foreign Currency Translation Reserve	621.94	648.64
Remeasurement of Defined Benefit Plan	9.17	9.59
Total Equity attributable to the owner	**20,695.94**	**20,952.40**
Non Controlling Interest	6.63	6.73
Total	**20,702.57**	**20,959.13**

a. **Retained earnings**

Retained earnings are the profits of the group earned till date after all distribution made to shareholders.

b. **Securities Premium**

This reserve is created by excess of amount received over face value of shares. This reserve will be utlilised as per the provision of Companies Act, 2013.

c. **General Reserve**

This reserve is created by transferring amount from retained earning. This reserve is freely available for distribution.

NOTES FORMING PART OF CONSOLIDATED IND-AS FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

14 Borrowing

Amount in Lakhs Except Share Data

Particulars	As at 31 March 2023	As at 31 March 2022
Secured		
Corporate Loan	-	-
(Since recalled shown as "Short Term Borrowing")		
(Refer Note No.16)		
Total	**-**	**-**

15 Provision

Amount in Lakhs Except Share Data

Particulars	As at 31 March 2023	As at 31 March 2022
Provision For Employee Benefits:		
Provision for Gratuity (refer note 30)	10.10	8.81
Provision for Compensated Absences (refer note 30)	0.54	0.30
Total	**10.64**	**9.11**

16 Current Borrowing

Amount in Lakhs Except Share Data

Particulars	As at 31 March 2023	As at 31 March 2022
Secured		
Loan Repayable on demand from Banks		
1) Post- Shipment Loans	6,447.87	6,447.87
2) Pre- Shipment Loans	2,764.17	2,764.17
3) Corporate Loan	707.32	707.32
4) Debit Balance in Bank Current Account	1,108.99	1,108.99
5) ARC Account	6,211.93	6,211.93
6) Union Bank of India - Loan as per NCLT Order	5.00	-
7) Punjab National Bank - Loan as per NCLT Order	9.60	-
Interest accrued and due on borrowing	455.49	455.49
Unsecured		
Others	414.11	392.17
Total	**18,124.49**	**18,087.95**

Notes:

A.: Loan facilities recalled by banks include Rs.17,710.38 lakhs (Previous year Rs. 17,695.78 lakhs) being outstanding loan and loan assigned to ARC, credit balance and interest due to banks for which neither bank statement nor confirmations of balance were received.

NOTES FORMING PART OF CONSOLIDATED IND-AS FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

B. Details of Continuing Defaults

Amount in Lakhs Except Share Data

Name of Bank	Date of Default	Amount
Central Bank of India -Post & Pre Shipment Loans	Jan 2014	1,032.78
Corporation Bank - Post & Pre Shipment Loans and Term Loan	21-04-2016	2,284.80
Punjab National Bank - Post & Pre Shipment Loans and Term Loan	31-03-2016	4,493.31
Punjab & Sind Bank - Post & Pre Shipment Loans	30-06-2014	3,141.25
AXIS Bank - Post & Pre Shipment Loans and Term Loan	31-07-2016	2,089.86
UCO Bank - Alchemist ARC Ltd	04-04-2016	1,002.40
Karnataka Bank - Alchemist ARC Ltd	29-06-2016	758.82
Axis Bank Ltd - Overdrawn Balances in Bank Current Account	31-07-2016	1,362.64
Corporation Bank - Overdrawn Balances in Bank Current Account	21-04-2016	15.31
Punjab National Bank - Overdrawn Balances in Bank Current Account	31-03-2016	2.84
Punjab Sindh Bank - Overdrawn Balances in Bank Current Account	30-06-2014	1,090.84

1. Date of default is considered as date of NPA
2. The above defaults does not includes defaults of payment of interests, as the company is not accounting for any interest from April 1, 2016 even though the banks have either charged interest but subsequently reversed or have not charged interest. Further, it has been decided by the Board not to provide any interest amounting to Rs. 20979.19 lakhs (Current year interest Rs. 2,730.80 lakhs) as calculated by the management @17 % (approx.) on working capital borrowing and Term Loan availed by the Company, due to pending proposal for settlement of entire dues, envisaging part-payment of principal amount due to the banks. In some instances banks have charged interest from current account which has resulted in credit balances in current account as at year end and is shown above “Current Borrowings”. The above amount of interest calculated by the management may differ from the amount of claims received from the secured financial creditors which is pending verification by the IRP.
3. Lead Bank Punjab National Bank, on behalf of all consortium banks, had issued fresh notice u/s 13(2) of the SARFAESI Act (after withdrawing its earlier notice) on October 22, 2018 for an amount of Rs. 216.62 crores owed by holding company to the consortium banks (excluding dues of one bank) and Asset Reconstruction Company up to March 31, 2018 and subsequently issued possession notices for company’s properties and thereafter for sale of secured assets of the holding company which was stayed by DRT-1, Mumbai vide its order dated December 30, 2019. Further, Punjab & Sind Bank (one of the consortium bank) has issued separate notice u/s 13(2) of the SARFAESI Act on January 07, 2020 for recovery of an amount of Rs. 77.26 Crores (including interest upto December 31, 2019) within 60 days of the receipt of notice, which as per the management is already covered under the above stay order by DRT. Further, Mumbai DRT has also issued summons dated June 3, 2019 on application made by Punjab & Sind Bank (one of the consortium bank) under section 19(4) of The Recovery of Debts due to Banks and Financial Institution Act, 1993 for recovery of an amount of Rs. 56.92 crores owed by company to the bank, which is pending for final outcome. Further on appilcation by the Corporation Bank, DRT- Mumbai has also issued summons dated September 16,2020 under The Recovery of Debts due to Banks and Financial Institution Act, 1993 for recovery of Rs.30.41 crs, the proceeding for which is still pending.. Four lender banks up to the reporting date have already transferred and assigned its outstanding dues against holding company to an Asset Reconstruction Company. State Bank of India accepted the One Time Settlement (OTS) proposal submitted by the Holding Company. However, OTS proposal submitted to other banks has been rejected by the banks. One of the secured financial creditor has filed appeal at the National Company Law Tribunal, Jaipur on 24th April 2019 against the company for recovery of its dues. The National Company Law Tribunal, Jaipur has passed order no. CP No. (IB) -114/7/JPR/2019, IA/(IB) 580/JPR/2022 dated December 9, 2022 and has appointed IRP to carry function as mentioned under the Code for recovery of dues.

   Credit Facilities are secured by:

   i) First pari passu charge on all tangible and intangible assets including current assets viz., stock of raw materials, work in progress and finished goods.

NOTES FORMING PART OF CONSOLIDATED IND-AS FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

ii) Further secured, on pari-passu basis: -

a) Equitable Mortgage of Land and Building at C-114 & C-115A, Shivaji Marg, Tilak Nagar, Jaipur in the name of one of the director, Flat No. 4, Mount Unique Bldg., 62-A, Peddar Road, Mumbai, Factory land and building at surat, Shop No. 1, 2 & Garage of Parekh Mansion Mumbai and Office at 1305, Pancharatna, Mumbai belonging to director and their relatives. Further secured by Land at Badlapur belonging to group company and 4.09 crore equity shares in name of one of the director.

b) Personal Guarantees of Chairman, Vice Chairman & Managing Director and Director & their relatives

Credit Facilities are secured by:

First pari-passu charge on Ground plus 3 storied commercial building located at plot no. 13, Municipal Corporation House No. 14, Ward no. 30, Kh No. 86, Street No. 161, City Survey No. 223, C A Road, Nagpur

C. Since, the loans of the Holding Company has been recalled and the Holding Company has been declared NPA by the Banks, the banks are neither allowing any transactions nor calculating drawing power or reviewing the account performance and therefore it is not necessary to submit any quarterly returns/statements to any of the banks from which it has taken borrwings on the security of current assets.

D. The management has not received any communication from banks regarding declaration of the Holding Company as willful defaulter. Further, the management of the Holding Company has also performed search of defaulters lists available on banks website and the name of the Holding Company is not appearing on defaulters list in any of the banks website.

E. The Charges amounting to Rs. 19,800 lacs has been registered in favour of the security trustee (for consortium), Rs. 993 lacs in favour of ARC and Rs.248 lacs in favour of a bank against the borrowings of the Holding Company. During the previous years, the borrowings have been assigned to ARC's by a few banks and OTS has been entered with a Bank. The Holding Company is not in a position to give effect of these transactions as cumulative charges are registered in favour of security trustee and the Bank shall only give effect of this transaction on complete settlement of its dues.

17 Trade Payable

Amount in Lakhs Except Share Data

Particulars	As at 31 March 2023	As at 31 March 2022
Trade Payable		
Micro, small and medium enterprise	-	-
Others	36,575.12	35,997.71
Total	**36,575.12**	**35,997.71**

Trade payable ageing Schedules for the Year ended March 31, 2023 and Year ended March 31, 2022:

Particulars	As at 31 March 2023	As at 31 March 2022
MSME	-	-
Other than MSME	36,575.12	35,997.71
Disputed dues - MSME	-	-
Disputed dues - other than MSME	-	-
Total	**36,575.12**	**35,997.71**

NOTES FORMING PART OF CONSOLIDATED IND-AS FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

Outstanding for the year ended March 31, 2023 from the due date of payment

Particulars	MSME	Others
Less than 1 year	-	58.09
1-2 year	-	8.30
2- 3 years	-	2.12
More the 3 years	-	36,506.60
Total	**-**	**36,575.12**

Outstanding for the year ended March 31, 2022 from the due date of payment

Particulars	MSME	Others
Less than 1 year	-	10.43
1-2 year	-	2.12
2- 3 years	-	-
More the 3 years	-	35,985.16
Total	**-**	**35,997.71**

(a) Trade Payables include overdue amounts (mainly unclaimed) of Rs. Nil (Previous Year Rs. Nil) including interest of Rs. Nil (Previous Year Rs. Nil) payable to Micro, Small & Medium enterprises. The company does not owe any amount to Micro, Small & Medium enterprises. These enterprises have been identified on the basis of information available to the group and relied upon by the auditors.

(b) Contrary to IND AS 21, trade payables denominated in foreign currency amounting to Rs. 29,717.66 lakhs have not been restated based on exchange rate as at the end of the year. These trade payables have been carried forward based on exchange rate as at the end of March 31, 2016 or at transaction date rate whichever is later, as it is deemed prudent not to take cognizance of unrealised exchange difference on notional basis due to uncertainties with regard to expected time frame for payment of these trade payables which is dependent of recovery from trade receivables. The company shall account for the actual exchange difference at the time of payment of these trade payables. Accordingly , the trade payables are understated by Rs.7,407.54 lakhs as at the year end.

18 Other Current Financial Liabilities

Amount in Lakhs Except Share Data

Particulars	As at 31 March 2023	As at 31 March 2022
Loans Facilities Recalled by Banks		
Employee benefit payables	3.82	3.71
Due to director's in current account	20.73	18.12
Other Payables	188.70	183.48
Total	**213.24**	**205.31**

Notes:

Investor Education and Protection Fund to be credited by the amount as and when required

19 Other Current Liabilities

Amount in Lakhs Except Share Data

Particulars	As at 31 March 2023	As at 31 March 2022
Statutory Dues(including PF,TDS, GST etc.)	147.46	141.91
Total	**147.46**	**141.91**

NOTES FORMING PART OF CONSOLIDATED IND-AS FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

20 Provision

Amount in Lakhs Except Share Data

Particulars	As at 31 March 2023	As at 31 March 2022
Provision for employee benefits:		
Provision for Gratuity (refer note 30)	1.79	0.89
Provision for Compensated Absences (refer note 30.)	0.23	0.12
Total	**2.02**	**1.01**

21 Current Tax liabilities

Amount in Lakhs Except Share Data

Particulars	As at 31 March 2023	As at 31 March 2022
Provision for Tax (Net of advances tax as at 31st March, 2023; Rs.1116.26 lakhs , As at 31st March, 2022; Rs.1121.85 lakhs)	601.64	552.91
Total	**601.64**	**552.91**

22 Revenue from Operations

Amount in Lakhs Except Share Data

Particulars	For the year ended 31 March 2023	For the year ended 31 March, 2022
Sale of Products	162.50	425.66
Total	**162.50**	**425.66**

23 Other Income

Amount in Lakhs Except Share Data

Particulars	For the year ended 31 March 2023	For the year ended 31 March, 2022
Interest	0.28	0.29
Other income		
a) Other Income	1.20	1.20
b) Exchange Gain	2.95	-
Total	**4.43**	**1.49**

24 Cost of Raw Material Consumed

Amount in Lakhs Except Share Data

Particulars	For the year ended 31 March 2023	For the year ended 31 March, 2022
Opening Stock of Raw material / Material in process	681.44	1,000.22
Add: Purchases	108.98	4.88
	790.42	**1,005.10**
Less:		
Closing Stock of Raw material / Material in process	659.71	681.44
Total	**130.70**	**323.66**

NOTES FORMING PART OF CONSOLIDATED IND-AS FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

25 Changes in Inventories of finished goods, stock-in-trade and work in progress

Amount in Lakhs Except Share Data

Particulars	For the year ended 31 March 2023	For the year ended 31 March, 2022
Opening Stock of Finished Goods	382.89	528.17
Less:		
Closing Stock of Finished Goods	341.96	382.89
Total	**40.93**	**145.28**

Change in inventories includes Rs. 63.12 lakhs (previous year Rs. 86.58 lakhs, being the allowance for slow and moving inventory made by one the subsidiary namely M/s. Goenka Diamond & Jewels, DMCC - Dubai

26 Employee Benefit Expenses

Amount in Lakhs Except Share Data

Particulars	For the year ended 31 March 2023	For the year ended 31 March, 2022
Salaries, Bonus and Wages etc.	46.54	52.58
Contribution to provident/ pension & other funds	0.86	1.16
Staff welfare expenses	0.37	0.59
Total	**47.77**	**54.32**

27 Finance Cost

Amount in Lakhs Except Share Data

Particulars	For the year ended 31 March 2023	For the year ended 31 March, 2022
Interest		
Other Finance Charges	0.05	0.03
Interest on Delayed Payment of Taxes	58.80	55.22
Total	**58.85**	**55.24**

28 Other expenses

Amount in Lakhs Except Share Data

Particulars	For the year ended 31 March 2023	For the year ended 31 March, 2022
Administrative & Selling Expenses		
Rent, Rates and Taxes	5.27	5.35
Water & Electricity	2.96	4.05
Insurance	0.39	0.06
Travelling and Conveyance	0.13	0.10
Legal and Professional	13.10	10.42
Postage and Telephone	0.31	0.40
Printing and Stationery	1.51	1.08
Advertisement and Business Promotion	1.65	4.15
Directors' Remuneration	7.20	10.80
Director's Sitting Fees	0.53	0.98
Misc. Expenses	3.59	11.51
Repair & Maintenance	5.29	15.16
Diamond Certification Charges	-	1.17
IRP Expenses	7.26	-
Auditors' Remuneration		
- Statuary Audit Fees and taxation matters	5.74	5.31
- Reimbursement Of Expenses	-	-
Exchange Fluctuation (Net)	8.34	6.33
Total	**63.26**	**76.86**

29 Financial Instruments

The significant accounting policies, including the criteria of recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability are disclosed in note 4-5,8-11,15,17-19 of the Ind AS financial statements.

(a) Financial assets and liabilities

The carrying value of financial instruments by categories is as follows:

Amount in Lakhs Except Share Data

Particulars	As at 31 March 2023	As at 31 March 2022
Financial assets - measured at FVTPL		
Investment in Equity Shares of Gem Gold Mining Pvt. Limited	-	-
Financial assets - measured at amortised cost		
Investment	-	-
Trade receivables	76,287.97	75,729.84
Cash and cash equivalent	58.79	120.48
Other financial assets	1,421.22	1,420.82
Total financial assets	**77,767.98**	**77,271.15**
Financial liabilities - measured at amortised cost		
Borrowings	18,124.49	18,087.95
Trade Payable	36,575.12	35,997.71
Other Financial liabilities	213.24	205.31
Total financial liabilities	**54,912.85**	**54,290.97**

Carrying amounts of cash and cash equivalents, trade receivables, loans and trade payable as at March 31, 2023 and March 31, 2022 approximate the fair value because of their short term nature.

Fair Value Hierarchy

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are whether observable or unobservable and consists of the following three levels:

Level 1: Inputs are quoted prices (unadjusted) in active markets for identical assets and liabilities.

Level 2: Inputs are other than quoted prices included within level 1 that are observable for the asset or liability either directly (i.e. prices) or indirectly (i.e. derived from prices).

Level 3: Inputs are not based on observable market data unobservable inputs. Fair value are determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

(b) Financial Risk Management

The Board of Directors reviews the risk management policy from time to time and the said policy aims at enhancing shareholders' value and providing an optimum risk-reward trade off. The risk management approach is based on clear understanding of variety of risk that the organisation faces, disciplined risk monitoring and measurement and continuous risk assessment and mitigation measures.

A brief description of the various risks which the group is likely to face are as under:

(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, deposits, FVTPL investments.

NOTES FORMING PART OF CONSOLIDATED IND-AS FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

(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 group borrowings from banks which have been declared NPA by the banks and interest at a higher rate is charged by the banks. So, interest rate risk is high in case of group.

Interest rate sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to interest rates for both fixed and floating rate borrowings at the end of the reporting period. For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 50 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates. Since all the consortium bankers has recalled their loans, details of interest charged by banks are not available from FY 2016-17 onwards, hence disclosure required for interest rate senility cannot be given.

(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 group is exposed to credit risk from its operating activities (primarily trade receivables, business advances/deposit given) and from its investing activities (primarily loans granted to various parties including related parties). Since, the group is not able to timely realize amount due from trade receivables, credit risk in case of group is very high.

(iv) Liquidity risk

The group'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 group is not good. As the group's account has been declared NPA by the bank and the group is unable to get new finance from banks. Also, the group is highly dependent on cash sales to meet its day to day expenses.

Amount in Lakhs Except Share Data

Particulars	Amount payable during below period		
	As at March 31, 2023	Within 1 year	More than 1 year
Financial liabilities			
Current borrowings	18,124.49	18,124.49	-
Trade payables	36,575.12	36,575.12	-
Other financial liabilities	213.24	213.24	-
Total	**54,912.85**	**54,912.85**	**-**

Amount in Lakhs Except Share Data

Particulars	Amount payable during below period		
	As at March 31, 2022	Within 1 year	More than 1 year
Financial liabilities			
Current borrowings	18,087.95	18,087.95	
Trade payables	35,997.71	35,997.71	-
Other financial liabilities	205.31	205.31	-
Total	**54,290.97**	**54,290.97**	**-**

(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 group have significant currency risk as the group have significant amount outstanding which is denominated in foreign currency.

NOTES FORMING PART OF CONSOLIDATED IND-AS FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

Foreign currency risk management

The group undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise.

The carrying amounts of the group's foreign currency denominated monetary assets and monetary liabilities at the end of March 31, 2023 is as follows.

Amount in Lakhs Except Share Data

Particulars	As at March 31, 2023		
	FCY	INR	Total
Financial assets			
(a) Trade Receivables	76,215.39	72.58	76,287.97
(b) Cash and cash equivalents	32.77	26.01	58.79
(c) Investment	-	-	-
(d) Other financial assets	1.04	1,420.18	1,421.22
Total financial assets	**76,249.21**	**1,518.78**	**77,767.98**
Financial Liabilities			
(a) Short term borrowing	147.25	17,977.24	18,124.49
(b) Trade payables	35,401.08	1,174.04	36,575.12
(c) Other Financial liabilities	210.11	3.13	213.24
Total financial liabilities	**35,758.44**	**19,154.41**	**54,912.85**
Excess of financial liabilities over financial assets	**(40,490.77)**	**17,635.64**	**(22,855.13)**
Hedge for foreign currency risk	**-**	**-**	**-**
Net exposure of foreign currency risk	**(40,490.77)**	**17,635.64**	**(22,855.13)**
Sensitivity impact on Net liabilities/(assets) exposure at 5%	**(2,024.54)**	**NA**	**(2,024.54)**

The carrying amounts of the group's foreign currency denominated monetary assets and monetary liabilities at the end of March 31, 2022 is as follows.

Amount in Lakhs Except Share Data

Particulars	As at March 31, 2022		
	FCY	INR	Total
Financial assets			
(a) Trade Receivables	75,702.85	26.99	75,729.84
(b) Cash and cash equivalents	29.90	90.58	120.48
(c) Investment	-	-	-
(d) Other financial assets	1.03	1,419.80	1,420.83
Total financial assets	**75,733.78**	**1,537.37**	**77,271.15**
Financial Liabilities			
(a) Current borrowing	152.17	17,935.79	18,087.96
(b) Trade payables	35,400.84	596.86	35,997.70
(c) Other Financial liabilities	218.24	(12.93)	205.31
Total financial liabilities	**35,771.25**	**18,519.72**	**54,290.97**
Excess of financial liabilities over financial assets	**(39,962.53)**	**16,982.35**	**(22,980.18)**
Hedge for foreign currency risk	**-**	**-**	**-**
Net exposure of foreign currency risk	**(39,962.53)**	**16,982.35**	**(22,980.18)**
Sensitivity impact on Net liabilities/(assets) exposure at 5%	**(1,998.13)**	**NA**	**(1,998.13)**

NOTES FORMING PART OF CONSOLIDATED IND-AS FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

(c) Capital Management

For the purposes of the group's capital management, capital includes share capital. The primary objective of the group's capital management is to maximise shareholders' value. The group manages its capital structure and market adjustments in the light of changes in economic environment and the requirements of the financial covenants.

The gearing ratio at the end of reporting period was as follows

Amount in Lakhs Except Share Data

Particulars	As at March 31, 2023	As at March 31, 2022
Gross Debt	18,124.49	18,087.95
Cash and cash equivalents	(58.79)	(120.48)
Net Debt (A)	**18,065.70**	**17,967.47**
Total Equity as per Balance Sheet (B)	23,865.94	24,122.40
Gearing ratio (A/b)	0.76	0.74

30 As per Ind AS 19, "Employee Benefits", the disclosure of employee benefits as defined in AS is given below.

Defined Contribution Plans:

1. Provided Fund
2. State Defined Contribution Plan
3. Employers Contribution to Employees State Insurance

These Contributions are recognised as an expense in Note No. 27 "Employee Benefit Expenses" of the Statement of Profit and Loss.

Amount in Lakhs Except Share Data

Particulars	For the year ended March, 31 2023	For the year ended March, 31 2022
Employers Contribution to Provident Fund	0.81	1.11
Employers Contribution to Employee State Insurance	0.05	0.05
Employers Contribution to Maharashtra Labour Welfare Fund	-	
	0.86	**1.16**

Defined Benefit Plan

The Group provides gratuity benefits to its employees as per the statute. Present value of gratuity obligation (Non-Funded) based on actuarial valuation done by an independent valuer using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

NOTES FORMING PART OF CONSOLIDATED IND-AS FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

The following table sets out the status of the gratuity plan and the amounts recognised in the Group's financial statements as at March 31, 2023.

30.1 Reconciliation of opening and closing balances of Defined Benefit Obligation:

Amount in Lakhs Except Share Data

Description	For the year ended March, 31 2023	For the year ended March, 31 2022
Net Liability at the beginning of the period	**9.69**	**13.33**
Benefit Paid	-	-
Interest cost	0.64	0.85
Current Service cost	1.00	1.13
Past Service Cost	-	-
Remeasurements on obligation - Gain/(Loss)	0.56	(5.63)
Liability at the end of the period	**11.89**	**9.69**

30.2 Reconciliation of fair value of plan assets and obligations:

Amount in Lakhs Except Share Data

Description	For the year ended March, 31 2023	For the year ended March, 31 2022
Liability at the end of the period	11.89	9.69
Fair value of Plan Assets at the end of the period	-	-
Surplus / (Deficit)	**(11.89)**	**(9.69)**
Current Liability	1.79	0.89
Non Current Liability	10.10	8.81
Amount Recognised in the Balance Sheet	**11.89**	**9.69**

30.3 Expense recognized during the period:

Amount in Lakhs Except Share Data

Description	For the year ended March, 31 2023	For the year ended March, 31 2022
Current service cost	1.00	1.13
Past service cost and loss/(gain) on curtailments and settlement	-	-
Net Interest (Income) / Cost	0.64	0.85
Expected Return on Plan Assets	-	-
Expenses Recognised in Statement of Profit and Loss	**1.64**	**1.98**

30.4 Expense recognized during the year in Statement of OCI

Amount in Lakhs Except Share Data

Particulars	For the year ended March, 31 2023	For the year ended March, 31 2022
Actuarial (gain)/loss	0.56	(5.63)
Expense Recognised in OCI	**0.56**	**(5.63)**

NOTES FORMING PART OF CONSOLIDATED IND-AS FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

30.5 Actuarial Assumptions:

Particulars	**As at March 31, 2023**	**As at March 31, 2022**
Mortality table	**Indian Assured Live Mortality (2006-08)**	**Indian Assured Live Mortality (2006-08)**
Discount rate	7.40%	6.90%
Salary growth rate	7.00%	7.00%
Expected Rate of Return	NA (Non-Funded)	NA (Non-Funded)

The estimates of rate of escalation in salary considered in actuarial valuation, takes into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is extracted from the report obtained from Actuary.

Risk exposure and asset liability matching

Provision of a defined benefit scheme poses certain risk, some of which are detailed hereunder, as companies taken on uncertain long term obligations to make futures benefits payments.

Liability Risks:-

(a) Asset-liability Mismatch Risk

Risk which arise if there is a mismatch in the duration of the assets relative to the liabilities by mismatching duration with the defined benefit liabilities, the Group is successfully able to neutralize valuation swings caused by interest rate movements.

Hence Companies are encouraged to adopt assets- Liability management.

(b) Discount Rate Risk

Variations in the discount rate used to compute the present value of the liabilities may seem small, but in practice can have a significant impact on the defined benefit liabilities.

(c) Future salary Escalation and inflation risk

Since the price inflation and salary growth are linked economically, they are combined for disclosure purposes. Rising salaries will often result in higher future defined benefit payments regulating in a higher present value of liabilities especially unexpected salary increases provide at management's discretion may lead to uncertainties in estimating this increasing risk.

(d) Unfunded Risk

This represents unmanaged risk and growing liability. There is an inherent risk here that the Group may default on paying the benefits in adverse circumstances. Funding the plan removes volatility in Group's financials and also benefit risk through return on the funds made available for the plan

There is no contribution under defined contribution plans and defined benefit plans in respect of Key Management Personnel.

NOTES FORMING PART OF CONSOLIDATED IND-AS FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

30.6 Expected future benefit payments:

The following benefits payments, for each of the next five years and the aggregate five years thereafter, after expected to be paid:

Amount in Lakhs Except Share Data

Year	Expected Benefit Payment
1	1.79
2	3.06
3	0.76
4	0.74
5	0.73
6 to 10	4.18
Projected benefit Obligation	**11.26**

The Expected contribution for the next year is Rs.1.79 lakhs

The average outstanding term of obligation (years) as at valuation date is 6.64 year.

30.7 Sensitivity Analysis

Sensitivity analysis indicates the influence of a reasonable change in certain significant assumptions on the outcome of the Defined benefit obligation (DBO) and aids in understanding the uncertainty of reported amounts. Sensitivity analysis is done by varying one parameter at a time and studying its impact.

(a) The current service cost recognised as an expenses included in the Note 26 'Employee benefits expense' as gratuity. The remeasurement of the net defined benefit liability is included in other comprehensive income.

(b) The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the Actuary.

Significant actuarial assumptions for the determination of the defined obligation are discount rate, expected salary increase and mortality. The sensitivity analysis above have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

(a) Impact of change in discount rate, future salary increase, withdrawal rate on defined benefit obligation when base assumption is decreased/increased.

Amount in Lakhs Except Share Data

Year	**31-03-2023**	
Sensitivity Level	**Defined benefit obligation**	
Assumptions	**Increase**	**Decrease**
Discount rate (+/- 0.50%)	11.53	12.28
Salary growth rate (+/- 0.50%)	12.27	11.54
Withdrawal rate (+/- 10% of withdrawal rate)	11.92	11.87

Amount in Lakhs Except Share Data

Year	**31-03-2022**	
Sensitivity Level	**Defined benefit obligation**	
Assumptions	**Increase**	**Decrease**
Discount rate (+/- 0.50%)	9.35	10.06
Salary growth rate (+/- 0.50%)	10.05	9.36
Withdrawal rate (+/- 10% of withdrawal rate)	9.70	9.69

NOTES FORMING PART OF CONSOLIDATED IND-AS FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

b. Compensated Absences (Non – Funded Scheme)

Compensated Absences has been provided based on valuation, as at the balance sheet date, made by independent actuaries .

The amount recognised in the statement of profit & loss during the year is 0.35 lakhs (P.Y. Rs. (1.44) lakhs)

Amount in Lakhs Except Share Data

Description	**For the year ended March, 31 2023**	**For the year ended March, 31 2022**
Unfunded obligation recognised in the Balance Sheet	0.77	0.42
Shown as		
Non-Current Provision (refer note no. 16)	0.54	0.30
Current Provision (refer note no. 21)	0.23	0.12

31 Income Taxes

Indian companies are subject to Indian income tax on a standalone basis. Group is assessed to tax on taxable profits determined for each fiscal year beginning on April 1 and ending on March 31.

Statutory income taxes are assessed based on book profits prepared under generally accepted accounting principles in India adjusted in accordance with the provisions of the (Indian) Income Tax Act, 1961. The adjustments generally relate to depreciation of fixed assets, disallowances of certain provisions and accruals, deduction for tax holidays, the set-off of tax losses and depreciation carried forward and retirement benefit costs. Statutory income tax is charged at 22% plus a surcharge and higher education cess.

a) Income taxes expenses

Amount in Lakhs Except Share Data

Particulars	**For the year ended March, 31 2023**	**For the year ended March, 31 2022**
Recognised in Statement of Profit and Loss		
Current tax		
In respect of the current year	-	-
Deferred tax		
In respect of the current year	(0.19)	1.63
Recognised in Other Comprehensive Income		
Deferred tax		
In respect of the current year	0.15	(1.95)
Total	**(0.33)**	**3.58**

NOTES FORMING PART OF CONSOLIDATED IND-AS FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

A reconciliation of income tax expense applicable to accounting profit / (loss) before tax at the statutory income tax rate to recognise income tax expense for the year indicated are as follows :

Amount in Lakhs Except Share Data

Particulars	As at March, 31 2023	As at March, 31 2022
Accounting profit before income tax	**(229.62)**	**(272.77)**
Statutory income tax rate	25.17%	25.17%
Tax at statutory income tax rate	**(57.80)**	**(68.65)**
Tax Effect of:		
43B disallowance	(0.64)	1.77
DTA not recognise on loss	57.80	68.65
Difference between book base and tax base of Property, Plant and Equipment	0.46	(0.14)
Tax effect on Ind AS adjustment	-	-
Deferred tax liabilities on Employee benefit Expense	(0.15)	1.95
Income taxes recognised in the statement of income	**(0.33)**	**3.58**

Deferred tax assets and liabilities

Amount in Lakhs Except Share Data

Deferred tax balances in relation to	As at April, 2022	Charge / (credit) during the year	As at March, 31 2023
Property, plant and equipment	11.73	0.31	11.42
Gratuity and leave encashment	19.39	(0.64)	20.03
Total deferred tax for the year	**31.11**	**(0.33)**	**31.45**

Amount in Lakhs Except Share Data

Deferred tax balances in relation to	As at April, 2021	Charge / (credit) during the year	As at March, 31 2022
Property, plant and equipment	13.54	1.81	11.73
Gratuity and leave encashment	21.15	1.77	19.39
Total deferred tax for the year	**34.69**	**3.58**	**31.11**

32 Detail of Subsidiaries and Composition of Group

Following subsidiaries have been considered in the preparation of consolidated financial statements.

Sr. No.	Name of the Company	Country of Incorporation	Proportion of ownership Interest (%)	
			As at 31 March 2023	As at 31 March 2022
	Subsidiaries			
1	Solitiare Diamond Exports	India	99%	99%
2	M.B Diamond LLC	Russia	95%	95%
3	Goenka Diamonds and Jewels DMCC	Dubai	100%	100%

All the subsidiaries are involved in the trading and manufacturing of gold and diamond jewellery.

NOTES FORMING PART OF CONSOLIDATED IND-AS FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

Summarised financial information for subsidiary having material non controlling interest

Financial information of M.B. Diamonds LLC

Amount in Lakhs Except Share Data

Particulars	As at 31 March 2023	As at 31 March 2022
Non current assets	0.02	0.02
Current assets	111.43	97.79
Current liabilities	245.32	215.66
Equity attributable to the owners of the equity	(133.87)	(117.85)
Non controlling interest	-	-

Financial information of M.B. Diamonds LLC

Amount in Lakhs Except Share Data

Particulars	For the year ended March, 31 2023	For the year ended March, 31 2022
Revenue	2.95	-
Expenses	(9.33)	6.68
Profit for the year	12.28	(6.68)
Loss attributable to the owners of the equity	12.28	(6.68)
Loss attributable to the non controlling interest	-	-

Financial information of Solitiare Diamond Exports

Amount in Lakhs Except Share Data

Particulars	As at 31 March 2023	As at 31 March 2022
Non current assets	3.86	4.88
Current assets	6,515.36	6,003.60
Current liabilities	6,996.50	6,475.94
Equity attributable to the owners of the equity	(483.91)	(474.18)
Non controlling interest	6.63	6.73

Financial information of Solitiare Diamond Exports

Amount in Lakhs Except Share Data

Particulars	For the year ended March, 31 2023	For the year ended March, 31 2022
Revenue	0.01	0.01
Expenses	9.84	4.56
Profit for the year	(9.83)	(4.55)
Loss attributable to the owners of the equity	(9.73)	(4.51)
Loss attributable to the non controlling interest	(0.01)	(0.05)

NOTES FORMING PART OF CONSOLIDATED IND-AS FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

33 Related Party Disclosures:

A. List of related parties with whom transactions have taken place and relationships:

Enterprises in which Key management personnel are interested :

1. Goenka Diamonds Private Limited
2. Mystique Jewels
3. Goenka Jewellers
4. Geet Holdings Private Limited
5. Yash Complex Private Limited
6. Sonam Complex Private Limited
7. Goenka Mining Resources Private Limited
8. Goenka Entertainments Private Limited
9. Goenka Properties Private Limited
10. Gem Gold Mining Private Limited
11. Top Minerals Private Limited
12. Aureus Gold Mines Private Limited
13. Shree Vriddhi Mines and Minerals Private Limited
14. Goenka Power and Infra Limited
15. D.V.Exports
16. Dinyog Finvest Private Limited
17. Nand Lal Goenka(HUF)

Key Management Personnel (KMP):

1. Sh Nandlal Goenka
2. Sh Navneet Goenka

Relative of Key Management Personnel

1. Smt. Namita Jain (Daughter of Sh Nandlal Goenka)
2. Smt. Neeta Saraf (Daughter of Sh Nandlal Goenka)
3. Smt. Nirmala Goenka (Wife of Sh Nandlal Goenka)
4. Smt. Bhawna Goenka (Wife of Sh Navneet Goenka)

B. Related Party Transactions

Amount in Lakhs Except Share Data

Particular	Key Managerial Personnel & their relatives	
	2022-23	2021-22
1. Transactions during the year		
a.. Remuneration #		
i. Nandlal Goenka	4.50	6.00
ii. Navneet Goenka	3.60	4.80
iii. Sanjeev Kumar Jain	3.85	3.98
b. Perquisites		
i. Navneet Goenka	1.68	2.24
ii. Nandlal Goenka	1.20	1.60
C. Receipt of Interest Receivable		
Gem Gold Mining Pvt. Ltd.	-	50.00

NOTES FORMING PART OF CONSOLIDATED IND-AS FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

Amount in Lakhs Except Share Data

Particular	Key Managerial Personnel & their relatives	
	2022-23	2021-22
2. Balances as at year ended		
a. Security Deposits		
i. Bhawna Goenka	0.50	0.50
ii. Nirmala Goenka	0.50	0.50
b. Credit Balance of following parties		
i. Nandlal Goenka	17.86	14.92
ii. Navneet Goenka	2.87	3.20
iv. Bhawna Goenka	14.63	14.63
v. Nirmala Goenka	16.43	16.43

As liability for gratuity and compensated expenses are computed for all the employees in aggregate, the amounts relating to the Key Management Personnel cannot be individually identified

34 Segment Reporting

The operating segments have been identified on the basis of nature of products.

i. Segment revenue includes sales and other income directly identifiable with the segment including inter-segment revenue.

ii. Expenses that are directly identifiable with the segment are considered for determining the segment result.

iii. Expenses / Incomes which are not directly allocable to the segments are included under un-allocable expenditure / incomes.

iv. Segment results include margins on inter-segment sales which are reduced in arriving at the profit before tax of the Group.

v. Segment assets and liabilities include those directly identifiable with the respective segments. Un-allocable assets and liabilities represent the assets and liabilities that relate to the Group as a whole and not allocable to any segment.

vi. Inter – Segment revenue :- Segment revenue resulting from transactions with other business segments is accounted on the basis of transfer price agreed between the segments. Such transfer prices are either determined to yield a desired margin or agreed on a negotiated basis.

(a) Primary segment information

The group has identified two operating business segments viz. Diamond and Gem and Retail Jewellery operations as per Ind AS 108.

Amount in Lakhs Except Share Data

Particulars	Business Segments				Total	
	Diamond		Jewellery			
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Segment Revenue						
External Sales	118.05	425.66	44.45	-	162.50	425.66
Inter Segment Sales						

NOTES FORMING PART OF CONSOLIDATED IND-AS FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

Amount in Lakhs Except Share Data

Particulars	Business Segments				Total	
	Diamond		Jewellery			
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Segment Result	1.37	270.09	2.31	(313.73)	3.68	(43.64)
Unallocated Finance charges					(58.85)	(55.24)
Unallocated expenses					(239.39)	(175.37)
Unallocated Income					64.94	1.48
Profit before tax					**(229.62)**	**(272.77)**
Income tax (net)					(0.19)	1.63
Profit after tax					**(229.43)**	**(274.40)**
Other Information						
Segment assets	70,716.13	70,167.19	5,666.65	5,783.23	76,382.76	75,950.41
Unallocated other assets					3,164.42	3,174.62
Total assets					**79,547.19**	**79,125.03**
Segment liabilities	36,342.50	35,765.78	253.23	248.31	36,595.73	36,014.09
Unallocated other liabilities					42,951.46	43,110.94
Total liabilities					**79,547.19**	**79,125.03**

(b) Secondary segment information

Amount in Lakhs Except Share Data

Particulars	Geographical Segment				Total	
	Domestic		Rest of the world			
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Segment Revenue based on customers location	162.50	425.66	-	-	162.50	425.66
Segment Assets	4,207.56	4,255.35	75,339.63	74,869.68	79,547.19	79,125.03

35 Earnings Per Share (EPS)

Amount in Lakhs Except Share Data

Particular	Year ended March, 31 2023	Year ended March, 31 2022
a) Profit attributable to Equity Shareholders for Basic and Diluted EPS (Rs.)	(229.43)	(274.40)
b) Weighted average number of equity shares outstanding during the year for basic & diluted EPS	317,000,000	317,000,000
c) Basic and Diluted Earnings Per Share (a/b)	(0.07)	(0.09)

NOTES FORMING PART OF CONSOLIDATED IND-AS FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

36 (A) The Union Bank of India (Formerly known as Corporation Bank) has filed appeal at the National Company Law Tribunal, Jaipur on 24th April 2019 against the holding company for recovery of its dues. The National Company Law Tribunal, Jaipur has passed order no. CP No. (IB) -114/7/JPR/2019, IA/(IB) 580/JPR/2022 dated December 9, 2022 mentioning appointment of Mr. Vishal Bidawatjika as the Interim Resolution Professional(“IRP”) of the company. On April 12, 2023, the National Company Law Tribunal, Jaipur has passed order to appointed Mr. Sourabh Malpani as IRP of the holding company replacing the previous IRP Mr. Vishal Bidawatjika. Upon commencement of the CIRP, the powers of the Board of Directors of the Holding Company stand temporarily suspended and are exercised by the IRP

(B) The financial creditors (secured) of the Holding Company have submitted their claims of Rs. 45083.13 lakhs, out of which partial claim of principal amount of Rs. 42679.31 lakhs have been admitted and amount of claims under verification is Rs. 2403.82 lakhs. The operational creditors (Unsecured) of the Holding company has submitted its claimed of Rs. 23.42 lakhs and same has been admitted by the IRP. The Income Tax Department has also submitted it’s claimed of Rs. 5068.52 lakhs which is admitted by the IRP of the Holding company. The amount of claim admitted by the IRP may be different than the amounts reflecting in the consolidated financial statements of the Holding Company as on March 31, 2023. Pending final outcome of the CIRP, no adjustment has been made in these financial statements for the differential amounts, if any.

37 Contingent Liabilities

(a) Claims against the Company not acknowledged as debts

In respect of Interest on recalled loans or loans classified by the banks as NPA where interest in earlier years is either not applied or penal interest / higher rate of interest is applied. The Holding Company till March 2016 has provided in its best judgement all probable interest liability. Thereafter the Holding company has not recognised any interest liability payable to banks. The secured financial creditors have filed claims amounting to Rs. 46308.79 lakhs against the outstanding amount of Rs. 17710.38 lakhs is appearing in the financial statements. The differential amount of Rs. 28598.41 lakhs has not been acknowledged as debts by the Holding company. Apart for above, claims from operational creditors and tax authorities have been admitted by the IRP which may be different from the amount recognized in the books of accounts and to that extent the Holding company has not acknowledged these claims as debts

(b) Disputed Demand with Government Authorities

Amount in Lakhs Except Share Data

Particular	**As at March 2022**	**As at March 2021**
i) Income Tax Matters (Against which company has preferred appeals)	5,068.52	6,760.04
During the FY 2022-23, IRP is appointed by NCLT, Jaipur in Holding Company and Income Tax Department has filed its claim against the holding company. The Income Tax Department issued its order dated 08/05/2023 that IRP is appointed hence all appeals are liable to be dismissed being not maintainable at this stage.	claimed) accepted by (IRP	
ii) Service Tax Matter (Appeal filed by company)	1.40	1.40
iii) Punjab Value Added Tax demand against which company has preferred appeal	31.83	31.83

38 The Income tax Authorities during the search u/s 132 of I.T Act 1961 on 13th August 1993 seized 5580 cts. of emerald cut valued at Rs. 8.19 lakhs. The same has been shown in the closing stock of emerald cut in the books of Accounts

39 (a) Due to certain unfavourable developments and sluggish market in earlier periods, there is substantial decrease in sales and volume of the business. Recoveries from trade receivables are slow and there is a temporary mismatch in the cash flow resulting in overdue creditors, default in repayment of statutory dues and dues to banks owing to which all banks have classified the account as NPA and recalled their loans. The management is hopeful that these old trade receivables shall be recovered as the company has initiated legal actions against such debtors, wherever considered necessary. Further, the management is taking all possible steps to revive the business operations and intend to approach consortium bankers for restructuring/ one-time settlement of the its entire loan dues with banks/ ARC and assumes that Company will have adequate cash flow from export realisation to defray its entire debt

obligation in phased manner. At the same time, management is hopeful that it will be able to raise adequate finance from internal accruals and alternate means to meet its short term and long term obligations. Hence the accounts of the group are prepared on going concern basis..

40 In the opinion of the Board, all assets other than property, plant & equipment and non current investment have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated in the Balance Sheet.

41 Other Statutory information

(i) The Group do not have any benami property, and no proceeding has been initiated against the Group for holding any benami property;

(ii) The Group has not advanced or loaned or invested funds to any other persons or entities, including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) 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;

(iii) The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year;

(iv) The Group has not revalued any of its property, plant and equipment, right-of-use assets or intangible assets and the Group does not hold any immovable property or investment property;

(v) No search or seizure operation has been carried out on Company during the year;

(vi) The Group do not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956;

(vii) The Group has complied with the number of layers prescribed under clause (87) of section 2 of the Companies Act, 2013;

(viii) The Group is not covered under section 135 of the Companies Act, 2013;”

42 Point for financial statements

These financial statements of the group for the year ended March 31, 2023 pertains to period both prior and post commencement of CIRP. These consolidated financial statements have been signed by the Interim Resolution Professional (IRP) while exercising the powers of the Board of Directors of the Holding company, which has been conferred upon him in terms of the provisions of Section 17 of the Insolvency and Bankruptcy Code 2016. Since these consolidated financial statements also belong to the period when the affairs of the holding Company were being managed and •governed by the erstwhile Board of Directors of the Holding Company, these financial statements have been prepared with the same ‘basis of preparation’ as adopted by the erstwhile Board of Directors as enumerated upon the Board under Section 134 (5) of the Companies Act, 2013 and related regulations.

Due to suspension of Board of Directors of the Holding Company, it was not feasible or practical to provide requisite information for assessment of internal financial control relating to transactions for financial Year 2022-23 which pertains to the period prior to appointment of IRP

43 Previous year figures have been re-grouped / re-arranged wherever necessary.

As per our attached report of even date

For and on behalf of the Board

For UMMED JAIN & CO.
Chartered Accountants
F.R. No.: 119250W

NANDLAL GOENKA
Chairman & Chief Executive Officer
(SUSPENDED BOARD)
DIN No. 00125281

BHAU DHURE
Chairman Audit Committee
(SUSPENDED BOARD)
DIN : 08067074

UMMED MAL JAIN
Partner
M.No.: 070863

NAVNEET GOENKA
Managing Director & Chief Financial Officer
(SUSPENDED BOARD)
DIN No. 00164428

DIMPAL JAISWAL
Company Secretary
M. No.: 71236

SOURABH MALPANI
Interim Resolution Professional
M.No.: 402440

Place - Mumbai
Date - 30/05/2023

Place - Mumbai
Date - 30/05/2023

Place - JAIPUR
Date - 30/05/2023

NOTES FORMING PART OF CONSOLIDATED IND-AS FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

44 Additional information as required under Schedule III to the Companies Act, 2013

Amount in Lakhs Except Share Data

Name of the entities in the Group	Net assets, i.e. total assets minus total liabilities as at March 31, 2023		Share of profit or loss for the year ended March 31, 2023		Share in other Comprehensive Income / (loss) for the year ended March 31, 2023		Share in total Comprehensive Income / (loss) for the year ended March 31, 2023	
	As % of consolidated net assets	Rs.	As % of consolidated profit or loss	Rs.	As % of consolidated other comprehensive income / (loss)	Rs.	As % of total comprehensive income / (loss)	Rs.
Parent								
Goenka Diamonds and Jewels Limited	105.07%	25,075.59	81.73%	(187.51)	1.54%	(0.42)	73.25%	(187.93)
Subsidiaries								
Indian								
Solitiare Diamond Exports	(2.00%)	(477.29)	4.29%	(9.83)	0.00%	-	3.83%	(9.83)
Foreign								
M.B Diamonds LLC	(0.56%)	(133.87)	(5.35%)	12.28	0.00%	-	(4.79%)	12.28
Goenka Diamonds and Jewels DMCC	(10.37%)	(2,474.71)	51.29%	(117.68)	0.00%	-	45.87%	(117.68)
Intercompany Elimination and Consolidation Adjustments	7.86%	1,876.22	(31.95%)	73.29	98.46%	(26.71)	(18.16%)	46.59
Grand Total	**100%**	**23,865.94**	**100%**	**(229.43)**	**100%**	**(27.12)**	**100%**	**(256.56)**

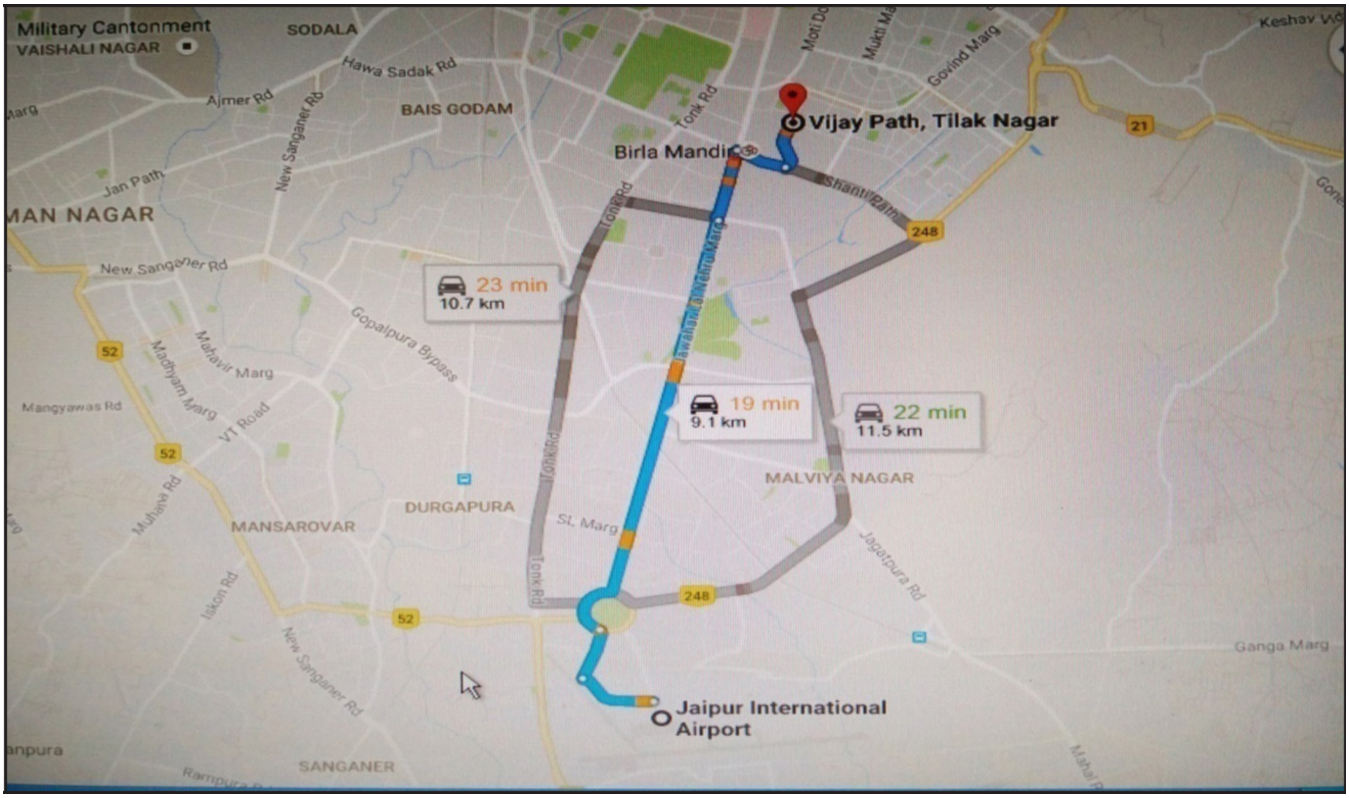
Form AOC-1

[Pursuant to first provision to Section 129(3) of the Companies Act, 2013 read with rule 5 of the Companies (Accounts) Rule, 2014]

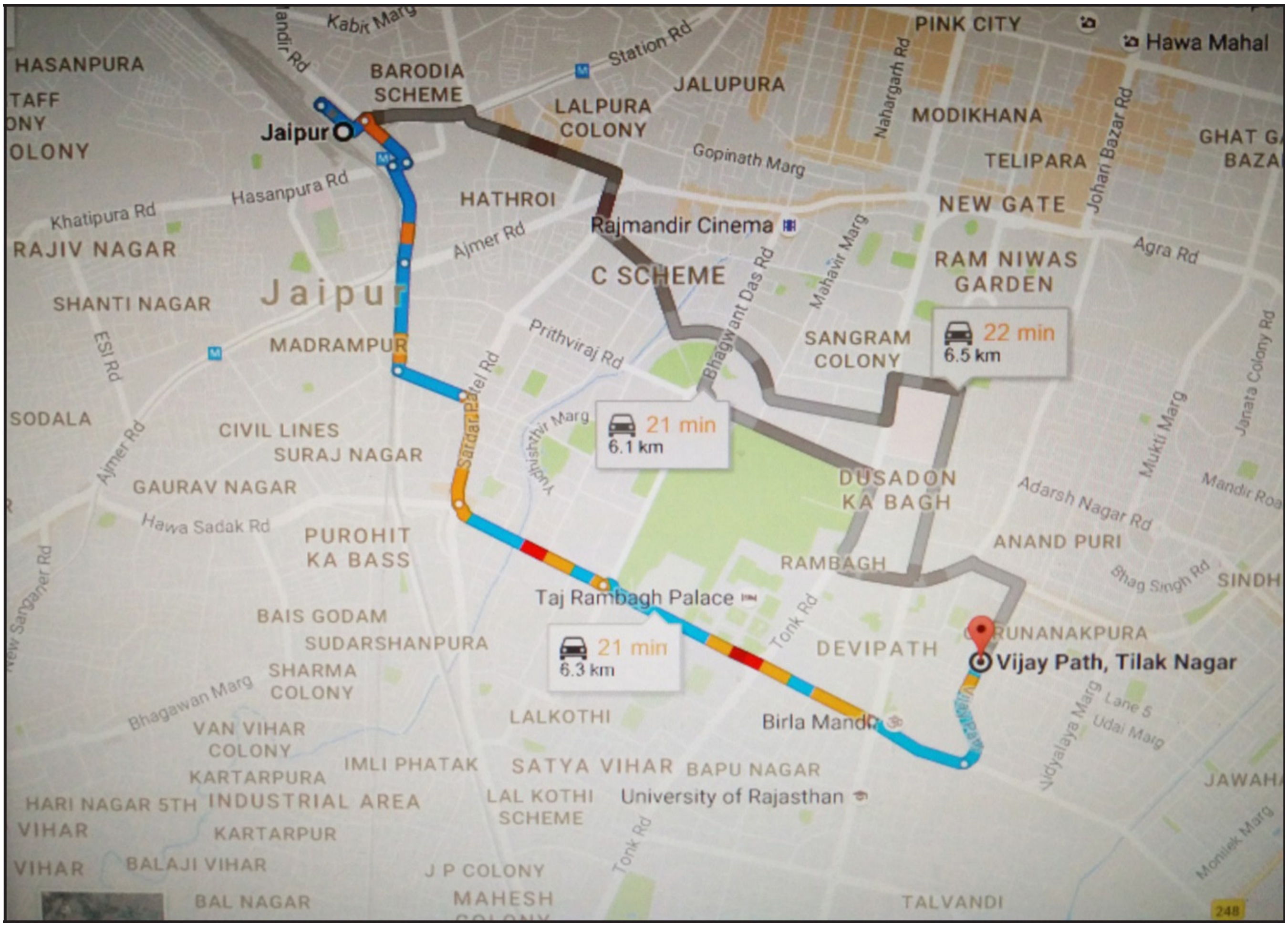
Statement containing salient features of the financial statements of the Subsidiaries/Joint ventures/associate companies

Name of Subsidiary Company	**M.B. Diamonds LLC**		**Goenka Diamond & Jewels DMCC**	
Reporting Currency	**INR**	**ROUBLES**	**INR**	**USD**
Capital	16,989.00	10,000.00	7,44,414.00	$13,624.00
Reserves	(1,34,03,773.37)	(1,26,36,417.31)	(24,82,15,689.90)	($3,030,620.00)
Total Assets	1,11,44,825.84	1,15,07,068.17	1,71,29,940.34	$208,698.00
Total Liabilities	1,11,44,825.84	1,15,07,068.17	1,71,29,940.34	$208,698.00
Investments	NIL	NIL	NIL	NIL
Turnover / Total Income	NIL	NIL	NIL	NIL
Profit Before Taxation	12,27,795.32	2,38,285.06	(1,17,67,525.91)	($169,213.00)
Provision for Taxation	NIL	NIL	NIL	NIL
Profit After Taxation	12,27,795.32	2,38,285.06	(1,17,67,525.91)	($169,213.00)
Proposed Dividend	NIL	NIL	NIL	NIL
Country	**RUSSIA**		**DUBAI**	
Notes: As on March 31, 2023:	**1 Rouble = INR 1.06**		**1 USD = INR 82.08**	

ROUTE MAP TO THE VENUE OF 33rd ANNUAL GENERAL MEETING
ROAD MAP: JAIPUR INTERNATIONAL AIRPORT TO VIJAYPATH,
TILAK NAGAR, BEHIND BIRLA MANDIR



ROAD MAP: JAIPUR RAILWAY STATION TO VIJAYPATH,
TILAK NAGAR, BEHIND BIRLA MANDIR



GOENKA DIAMOND AND JEWELS LIMITED

CIN No.: L36911RJ1990PLC005651

Registered Office: 401, Panchratna, M. S. B. Ka Rasta, Johari Bazar, Jaipur – 302003

Form No. MGT-11

PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the Company: **Goenka Diamond and Jewels Limited**

CIN : L36911RJ1990PLC005651

Registered Office : 401, Panchratna, M. S. B. Ka Rasta, Johari Bazar, Jaipur – 302003

Name of the Member(s) :
Registered Address:
E-mail Id :
Folio No./Client ID :
DPID :

I/We, being the member (s) of ………………. shares of the above named company, hereby appoint

1.	Name			
	Address			
	E-mail ID		Signature	
	Or Failing him			
2.	Name			
	Address			
	E-mail ID		Signature	
	Or Failing him			
3.	Name			
	Address			
	E-mail ID		Signature	

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 33rd Annual General Meeting of the Company, to be held on the December 20, 2023 At 11 a.m. at Bungalow No. C -114, Shivaji Marg, Vijaypath, Tilak Nagar, Jaipur – 302 004 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution Number	Resolutions
1.	To consider and adopt : a) Standalone Audited Financial Statements of the Company for the financial year ended March 31, 2023 including the Balance Sheet as at March 31, 2023, the Statement of Profit & Loss and Cash Flow Statement for the year ended on that date and the Reports of the Board of Directors and Auditors thereon. b) Consolidated Audited Financial Statements of the Company for the financial year ended March 31, 2023 including the Balance Sheet as at March 31, 2023, the Statement of Profit & Loss and Cash Flow Statement for the year ended on that date and the Reports of the Auditors thereon.
2	To re-appoint Mr SANJEEV KUMAR JAIN (DIN 08899206) who is liable to retire by rotation and being eligible offers himself for re-appointment as an Executive Director : "**RESOLVED THAT** pursuant to the provision of Sections 152 read and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being force) and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr SANJEEV KUMAR JAIN (DIN 08899206), who was appointed as Director (Executive) pursuant to the provisions of the Companies Act, 2013, vide Annual General Meeting dated December 18, 2020 and liable to retire by rotation and being eligible offers himself for re-appointment and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby re-appointed as Director(Executive) and shall be subject to retirement by rotation."
	"**FURTHER RESOLVED THAT** the Board of Directors of the Company and Company Secretary of the Company be and is hereby authorized to do all such acts and deeds and to execute all such documents as may be required for the purpose and to submit a Certified True copy of this resolution as and when required."

Signed this ______________________ day of ___________________, 2023

Affix
Re. 1/-
Revenue
Stamp

Signature of Member ____

Proxy holder(s) Signature ____

Note: This form, in order to be effective, should be duly stamped, completed, signed and deposited at the registered office of the Company, not less than 48 hours before the commencement of the meeting.

NOTES

GOENKA

DIAMOND & JEWELS LIMITED

Registered Office: 401, Panchratna, M.S.B. Ka Rasta,
Johari Bazaar, Jaipur-302003 India.
Tel:-0141-254175 Fax: 0141-2573305.
www.goenkadiamonds.com