



ZODIAC-JRD-MKJ LTD

DIAMOND . JEWELLERY . PRECIOUS & SEMI PRECIOUS STONES

910, Parekh Market,
39, J.S.S. Road, Opp. Kennedy Bridge,
Opera House, Mumbai - 400 004. (INDIA)

TEL : 91-22-23869731 / 91-22-23866471
FAX : 91-22-23800038
E-mail : account_zjmk@yahoo.com
CIN : L65910MH1987PLC042107
E-mail : info@zodiacjrdmkjfd.com
Website : www.zodiacjrdmkjfd.com

04.09.2021

The Listing Department
Bombay Stock Exchange Limited
Phiroze Jeejeebhoy Towers
Dalal Street, Fort
Mumbai - 400 001

Scrip Code No. 512587

The Secretary
National Stock Exchange of India Limited
Exchange Plaza, 5thFloor
Plot No- 'C' Block, G Block
Bandra-Kurla Complex, Bandra (E)
Mumbai-400051
Scrip Code: ZODJRDMKJ

Sub: Submission of Annual Report for the Financial Year 2020-21

Dear Sir

Pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), we hereby enclosed herewith Annual Report of the Company for the financial year 2020-21 along with Notice of 34th Annual General Meeting of the Company to be held on 29th September, 2021.

This is for your information and for the information of members of your exchange.

Kindly take the same on record and acknowledge the receipt.

Thanking you
Yours faithfully
For **ZODIAC-JRD-MKJ LTD**

Jayesh Jayantilal Jhaveri
Managing Director
DIN: 00020277

Encl: As above



Diamonds • Precious & Semi Precious Stones • Jwl.

ZODIAC - JRD - MKJ LIMITED

**THIRTY FOURTH ANNUAL REPORT
2020 - 2021**



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ZODIAC - JRD - MKJ LTD.

ZODIAC - JRD - MKJ LIMITED
CIN NO: L65910MH1987PLC042107

BOARD OF DIRECTORS

| | | | |
|-----|---------------------------|-------------------------------------|---------------|
| 1. | Mr. Jayantilal A. Jhaveri | (Promoter /Chairman) | DIN. 00020250 |
| 2. | Mr. Jayesh J Jhaveri | (Promoter /Managing Director) | DIN. 00020277 |
| 3. | Mr. Devang R Jhaveri | (Promoter /Whole-time Director) | DIN. 00020235 |
| 4. | Mr. Rajnikant A Jhaveri | (Promoter / Non-Executive Director) | DIN. 00020351 |
| 5. | Mr. Jindat K Mehta | (Independent Director) | DIN. 00020303 |
| 6. | Mrs. Neeta J Jhaveri | (Promoter / Non-Executive Director) | DIN. 01131017 |
| 7. | Mr. Hasmukh B Thakker | (Independent Director) | DIN. 03351903 |
| 8. | Mr. Uday Shah | (Independent Director) | DIN. 07679833 |
| 9. | Mr. Mohit Thakur | (Independent Director) | DIN. 08487825 |
| 10. | Mrs. Sheela Kadechkar | (Independent Director) | DIN. 06862410 |

CHIEF FINANCIAL OFFICER

Mr. Mitesh Temgire

COMPANY SECRETARY & COMPLIANCE OFFICER

Ms. Vishakha Mehta (up to 7th December, 2020)
Mr. Tejas Devendra Shah (w.e.f 1st April, 2021)

AUDITORS

M/s. Choski & Chokshi LLP

BANKERS

Bank of India, Bank of Baroda
HDFC Bank Limited Axis Bank Ltd

REGISTRARS & TRANSFER AGENT

Link Intime India Private Limited
C-101, 247 Park, L.B.S. Marg,
Vikhroli (West),
Mumbai – 400 083
Tel.: 91 22 49186270

REGISTERED OFFICE

910, Parekh Market, 39 J.S.S.Road,
Opera House, Mumbai – 400 004.
Website add:www.zodiacjrmdmkjlttd.com
Email id: info@zodiacjrmdmkjlttd.com

FACTORY

VARDHAMAN INDUSTRIAL PREMISES CO-OP. SOCIETY LTD.
Gala No. 204, S.V. Road, Dahisar (E), Mumbai – 400 068.

LISTED AT

BSE Limited
National Stock Exchange of India Limited



NOTICE IS HEREBY GIVEN THAT THE THIRTY FOURTH ANNUAL GENERAL MEETING OF THE MEMBERS OF ZODIAC-JRD-MKJ LIMITED WILL BE HELD ON WEDNESDAY, 29TH SEPTEMBER, 2021 AT 3:00 P.M. THROUGH VIDEO CONFERENCING (“VC”) /OTHER AUDIO VISUAL MEANS (“OAVM”) TO TRANSACT THE TO TRANSACT THE FOLLOWING BUSINESS

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2021 and the Profit & Loss Account for the year ended on that date and the Reports of the Directors and Auditors thereon.
2. To appoint Director in place of Mr. Rajnikant A Jhaveri (DIN: 00020351) who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

3. To re-appoint Mr. Uday Shah (DIN: 07679833) as an Independent Director for a second term of five years and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Sections 149 and 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 (“the Act”), and the Companies (Appointment and Qualification of Directors) Rules, 2014 [including any statutory modification(s) or re-enactment thereof for the time being in force] and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and upon the recommendation of the Nomination and Remuneration Committee, Mr. Uday Shah (DIN: 07679833), who was appointed as an Independent Director of the Company to hold office for a term of 5 (five) consecutive years commencing from 30th January, 2017 and who has submitted a declaration under Section 149(7) of the Act and Regulation 25(8) of the Listing Regulations that he meets the criteria for independence as provided in the Act and the Listing Regulations and who is eligible for re-appointment be and is hereby re-appointed as an Independent Non-Executive Director of the Company, to hold office for a second term of further period of five consecutive years i.e. from 30th January, 2022 upto 29th January, 2027.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds and things as it may deem necessary and authorize executives of the Company for the purpose of giving effect to this Resolution.”

4. To re-appoint Mr. Jindat Mehta (DIN: 00020303) as an Independent Director for a second term of five years and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Sections 149 and 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 (“the Act”), and the Companies (Appointment and Qualification of Directors) Rules, 2014 [including any statutory modification(s) or re-enactment thereof for the time being in force] and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and upon the recommendation of the Nomination and Remuneration Committee, Mr. Jindat Mehta (DIN: 00020303), who was appointed as an Independent Director of the Company to hold office for a term of 5 (five) consecutive years commencing from 16th June, 2017 and who has submitted a declaration under Section 149(7) of the Act and Regulation 25(8) of the Listing Regulations that he meets the criteria for independence as provided in the Act and the Listing Regulations and who is eligible for re-appointment be and is hereby re-appointed as an Independent Non-Executive Director of the Company, to hold office for a second term of further period of five consecutive years i.e. from 16th June, 2022 to 15th June, 2027.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds and things as it may deem necessary and authorize executives of the Company for the purpose of giving effect to this Resolution.”

5. To re-appoint Mr. Hasmukh Thakker (DIN 03351903) as an Independent Director for a second term of five years and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Sections 149 and 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 (“the Act”), and the Companies (Appointment and Qualification of Directors) Rules, 2014 [including any statutory modification(s) or re-enactment thereof for the time being in force] and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and upon the recommendation of the Nomination and Remuneration Committee, Mr. Hasmukh Thakker (DIN: 03351903), who was appointed as an Independent Director of the Company to hold office for a term of 5 (five) consecutive years commencing from 16th June, 2017 and who has submitted a declaration under Section 149(7) of the Act and Regulation 25(8) of the Listing Regulations that he meets the criteria for independence as provided in the Act and the Listing Regulations and who is eligible for re-appointment be and is hereby re-appointed as an Independent Non-Executive Director of the Company, to hold office for a second term of further period of five consecutive years i.e. from 16th June, 2022 to 15th June, 2027.



RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds and things as it may deem necessary and authorize executives of the Company for the purpose of giving effect to this Resolution.”

6. To consider and if thought fit, to pass, with or without modification(s), the following Resolution as a **Special Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and in continuation of all the previous resolutions passed in this regards, the consent of the Company be and is hereby accorded and an authority is conferred upon the Board of Directors of the Company for borrowing any sum for and on behalf of the Company, from time to time, from one or more Financial Institutions/Bank/ Bodies Corporate or from others notwithstanding that the sum so borrowed by the Company together with the money/ies already borrowed by the Company (apart from temporary loans obtained from the Company’s bankers in the ordinary course of the business) shall not exceed Rs. 5,00,00,00,000/- (Rupees Five Hundred Crores Only).

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to arrange and finalise the terms and conditions of all such monies to be borrowed from time to time and to do all such acts, matter, deeds and things as may be necessary or expedient for implementing and for giving effect to the above resolution in the best interest of the Company.”

7. To consider and if thought fit, to pass with or without modification(s), the following resolution as **Special Resolution**:

“**RESOLVED THAT** pursuant to Section 186 and other applicable provisions, if any, of the Companies Act, 2013 read with applicable Rules made there under (including any statutory modifications or re-enactment thereof, for the time being in force) and in supersession of the earlier resolutions, the consent of the members of the Company be and are hereby accorded to the Board of Directors of the Company to

- (a) give any loan to any person or other body corporate;
- (b) give any guarantee or provide security in connection with a loan to any other body corporate or person; and
- (c) acquire by subscription, purchase or otherwise, the securities of any other body corporate exceeding sixty per cent of the paid up share capital, free reserves and securities premium account or one hundred per cent of its free reserves and securities premium account, whichever is more, provided that the maximum amount of aggregate of such loan, guarantee, security and acquisition by the Company shall not at any time exceed Rs. 5,00,00,00,000/- (Rupees Five Hundred Crores only).

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things as may be considered necessary in this regard for and on behalf of the Company, including but not limiting to, filing of necessary forms, returns, submissions under the Companies Act, 2013 and to settle any questions or disputes that may arise in relation thereto.”

For **ZODIAC-JRD-MKJ LIMITED**

Jayantilal A. Jhaveri
Chairman
DIN: 00020250

Date: 10.08.2021
Place: Mumbai



NOTES:

1. In view of the global outbreak of the COVID-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide its General Circular dated 5th May 2020 read with General Circulars dated 8th April 2020, 13th April 2020, 15th June 2020, 28th September 2020, 31st December 2020 and 13th January 2021 (collectively referred to as "MCA Circulars") permitted the holding of the Annual General Meeting ("AGM" or "Meeting") through Video Conferencing ("VC") facility or Other Audio Visual Means ("OAVM"), without the physical presence of the Members at a common venue. Further, Securities and Exchange Board of India ("SEBI") vide its Circular dated 12th May 2020 and 15th January 2021 ("SEBI circular") has also granted certain relaxations. In compliance with the provisions of the Companies Act, 2013 ("the Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR") and MCA Circulars the 34th AGM of the Company is being held through VC/ OAVM. The deemed venue for the AGM will be the Registered Office of the Company.
2. The Explanatory Statement pursuant to Section 102 of the Act in respect of the special business set out at Item No. 3 to 7 of this Notice is annexed as Annexure I. The relevant details as required under Regulation 26(4) and 36(3) of the SEBI Listing Regulations and Secretarial Standard-2 ("SS-2"), in respect of Director seeking reappointment under Item Nos. 3 to 5 of Notice at this AGM is annexed as Annexure II.
3. Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
4. Institutional / Corporate Shareholders (i.e. other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorization etc., authorizing its representative to attend the AGM through VC / OAVM on its behalf and to vote through remote e-voting. The said Resolution/ Authorization shall be sent to the Scrutinizer by email through its registered email address to info@zodiacjrjdkmjtd.com
5. As mandated by SEBI, effective April 01, 2019 except in case of transmission or transposition of securities, requests for effecting transfer of securities shall not be processed unless the securities are held in dematerialised mode with a depository. Accordingly, the Members of the Company were requested to open a demat account and submit physical securities to their Dps.
6. To support the 'Green Initiative', Members who have not yet registered their email addresses are requested to register the same with their DPs in case the shares are held by them in electronic form and with RTA (Link Intime India Private Limited) in case the shares are held by them in physical form.
7. Members holding shares in demat form are hereby informed that bank registered with their respective Depository Participant with whom they maintain their account will be used by the Company for the payment of the dividend, if any.
8. Members are requested to intimate, indicating their folio number or Depository Participant (DP) ID and Client ID Numbers, the changes, if any, pertaining to their bank details, National Electronic Clearing Service (NECS), Electronic Clearing Service (ECS), mandates, nominations, power of attorney, change of address, e-mail address, contact numbers, etc., to their DP in case the shares are in dematerialized form; and in case, shares are held in physical form to the Company's Registrar and Share Transfer Agent (RTA), Link Intime India Private Limited, Unit – ZodiacJRDKMJ Limited, C-101, 247 Park, L.B.S Marg, Vikhroli (West), Mumbai 400 083, Changes intimated to the DP will then be automatically reflected in the Company's records which will help the Company and the Company's RTA, to provide efficient and better services for payment of dividend.
9. SEBI vide its circular dated April 20, 2018 has mandated registration of Permanent Account Number (PAN) and Bank Account details for all security holders. Members holding shares in physical form are, therefore, requested to submit the PAN and Bank Account details to RTA/ Company by sending a duly signed letter along with self-attested copy of PAN Card and original cancelled cheque. The original cancelled cheque should bear the name of the Member. In the alternative, members are requested to submit a copy of bank passbook/ statement attested by bank. Members holding shares in demat form are requested to submit the aforesaid information to their respective depository participant.
10. Members holding shares in physical form in identical order of names in more than one folio are requested to send to the Company or RTA, the details of such folios together with the share certificates for consolidating their holdings in one folio. A consolidated share certificate will be returned to such Members after making requisite changes thereon.
11. Members holding shares in single name are advised to avail the nomination facility by filing Form SH – 13, as prescribed under Section 72 of the Act and Rule 19 (1) of the Companies (Share Capital and Debentures) Rules, 2014, with the Company. Blank forms will be supplied on request. Members holding shares in electronic mode may contact their respective depository participant for availing this facility.



12. Any query relating to financial statements must be sent to the Company's registered email id at info@zodiacjrmdkjlttd.com or at the Company's registered office at least seven days before the date of the AGM. The same will be replied by the Company suitably.
13. In compliance with the aforesaid MCA Circulars and SEBI Circular, Notice of the Meeting along with the Annual Report for FY 2020-21 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that the Notice and Annual Report for FY 2020-21 will also be available on website of the Company, i.e. www.zodiacjrmdkjlttd.com, website of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively, and on the website of the CDSL www.evotingindia.com.
14. Members who hold shares in physical form and have not registered / updated their email addresses with the Company, are requested to register / update the same by writing to the Company with details of folio number and attaching a self-attested copy of PAN card at by email to rnt.helpdesk@linkintime.co.in or at Co's email id info@zodiacjrmdkjlttd.com by following due procedure.
15. Members holding shares in dematerialised mode, who have not registered / updated their email addresses with their Depository Participants, are requested to register / update their email addresses with the Depository Participants with whom they maintain their demat accounts.
16. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
17. Pursuant to the Provisions of Section 125 of the Companies Act, 2013 unpaid dividend and Share Application Money unclaimed for a period of more than seven years have been transferred to the Investor Education Protection Fund during the year. Please check whether you have encashed Dividend Warrants for earlier years. If dividend Warrants are lost or have become time barred, please apply to company or its Registrars & Share Transfer Agents for duplicate / revalidated Dividend warrant.
18. Your Company is under Compulsory Demat list by SEBI and Stock Exchange from August, 2000
19. All documents referred to in the accompanying Notice and the Explanatory Statement, Registers and all other documents will be available for inspection in electronic mode during business hours on all days except Saturdays, Sundays and public holidays upto the date of the AGM. Members can inspect the same by sending an email to the Company at info@zodiacjrmdkjlttd.com.
20. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.
21. The business set out in the Notice will be transacted through electronic voting system and the Company is providing facility for voting by electronic means. Instructions and other information relating to e-voting are given in this Notice under Instruction for Members attending Meeting through VC/OAVM.
22. Notice is also given under Section 91 of the Act read with Regulation 42 of the Listing Regulations, that the Register of Members and the Share Transfer Book of the Company will remain closed from Thursday, 23rd September, 2021 to Wednesday, 29th September, 2021 (both days inclusive).
23. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the Meeting.
24. Share transfer documents and all correspondence relating thereto, should be addressed to the Link Intime India Private Limited, Unit – Zodiac JRD MKJ Limited, C-101, 247 Park, L.B.S Marg, Vikhroli (West), Mumbai 400 083, Registrars and Transfer Agent of the Company.
25. To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any Member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned DP and holdings should be verified.
26. SEBI has mandated the submission of PAN by every participant of the securities market. Members holding shares in dematerialised form are, therefore, requested to submit their PAN to their DPs with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company/ RTA.
27. As per Regulation 40(7) of the Listing Regulations, read with Schedule VII to the said Regulations, for registration of transfer of shares, the transferee(s) as well as transferor(s) shall mandatorily furnish copies of their Income Tax PAN Card. Additionally, for

| DIVIDEND FOR YEAR ENDED | AMOUNT(RS.) | DUE DATE |
|------------------------------|-------------|------------|
| 31 st March, 2014 | 82562.00 | 26-10-2021 |
| 31 st March, 2015 | 91136.00 | 20-09-2022 |
| 31 st March, 2016 | 109808.00 | 26-09-2023 |
| 31 st March, 2017 | 111791.50 | 24-09-2024 |
| 31 st March, 2018 | 91740.00 | 21-09-2025 |



securities market transactions and / or for off market / private transactions involving transfer of shares in physical mode for listed Companies, it shall be mandatory for the transferee(s) as well as transferor(s) to furnish copies of PAN Card to the Company/ RTA for registration of such transfer of shares. In case of transmission of shares held in physical mode, it is mandatory to furnish a copy of the PAN Card of the legal heir(s) / nominee(s). In exceptional cases, the transfer of physical shares is subject to the procedural formalities as prescribed under SEBI Circular No. SEBI / HO/MIRSD/DOS3/CIR/P/2018/139 dated November 06, 2018.

28. Information and other instructions relating to e-voting are as under:

- I. Pursuant to the provisions of Section 108 and other applicable provisions of the Act and Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of the Listing Regulations, MCA Circulars and SEBI Circular the Company is pleased to provide its Members facility to exercise their right to vote on resolutions proposed to be passed in the Meeting by electronic means.
- II. The Company has engaged the services of Central Depository Services (India) Limited ("CDSL") to provide e-voting facility to the Members.
- III. Voting rights shall be reckoned on the paid-up value of shares registered in the name of the Member/ beneficial owner (in case of electronic shareholding) as on the cut-off date, i.e., Thursday, 23rd September, 2021. A person who is not a Member as on the cut-off date should treat this Notice for information purposes only.
- IV. A person, whose name is recorded in the Register of Members or in the register of beneficial owners maintained by the depositories as on the cut-off date, i.e., Thursday, 23rd September, 2021, only shall be entitled to avail the facility of e-voting.
- V. Members who are holding shares in physical form or who have not registered their email address with the Company/Depository or any person who acquires shares of the Company and becomes a Member of the Company after the Notice has been sent electronically by the Company, and holds shares as of the cut-off date, i.e. Thursday, 23rd September, 2021; such Member may obtain the User ID and password by sending a request at helpdesk.evoting@cdslindia.com or may temporarily get their email registered with the Company's Registrar and Share Transfer Agent, Link Intime India Private Limited. Post successful

registration of the email, the members would get a confirmation on their email id. In case of any queries, members may contact Company's Registrar and Share Transfer Agent, Link Intime India Private Limited.

It is further clarified that for permanent registration of Email address, Members are required to register their Email address in respect of Electronic holdings with their concerned Depository Participant(s) and in respect of Physical Holdings with the Company's Registrar and Share Transfer Agent M/s Link Intime India Private Limited by sending an E-mail at mt.helpdesk@linkintime.co or at Co's email id info@zodiacjrdmkjtd.com by following due procedure.

However, if a Member is already registered with CDSL for e-voting then existing User ID and password can be used for casting vote.

- VI. Mr. Virendra Bhatt, Practicing Company Secretary (C.P.No.124) has been appointed by the Company as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- VII. The Scrutinizer, after scrutinizing the votes, will, not later than forty eight hours from the conclusion of the Meeting; make a consolidated scrutinizer's report which shall be placed on the website of the Company, i.e. www.zodiacjrdmkjtd.com and on the website of CDSL. The results shall simultaneously be communicated to the Stock Exchanges.
- VIII. Subject to receipt of requisite number of votes, the resolutions shall be deemed to be passed on the date of the Meeting, i.e. Wednesday, September 29, 2021.
- IX. Information and other instructions relating to e-voting are as under:
 - (i) The remote e-voting facility will be available during the following period:

Commencement of e-voting: From 9:00 a.m. (IST) on Saturday, 25th September, 2021.
End of e-voting: Up to 5:00 p.m. (IST) on Tuesday, 28th September, 2021. The remote e-voting will not be allowed beyond the aforesaid date and time and the e-voting module shall be disabled by CDSL upon expiry of the aforesaid period.
 - (ii) The Members who have cast their vote by remote e-voting prior to the Meeting may also attend/ participate in the Meeting through VC / OAVM but shall not be entitled to cast their vote again.



(iii) Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020**, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to **all the demat account holders, by way of a single login credential,**

through their demat accounts/ websites of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

(iv) In terms of **SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020** on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to above said SEBI Circular, Login method for e-Voting and joining virtual meetings **for Individual shareholders holding securities in Demat mode** is given below:

| Type of shareholders | Login Method |
|---|--|
| Individual Shareholders holding securities in Demat mode with CDSL | <ol style="list-style-type: none"> 1) Users of who have opted for CDSL's Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URLs for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on Login icon and select New System Myeasi. 2) After successful login the Easi / Easiest user will be able to see the e-Voting Menu. On clicking the e-voting menu, the user will be able to see the respective e-Voting service provider i.e. CDSL/ NSDL/ KARVY/ LINK INTIME as per information provided by Issuer / Company. Additionally, we are providing links to e-Voting Service Providers, so that the user can visit the e-Voting service providers' site directly. 3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi./Registration/EasiRegistration 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a link in www.cdslindia.com home page or click on https://evoting.cdslindia.com/Evoting/EvotingLogin. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be provided links for the respective ESP where the e-Voting is in progress during or before the AGM. |
| Individual Shareholders holding securities in demat mode with NSDL | <ol style="list-style-type: none"> 1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsd.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. |



| Type of shareholders | Login Method |
|---|---|
| | 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nSDL.com . Select "Register Online for IDeAS "Portal or click at https://eservices.nSDL.com/SecureWeb/IdeasDirectReg.jsp 3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nSDL.com either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting |
| Individual Shareholders (holding securities in demat mode) login through their Depository Participants | You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider's website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. |

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

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL

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

(iv) Login method for e-Voting and joining virtual meeting for shareholders other than individual shareholders & physical shareholders.

- 1) The shareholders should log on to the e-voting website www.evotingindia.com.
- 2) Click on "Shareholders" module.

- 3) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company OR Alternatively, if you are registered for CDSL's EASI/EASIEST e-services, you can log-in at <https://www.cdslindia.com> from Login - Myeasi using your login credentials. Once you successfully log-in to CDSL's EASI/EASIEST e-services, click on e-Voting option and proceed directly to cast your vote electronically.
- 4) Next enter the Image Verification as displayed and Click on Login.
- 5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- 6) If you are a first time user follow the steps given below:



| Login type | For Shareholders holding shares in Demat Form other than individual and Physical Form |
|--|--|
| PAN | Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA. |
| Dividend Bank Details OR Date of Birth (DOB) | Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> • If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v). |

- (vi) After entering these details appropriately, click on "SUBMIT" tab.
- (vii) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (viii) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (ix) Click on the EVSN of the "ZODIAC-JRD-MKJ LIMITED".
- (x) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xi) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xii) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on

"OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

- (xiii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
 - (xiv) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
 - (xv) If Demat account holder has forgotten the changed password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
 - (xvi) **Additional facility for Non – Individual Shareholders and Custodians –Remote Voting**
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
 - Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; info@zodiacjrdmkjtd.com, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.
- INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE MEETING THROUGH VC/OAVM ARE AS UNDER:**
1. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
 2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for Remote e-voting.



3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
4. The Members can join the Meeting through VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the Meeting through VC/OAVM will be made available to at least 1000 members on first come first served basis. However the participation of large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. are not restricted on first come first served basis.
5. Shareholders are encouraged to join the Meeting through Laptops /IPads for better experience.
6. Further Shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the Meeting.
7. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
8. Members who would like to express their views or ask questions during the Meeting may register themselves as a speaker by sending their request from their registered email address mentioning their name, DP ID and Client ID/folio number, PAN, mobile number at info@zodiacjrjdkjtd.com at least 7 days before the Meeting. Those Shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the Meeting.
9. The Shareholders who have not registered themselves can put the question on the chat box available on the screen at the time of the Meeting.
10. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
11. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES & COMPANY/RTA:

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to **Company/RTA email id**.
2. For Demat shareholders -, Please update your email id & mobile no. with your respective Depository Participant (DP)
3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at 022-23058738 and 022-23058542/43.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call on 022-23058542/43.

For ZODIAC-JRD-MKJ LIMITED

Jayantilal A. Jhaveri
Chairman
DIN: 00020250

Date : 10.08.2021
Place: Mumbai

**EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013****Item No. 3**

Pursuant to the provisions of Section 149, 152 and all other applicable provisions of the Companies Act, 2013 (the Act) read with Schedule IV of the Act and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), Mr. Uday Shah (DIN: 07679833), was appointed as an Independent Non-Executive Director of the Company at the 30th Annual General Meeting of the Company to hold office as an Independent Non-Executive Director of the Company for a period up to five (5) consecutive years i.e. from 30th January, 2017 till 29th January, 2022.

As per Section 149(10) of the Act, an Independent Director can hold office for a term up to five (5) consecutive years on the Board of a Company and may be re-appointed for another term up to five (5) consecutive years, with the approval of Members of the Company by way of Special Resolution.

In the opinion of the Board of Directors of the Company, Mr. Uday Shah fulfils the conditions for re-appointment of Independent Director as specified in the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and is independent of the management.

The Board of Directors on the recommendation of the Nomination and Remuneration Committee and based on the satisfactory performance evaluation result, considered that given his professional background and experience and contributions made by him during his tenure, the association of Mr. Uday Shah would be beneficial to the Company and it is desirable to re-appoint him as an Independent Director for another term up to five (5) consecutive years with effect from 30th January, 2022 till 29th January, 2027.

Copy of the draft letter of appointment of Mr. Uday Shah setting out the terms and conditions of re-appointment will be made available on request.

The details of Mr. Uday Shah as required under the provisions of Regulation 36(3) of the Listing Regulations and other applicable provisions are annexed to this Notice.

Mr. Uday Shah does not hold by himself or for any other person on a beneficial basis, any shares in the Company. Mr. Uday Shah has given a declaration that he meets the criteria of independence as provided in Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations.

None of the Directors or Key Managerial Personnel of the Company or their relatives except Mr. Uday Shah is in any

way, concerned or interested, financially or otherwise, in the Special Resolution set out at Item No. 3 of the Notice.

The Board recommends the Special Resolution set out in the Notice for approval by the Members.

Item No. 4

Pursuant to the provisions of Section 149, 152 and all other applicable provisions of the Companies Act, 2013 (the Act) read with Schedule IV of the Act and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), Mr. Jindat Mehta (DIN: 00020303), was appointed as an Independent Non-Executive Director of the Company at the 30th Annual General Meeting of the Company to hold office as an Independent Non-Executive Director of the Company for a period up to five (5) consecutive years i.e. from 16th June, 2017 till 15th June, 2022.

As per Section 149(10) of the Act, an Independent Director can hold office for a term up to five (5) consecutive years on the Board of a Company and may be re-appointed for another term up to five (5) consecutive years, with the approval of Members of the Company by way of Special Resolution.

In the opinion of the Board of Directors of the Company, Mr. Jindat Mehta fulfils the conditions for re-appointment of Independent Director as specified in the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and is independent of the management.

The Board of Directors on the recommendation of the Nomination and Remuneration Committee and based on the satisfactory performance evaluation result, considered that given his professional background and experience and contributions made by him during his tenure, the association of Mr. Jindat Mehta would be beneficial to the Company and it is desirable to re-appoint him as an Independent Director for another term up to five (5) consecutive years with effect from 16th June, 2022 till 15th June, 2027.

Copy of the draft letter of appointment of Mr. Jindat Mehta setting out the terms and conditions of re-appointment will be made available on request.

The details of Mr. Jindat Mehta as required under the provisions of Regulation 36(3) of the Listing Regulations and other applicable provisions are annexed to this Notice.

Mr. Jindat Mehta does not hold by himself or for any other person on a beneficial basis, any shares in the Company. Mr. Jindat Mehta has given a declaration that he meets the criteria of independence as provided in Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations.



None of the Directors or Key Managerial Personnel of the Company or their relatives except Mr. Jindat Mehta is in any way, concerned or interested, financially or otherwise, in the Special Resolution set out at Item No. 4 of the Notice.

The Board recommends the Special Resolution set out in the Notice for approval by the Members.

Item No. 5

Pursuant to the provisions of Section 149, 152 and all other applicable provisions of the Companies Act, 2013 (the Act) read with Schedule IV of the Act and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), Mr. Hasmukh Thakker (DIN 03351903), was appointed as an Independent Non-Executive Director of the Company at the 30th Annual General Meeting of the Company to hold office as an Independent Non-Executive Director of the Company for a period up to five (5) consecutive years i.e. from 16th June, 2017 till 15th June, 2022.

As per Section 149(10) of the Act, an Independent Director can hold office for a term up to five (5) consecutive years on the Board of a Company and may be re-appointed for another term up to five (5) consecutive years, with the approval of Members of the Company by way of Special Resolution.

In the opinion of the Board of Directors of the Company, Mr. Hasmukh Thakker fulfils the conditions for re-appointment of Independent Director as specified in the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and is independent of the management.

The Board of Directors on the recommendation of the Nomination and Remuneration Committee and based on the satisfactory performance evaluation result, considered that given his professional background and experience and contributions made by him during his tenure, the association of Mr. Hasmukh Thakker would be beneficial to the Company and it is desirable to re-appoint him as an Independent Director for another term up to five (5) consecutive years with effect from 16th June, 2022 till 15th June, 2027.

Copy of the draft letter of appointment of Mr. Hasmukh Thakker setting out the terms and conditions of re-appointment will be made available on request.

The details of Mr. Hasmukh Thakker as required under the provisions of Regulation 36(3) of the Listing Regulations and other applicable provisions are annexed to this Notice.

Mr. Hasmukh Thakker does not hold by himself or for any other person on a beneficial basis, any shares in the Company. Mr. Hasmukh Thakker has given a declaration that he meets the criteria of independence as provided in Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations.

None of the Directors or Key Managerial Personnel of the Company or their relatives except Mr. Hasmukh Thakker is in any way, concerned or interested, financially or otherwise, in the Special Resolution set out at Item No. 5 of the Notice.

The Board recommends the Special Resolution set out in the Notice for approval by the Members.

Item No. 6

Section 180(1) (c) of the Companies Act, 2013 provides that the Board of Directors should not, except with the consent of the members of the Company in General Meeting, Borrow monies (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) in excess of the aggregate of the Paid-up Share Capital of the Company and its Free Reserves (that is to say, Reserves not set apart for any specific purpose).

The proposed limit of borrowings of Rs. 5,00,00,00,000/- (Rupees Five Hundred Crores Only) would enable the Company to borrow the funds as and when required. The Board recommends this Special Resolution for your approval.

None of the Directors of the Company is, in any way, deemed to be concerned or interested in passing of this Special Resolution.

Item No. 7

Section 186 of the Companies Act, 2013 provides that the Company should not, except with the consent of the members of the Company in General Meeting (a) give any loan to any person or other body corporate or (b) give any guarantee or provide security in connection with a loan to any other body corporate or person and (c) acquire by subscription, purchase or otherwise, the securities of any other body corporate, exceeding sixty per cent of the paid up share capital, free reserves and securities premium account or one hundred per cent of its free reserves and securities premium account, whichever is more.

The proposed limit Rs. 5,00,00,00,000/- (Rupees Five Hundred Crores Only) would enable the Company to give loan, guarantee, security and acquisition by the Company as and when required. The Board recommends this Special Resolution for your approval.

None of the Directors of the Company is, in any way, deemed to be concerned or interested in passing of this Special Resolution.

For **ZODIAC-JRD-MKJ LIMITED**

Jayantilal A. Jhaveri
Chairman
DIN: 00020250

Date: 10.08.2021
Place: Mumbai



Annexure II

Details of Directors seeking appointment/ re-appointment furnished pursuant to Regulation 36 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Clause 1.2.5 of the Secretarial Standard-2:

| | Mr. Rajnikant Jhaveri | Mr. Jindat Mehta | Mr. Uday Shah | Mr. Hasmukh Thakker |
|---|--|--|--|--|
| Name of Director | Mr. Rajnikant Jhaveri | Mr. Jindat Mehta | Mr. Uday Shah | Mr. Hasmukh Thakker |
| Date of Birth | 22/02/1943 | 07/08/1964 | 10/09/1971 | 05/03/1955 |
| Age | 78 years | 56 years | 49 years | 66 years |
| Date of Appointment | 03/04/1992 | 16/06/2017 | 30/01/2017 | 16/06/2017 |
| Qualifications | Inter Commerce | Chartered Accountant (CA) | B. Com Study in S. B. Gurda Arts & P. K. Patel Collage, Navsari | LCEH Homeopathy Doctor and Professional Medical Practitioner |
| Experience | more than 40 years | more than 25 years | more than 10 years | more than 35 years |
| Expertise in specific functional areas | He is the key person behind the JRD group. He has been in the business of pearls, diamond, semi-precious stones and precious stones since 1962. | finance and accounting | administration and accounting | administration |
| Terms and condition of appointment / re-appointment along with remuneration to be drawn | Retire by rotation: Liable to retire by rotation. Duties: To adhere as provided under Section 166 of the Act. Code of Conduct: Abide by the Code of Conduct devised by the Company. Remuneration: NIL | Retire by rotation: Not Liable to retire by rotation. Duties: To adhere as provided under Section 166 & Schedule V of the Act and SEBI Listing Regulation Code of Conduct: Abide by the Code of Conduct devised by the Company. Remuneration: NIL | Retire by rotation: Not Liable to retire by rotation. Duties: To adhere as provided under Section 166 & Schedule V of the Act and SEBI Listing Regulation Code of Conduct: Abide by the Code of Conduct devised by the Company. Remuneration: NIL | Retire by rotation: Not Liable to retire by rotation. Duties: To adhere as provided under Section 166 & Schedule V of the Act and SEBI Listing Regulation Code of Conduct: Abide by the Code of Conduct devised by the Company. Remuneration: NIL |
| Relationship with other Directors, Manager and other KMP | Father of Mr. Devang Jhaveri Brother of Mr. Jayantilal Jhaveri Relative of Mr. Jayesh Jhaveri and Mrs. Neeta Jhaveri | NIL | NIL | NIL |



| Name of Director | Mr. Rajnikant Jhaveri | Mr. Jindat Mehta | Mr. Uday Shah | Mr. Hasmukh Thakker |
|---|--|---|----------------------|--|
| No. of Board meeting attended during the year | 5 | 5 | 4 | 4 |
| Directorships held in other companies (excluding foreign companies) | J R D M K J Diamonds Private Limited | <ul style="list-style-type: none">Asha Dispersions Private LimitedAsha Cellulose (India) Private LimitedVaikunth Builders Pvt. Ltd.Shaileen Construction Pvt. Ltd.Housing Organization Management and execution Pvt. Ltd. | NIL | NIL |
| Memberships / Chairmanships of Committees of the Company | <ul style="list-style-type: none">Chairman of Corporate Social Responsibility Committee andMember of Stakeholder Relationship Committee | <ul style="list-style-type: none">Chairman of Audit Committee andMember of Nomination and Remuneration Committee | NIL | <ul style="list-style-type: none">Chairman of Nomination and Remuneration Committee andMember of Stakeholder Relationship Committee |
| Memberships / Chairmanships of Committees of the other Company | NIL | NIL | NIL | NIL |
| Number of shares held in the Company | 241,009 | NIL | NIL | NIL |



Director's Report

To,
The Members,
ZODIAC-JRD-MKJ LIMITED

The Directors have pleasure in presenting the 34th Annual Report on the business and operation of the company to get her with the Audited Financial Statements for the year ended 31st March, 2021.

1. FINANCIAL RESULTS

The Company's financial performance for the year under review along with previously figures is given hereunder:

(Rupees in Lacs)

| | Year Ended 31.03.2021 | Year Ended 31.03.2020 |
|---|--------------------------|--------------------------|
| Total Income | 898.25 | 1313.19 |
| Net Profit before Depreciation and Interest | 26.88 | 74.37 |
| Less : Depreciation | 2.31 | 3.43 |
| Less: Interest | 0.00 | 0.00 |
| Profit before Tax | 24.57 | 70.94 |
| Tax Expense: | | |
| Deferred Tax | (27.74) | 7.22 |
| Earlier year Tax Adjustment | (1.00) | 0.00 |
| Current Tax | 4.29 | 10.16 |
| Mat Credit Entitlement | 14.54 | 4.16 |
| Profit after Tax (A) | 34.48 | 49.40 |
| Other Comprehensive Income (Net of Tax) (B) | 1.17 | 0.10 |
| Total Comprehensive Income for the year (A+B)=C | 35.64 | 49.50 |
| Balance Profit brought forward (D) | 6166.09 | 6116.59 |
| Proposed dividend (E) | 0.00 | 0.00 |
| Tax on Distributed Profit (F) | 0.00 | 0.00 |
| Balance carried forward Balance sheet (C+D+E+F) | 6201.73 | 6166.09 |

2. STANDALONE FINANCIAL STATEMENT

The Standalone Financial Statements for the financial year 2020-2021 of the Company are prepared in accordance with relevant Indian Accounting Standards issued by the Institute of Chartered Accountants of India and form part of this Annual Report.

3. Performance Review:

The Company's turnover for the year FY 2020-21 had been Rs. 866.95 Lacs as per compared to last year figure of Rs.1254.22 Lacs.

The company has made net profit after taxation of Rs. 34.48 Lacs against Rs.49.40 Lacs last year. The Company is expecting better performance in coming years.

4. Dividend

In view to conserve resources, the Board of Directors of your Company does not recommend any dividend on the equity shares of the Company for the year ended 31st March, 2021.

5. Transfer of unclaimed dividend to investor education & Protection Fund

The Company has transferred the unpaid or unclaimed dividend declared up to financial years 2012-13, from time to time, to the Investor Education and Protection Fund (IEPF) established by the Central Government. The unclaimed dividend in respect of the financial year ended on 31st March, 2014 is due for transfer to the IEPF the due date is 26.10.2021. The shareholders whose dividend remained unclaimed for the financial year 2013-14 and for subsequent financial years are requested to claim it immediately from the Company. The Company has uploaded the details of unpaid and unclaimed dividend amounts under "Investor Relations" section on the website of the Company. The said details have also been uploaded on the website of the Ministry of Corporate Affairs and the same can be accessed through the link: www.mca.gov.in and on the website of IEPF viz. www.iepf.gov.in. Attention of the members is drawn to the provisions of Section 124(6) of the Act which require a company to transfer in the name of IEPF Authority all shares in respect of which dividend has not been paid or claimed for 7 (seven) consecutive years or more.

In accordance with the aforesaid provisions of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended, the Company has already initiated necessary action for transfer of all shares in respect of which dividend declared for the financial year 2013-14 or earlier financial years has not been paid or claimed by the members for 7 (seven) consecutive years or more.

6. Deposits

The Company has not accepted any public deposits and as such, no amount of principal or interest on public deposits was outstanding during the year under review. Further, the Company has not accepted any Loan from Directors or their Relatives.

**7. Material changes affecting the financial position of the Company**

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which this financial statements relate on the date of this Report.

8. Review of Business Operations and Future Prospects:

The Revenue from Operation during the year decreased from Rs. 866.95 Lacs to Rs. 1254.22 Lacs indicating a decline by 30.88 % compared to previous year. The Revenue from Other income for the year is Rs. 31.30 Lacs.

The net Profit for the year is Rs. 34.48 Lacs compared to previous year's Rs. 49.40 Lacs.

The coronavirus pandemic has crippled India's economy, like many industries, the Gems & Jewellery Industry too has been hit hard owing to a long list of cancelled or postponed events, shows, exhibitions, and weddings for the next few months. Major jewellery brands had anticipated 2020 to be a doorway to a plethora of business opportunities. The production, supply, and export were aligned to meet the desired goals towards the end of the year.

However, coronavirus was a big factor that turned the smooth operations upside down. As businesses lost their profitability, the managements of key players duly intervened to fireproof the crisis.

Your Company is looking to further strengthen its business to enable it to constantly innovate and adopt to changing consumer trend. In spite of many variations & uncertainty in economy, we hope your company will look forward for a good time ahead in near future.

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

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134 (3) (m) of Companies Act, 2013 read with Companies (Accounts) Rules, 2014 as detailed below

1) Total power and fuel consumption. (Rs.000)

| Particulars | 2020-2021 | 2019-2020 |
|---------------------------------------|-----------|-----------|
| Electricity Purchases Units (Lac KWH) | 0.02 | 0.03 |
| Total amount (Rs. In 000) | 0.32 | 0.42 |
| Rate/KWH (Rs.) | 13.11 | 13.15 |

2) Total energy consumption (Rs. 000)

| Particulars | 2020-2021 | 2019-2020 |
|-----------------------------|-----------|-----------|
| Cut & Polished Diamonds CTS | 430.46 | 1001.89 |
| Gold Jewellery CTS} | 36.180 | 99.554 |
| GMS} | 294.445 | 330.050 |

3) Foreign Exchange Earnings and Outgoings. (Rs. In Lacs):-

| Particulars | 2020-2021 | 2019-2020 |
|-------------------------------|-----------|-----------|
| Total Foreign Exchange Earned | 0.06 | 0 |
| Total Foreign Exchange Outgo | 0 | 0 |

10. Corporate Social Responsibility (CSR):-

The provisions of Section 135 of the Act regarding Corporate Social Responsibility are not applicable to the Company.

11. Loans, Guarantees Or Investments

The Investment made during the year are in compliance with Section 186 of the Companies Act, 2013. The details of Investment are given in Note 3 and 6 of the Financial Statements for the year ended 31st March, 2021.

The Company has not given any Loans and Guarantees under Section 186 of the Companies Act, 2013 by the Company.

12. Contracts or Arrangements made with Related Parties

All related party transactions done by the Company during the financial year were arm's length and in ordinary course of business. All related party transactions were placed in the meetings of Audit Committee and the Board of Directors for their necessary review and approval. During the financial year the Company has not entered into any material transaction with any of its related parties which may have potential conflict with the interest of the Company at large. Disclosures pursuant to Accounting Standards on related party transactions have been made in the notes to the Financial Statements.

13. Depository System

The Company has entered into agreement with the National Securities Depository Limited as well as the Central Depository Services (India) Limited (CDSL) to enable shareholder s to hold shares in a dematerialized form. The Company also offers simultaneous dematerialization of the physical shares.

**14. Directors and Key Managerial Personnel information**

- (a) In accordance with the provisions of the Companies Act, 2013, Mr. Rajnikant A Jhaveri (DIN: 00020351) retires by rotation and is eligible for re-appointment.
- (b) The changes in the Directors and KMP during the year under review are as under:
- Ms. Vishakha Mehta resigned as Company Secretary and Key Managerial Personnel of the Company w.e.f. December 07, 2020.
 - Mr. Tejas Shah appointed as a Company Secretary and Key Managerial Personnel of the Company w.e.f. April 01, 2021.
- (c) Mr. Uday Shah (DIN: 07679833) was appointed as an Independent Non-Executive Director of the Company at to hold office as an Independent Non-Executive Director of the Company for a period up to five (5) consecutive years i.e. from 30th January, 2017 till 29th January, 2022. Mr. Uday Shah fulfills the conditions for re-appointment of Independent Director as specified in the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and is independent of the management. The Board recommends to re-appoint Mr. Uday Shah as an Independent Non-Executive Director of the Company for a second term of further period of five consecutive years i.e. from 30th January, 2022 upto 29th January, 2027.
- (d) Mr. Jindat Mehta (DIN: 00020303) was appointed as an Independent Non-Executive Director of the Company at to hold office as an Independent Non-Executive Director of the Company for a period up to five (5) consecutive years i.e. from 16th June, 2017 till 15th June, 2022. Mr. Jindat Mehta fulfills the conditions for re-appointment of Independent Director as specified in the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and is independent of the management. The Board recommends to re-appoint Mr. Jindat Mehta as an Independent Non-Executive Director of the Company for a second term of further period of five consecutive years i.e. from 16th June, 2022 to 15th June, 2027.
- (e) Mr. Hasmukh Thakker (DIN 03351903) was appointed as an Independent Non-Executive Director of the Company at to hold office as an Independent Non-Executive Director of the Company for a period up to five (5) consecutive years i.e. from 16th June, 2017 till 15th June, 2022. Mr. Hasmukh Thakker fulfills the conditions for re-appointment of Independent

Director as specified in the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and is independent of the management. The Board recommends to re-appoint Mr. Hasmukh Thakker as an Independent Non-Executive Director of the Company for a second term of further period of five consecutive years i.e. from 16th June, 2022 to 15th June, 2027.

- (f) None of the Directors is disqualified from being appointed as or holding office as Director, as stipulated under Section 164 of the Act.

15. Declaration of Independent Directors

The Company has received declaration from all the Independent Directors of the Company confirming that they have met the criteria of independence as prescribed both under Section 149(6) of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

16. Disclosure under Section 164(2) of the Companies Act, 2013

The Company has received the disclosure in Form DIR-8 from its Directors being appointed or reappointed and has noted that none of the Directors are disqualified under Section 164(2) of the Companies Act, 2013 read with Rule 14(1) of Companies (Appointment and Qualification of Directors) Rules, 2014.

17. Number of Board Meetings

The Company had 5(five) Board Meetings during the financial year under review. The Board Meetings were held in compliance with the Companies Act, 2013. The details of the same are provided in the Corporate Governance Report.

18. Board Evaluation

In compliance with the requirements of Section 134(3) of the Companies Act, 2013, the performance of the Board was carried out during the year under review. The Board was evaluated for its performance based on the following factors:

- ❖ Attendance of Board Meetings and Committees;
- ❖ Contribution made to the Board discussions and future planning;
- ❖ Level of commitment to the stakeholders' interest;
- ❖ Initiatives towards the growth of the business and profitability;
- ❖ Providing outlook, viewpoints and feedback taking the Company ahead beyond expectations.

The evaluation involves Self-Evaluation by the Board Member and thereafter in the following manner:



- Individual Directors– The performance of the individual Directors’ is evaluated by the Nomination and Remuneration Committee.
- Board and Committees – The Board evaluated its own performance and also of the Committees taking into consideration the above mentioned factors. A member of the Board does not participate in the discussion of his / her evaluation.

19. Directors Responsibility Statement

In accordance with the provisions of Section 134 (5) of the Companies Act 2013, your directors confirm that:

- (a) in the preparation of the annual accounts for the financial year ended 31st March, 2021, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) that such accounting policies have been selected and applied 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 31st March, 2021 and profit of the Company for the year under review;
- (c) that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities
- (d) that the annual financial statements have been prepared on a going concern basis;
- (e) that proper internal financial controls were in place and that the internal financial controls were adequate and were operating effectively.
- (f) that proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively

20. Company’s policy relating to Directors Appointment, Payment of Remuneration and Discharge of their duties

The Board has framed a Policy relating to appointment of Directors, payment of Managerial remuneration, Directors’ qualifications, positive attributes, independence of Directors and other related matters as provided under Section 178 (3) of the Companies Act, 2013 based on the recommendation of Nomination and Remuneration Committee. The details of this Policy is explained in the Corporate Governance Report.

21. Statutory Auditors

Pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, as may be applicable and pursuant to the recommendations of the Audit Committee, M/s. Chokshi & Chokshi LLP, Chartered Accountants (Firm Registration No. 101872W/W100045), have been appointed as Statutory Auditors of the Company, to hold office from the conclusion of Thirtieth Annual General Meeting (AGM) until the conclusion of the Thirty Fifth Annual General Meeting (AGM).

MCA vide its notification dated 7 May 2018, has brought into effect certain provisions of the Companies (Amendment) Act, 2017, thereby amending provisions of the Companies Act, 2013, including section 139 of the Act, the mandatory requirement for ratification of appointment of Auditors by the Members at every AGM has been omitted and hence your Company has not proposed ratification of appointment of M/s. Chokshi & Chokshi LLP, Chartered Accountants, at the forthcoming AGM.

There are no Fraud reported by Auditors u/s 143(12) of the Companies Act 2013 for the year ended 31st March, 2021

There is qualification made by Auditors in their Audit the Statutory Report for the year ended 31st March, 2021 and reply of Management is as under:

| Sr. No | Independent Auditor's Qualification | Management's Reply |
|--------|--|--|
| | In absence of vendor confirmation of Rs. 49,32,661/- which are outstanding for more than 3 years. Due to non-availability of balance confirmation, we are unable to quantify the impact, if any arising from the same. | The Trade payables of the Company includes a vendor having outstanding for more than 3 year amount of Rs. 49,32,661/- as at March 31, 2021. The vendor is under Corporate insolvency Resolution Process from January 2018. The management of the company is making all efforts to quantify the amount payable to the vendor. The matter is pending before various statutory investigating authorities. However, the company has not received any claim. Hence, in the opinion of management no impact has been given in the financial statements in absence of the confirmation of the vendor. |



22. Secretarial Auditor & Secretarial Audit Report

In accordance with the provisions of Section 204 of the Companies Act, 2013 read with Rule 9 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has got the Secretarial Audit conducted from the Practicing Company Secretary.

A Secretarial Audit Report issued by Ms. I. JAVERI, Practicing Company Secretary, in Form MR – 3, in respect of the secretarial audit of the Company for the financial year ended 31st March 2021, is provided in **Annexure – I**.

23. Annual Secretarial Compliance Report

The Company has undertaken an audit for the financial year 2020-21 for all applicable compliances as per Securities and Exchange Board of India Regulations and Circulars/Guidelines issued thereunder. The Annual Secretarial Compliance Report has been submitted to the stock exchanges within 60 days of the end of the financial year.

24. Explanation or Comments on Qualifications, Reservations or Adverse Remarks or Disclaimers made by the Practicing Company Secretary in their Reports

The Secretarial Auditor has not made any qualification / observation / adverse remark in her report.

25. Cost Auditors

The Company is not required to maintain cost records as per the Companies (Cost Records and Audit) Amendments Rules, 2014 for the Financial Year 2020-21.

26. Subsidiaries, Joint ventures and associate Companies

The Company does not have any Subsidiary, Joint venture or Associate Company

27. Listing

The Company's Equity Capital is listed on the Bombay Stock Exchange and National Stock Exchange of India Ltd. The Company confirms that it has paid annual listing fees due to these stock exchanges for the year 2021-22 and has been diligent in observing all the compliances as stipulated in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

28. Insurance

The Company's plant & machinery, buildings, stocks & assets are adequately insured.

29. Internal Control System & Internal Auditor

Your Company continuously invests in strengthening its internal control processes and has appointed M/s. Pravin K. Chheda & Co., Chartered Accountants, as the Internal Auditors of the Company. The Company has put in place an adequate system of internal control commensurate with its size and nature of business. These systems provide a reasonable assurance in respect of providing financial and operational information, complying with applicable statutes, safeguarding of assets of the Company and ensuring compliance with corporate policies. Procedures to ensure conformance with the policies, standards and delegations of authority have been put in place covering all activities. Audit Committee periodically reviews the performance of internal audit system.

The Company has a rigorous business planning system to set targets and parameters for operations which are reviewed with actual performance to ensure timely initiation of corrective action, if required. The Audit Committee reviews adherence to internal control systems and internal audit reports. Further, the Board annually reviews the effectiveness of the Company's internal control system.

30. Corporate Governance

A separate report on Corporate Governance along with the Auditor's Certificate on its compliance is attached as **Annexure – II** to this Report.

31. Management Discussions & Analysis

Pursuant to Regulation 34 read with Schedule V of the Listing Regulations, a brief note on Management Discussions and Analysis of the results for the year under review is given in **Annexure III** which forms part of the Directors' Report

32. Disclosure of Composition of Audit Committee and providing Vigil Mechanism

The Company has constituted an Audit Committee as required under Section 177 of the Companies Act, 2013 and has also established Vigil Mechanism for their employees and Directors to report their genuine concerns or grievances. The details of the same are explained in the Corporate Governance Report. The Board has accepted all the recommendations of the Audit Committee

33. Shares

(a) **Buy Back of Securities:-** The Company has not bought back any of its securities during the year

(b) **Sweat Equity:-** The Company has not issued any Sweat Equity Shares during the year under review.



- (c) **Bonus Shares:-** No Bonus Shares were issued during the year under review.
- (d) **Employees Stock Option Plan:-** The Company has not provided any ESOP Scheme to the employees.

34. Annual Return

The Annual Return of the Company as on March 31, 2021 is available on the Company's website and can be accessed at http://zodiacjrmdkjlttd.com/wp-content/uploads/2021/08/Annual-Return-Form_MGT-7-2021.pdf

35. Disclosures pursuant to the particulars of Employees and Related Disclosures

The particulars of employees required to be furnished pursuant to Section 197(12) of the Act read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is annexed herewith as **Annexure IV** to this Report.

During the year under consideration, none of the employees of the Company were in receipt of remuneration in excess of limits prescribed section 197(12) of the Companies Act, 2013, read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016 hence particulars as required under section 197(12) of the Companies Act, 2013, read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016 are not given.

36. Information under the Sexual Harassment of Women at Workplace

The Company has constituted an internal complaint committee under Section 4 of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. During the year there was no complaint filed before the said Committee.

37. Risk Management & Internal Financial Controls:

The Company has in place a mechanism to inform Board Members about the Risk Assessment and Minimization procedures which are periodically reviewed to ensure that risk is controlled by the

Executive Management. The Company has also formulated Risk Management Policy to review and control risk.

Details in respect of adequacy of internal financial controls with reference to the Financial Statements are given in the Management Discussion and Analysis, which forms part of this Report.

38. Whistle-Blower Policy/Vigil Mechanism

The Company has adopted the Whistle-Blower Policy for Prevention, Detection and Investigation of Frauds and Protection of Whistle-blowers. The same has been posted on the Company's website – <http://www.zodiacjrmdkjlttd.com/investorrelations1.aspx>. The Whistle-Blower Policy broadly covers a detailed process for reporting, handling and investigation of fraudulent activities and providing necessary protection to the employees who report such fraudulent activities/unethical behavior.

39. Acknowledgements

Your Directors wish to thank Shareholders, Suppliers, Customers, Banks and Employees for their co-operation and support. Your Directors also wish to place on record the support of the financial Institutions.

40. Appreciations

The Directors would also like to place on record their sincere appreciation for the continued co-operation, guidance, support and assistance extended during the year under report by our bankers, customers, suppliers and Government agencies. The Board of Directors wishes to express its appreciation for the valuable contribution made by the employees at all levels during the year under report.

**For and on behalf of the Board of Directors
ZODIAC-JRD-MKJ LIMITED**

**Date : 10.08.2021
Place: Mumbai**

**Mr. Jayantilal Jhaveri
Chairman**



Annexure I

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED
31ST MARCH, 2021

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.: 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Zodiac-Jrd-Mkj Limited

I have conducted the Secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Zodiac-Jrd-Mkj Limited (hereinafter referred to as "the Company"). Secretarial Audit was conducted in a manner that provides me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's statutory registers, minute books, forms and returns filed with the Registrar of Companies ('the ROC'), soft copy of the various records sent over mail as provided by the Company and other relevant records maintained by the Company and also the information provided by the Company, its officers 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 31st March, 2021 ("audit period"), has prima facie complied with the statutory provisions listed hereunder:

I have examined the statutory registers, minute books, forms and returns filed with the ROC and other relevant records maintained by the Company for the financial year ended on 31st March, 2021 according to the provisions of:

- (i) The Companies Act, 2013 ('the Act') and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings - Not Applicable during the audit period;
- (v) The following Regulations and Guidelines prescribed under 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;
- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

Though the following laws are prescribed in the format of Secretarial Audit Report by the Government, the same were not applicable to the Company for the financial year ended 31st March, 2021:-

- (a) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- (b) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
- (c) The Securities and Exchange Board of India (Issue and listing of Debt securities) Regulations, 2008;
- (d) 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;
- (e) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
- (f) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;
- (vi) I rely on the Certificate of compliance of various labour laws issued by Mr. Mangaldas Pathak, the Labour Law Consultant.
- (vii) I have also examined compliance with the applicable clauses of the following and I am of the opinion that the Company has prima facie complied with applicable provisions:

- (a) Secretarial Standards 1 and 2 issued by the Institute of Company Secretaries of India.
- (b) The Listing Agreements entered into by the Company with the Stock Exchanges read with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the audit period, I am of the opinion that the Company has prima facie complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. as mentioned;

I further report that:

1. I have not examined the financial statements, financial Books and related financial Act like Income Tax, Sales Tax, Value Added Tax, Goods and Service Tax Act,



- ESIC, Provident Fund & Professional Tax, Related Party Transactions etc. For these matters, I rely on the report of statutory auditor's and their observations, if any and notes on accounts in Financial Statement for the year ended 31st March, 2021.
2. The Board of Directors of the Company is constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The Changes in the Composition of the Board of Directors that took place during the period under review were prima facie carried out in compliance with the provisions of the Act.
 3. As per the information provided, the Company has prima facie given adequate notice to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance.
 4. I was informed and I observed from the minutes of the Board and Committee Meetings that all the decisions at the Meetings were prima facie carried out unanimously.
 5. There are prima facie 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.
 6. The management is responsible for compliances of all business laws. This responsibility includes maintenance of statutory registers/records required by the concerned authorities and internal control of the concerned department.
 7. During the audit period, the Company has filed the Forms required to be filed except one Form.
 8. During the audit period, the Company has made investments and prima facie records were maintained properly by the Company.
 9. As per the Audited Financial Statements and Auditors Report thereon, the Company has entered into transactions with the related parties but same does not fall under Section 188 of the Companies Act, 2013.
 10. During the audit period, as per the information provided by the Company, prima facie there were no instances of transaction by the designated persons in the securities of the Company during the closure of window.
 11. During the audit period, there were no instances of:
 - i. Public/ Rights/debentures/ sweat equity, etc,
 - ii. Issue of equity shares under Employee Stock Option Scheme;
- iii. Redemption / Buy-back of securities;
 - iv. Major decisions taken by the Members in pursuance to Section 180 of the Companies Act, 2013 which would have major bearing on the Company's affairs;
 - v. Merger / amalgamation / reconstruction etc.;
 - vi. Foreign Technical Collaborations.

I further report that:

1. Maintenance of Secretarial record 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. 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 the Secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. Wherever required, I have obtained the Management representation about the compliance of Laws, Rules and Regulations and happening of events etc.
4. I have not verified the correctness and appropriateness of financial records and Books of Accounts of Company.
5. The compliance of the provisions of Corporate and other applicable Laws, Rules, Regulations, Standards is the responsibility of the Management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor the efficacy or effectiveness with which the Management has conducted the affairs of the company.
7. I have conducted online verification and examination of records, as facilitated by the Company due to Covid-19 and subsequent lockdown situation for the purpose of issuing this Report.

Ms. I. Javeri

ACS No.: 2209

COP No.:7245

UDIN: A002209C000747998

Date : 10th August, 2021

Place : Mumbai



CORPORATE GOVERNANCE REPORT

THE COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Company considers fair and transparent corporate governance as one of its core management tenets. Corporate Governance may be defined as a set of systems, policies, processes and principles which ensures that a company is governed in the best interest of all the stakeholders. It is the system by which companies are directed, administered, controlled and managed. Good governance is about promoting corporate fairness, transparency and accountability.

We strongly believe in the practice of conducting our business activities in a fair, direct and completely transparent manner that will not only benefit the Company but more importantly will ensure the highest level of accountability and trust for all our stakeholders such as shareholders, our employees and our partners. The timely disclosures, transparent accounting policies and a strong and independent Board go a long way in maintaining good corporate governance, preserving shareholders' trust and maximizing long-term corporate value.

We, at Zodiac, continuously strive at improving and adhering to the good governance practice. The Company has adopted best practices mandated in SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, as amended (hereinafter referred to as the "SEBI Listing Regulations").

A report on compliance with the principles of Corporate Governance as prescribed by SEBI in Chapter IV read with Schedule V of the SEBI Listing Regulations is given below:

BOARD OF DIRECTORS

1) Composition and Category of Directors:

The Company has a balanced Board with combination of Executive and Non-Executive Directors to ensure independent functioning. As at 31st March 2021, the Board of Directors of the Company consists of Ten (10) Directors, out of which Five (5) are Non-Executive Independent Directors including an Independent Woman Director; Three (3) are Non-Executive Directors and Two (2) are Executive Directors, comprising of experts from various fields/professions. The Chairman of the Board, Mr. Jayantilal Jhaveri, is a Non-Executive Director. The present composition of the Board of Directors of the Company is in accordance with the SEBI Listing Regulations and the Companies Act, 2013 (the "Act") read with applicable Rules made thereunder.

The details of the Board of Directors of the Company are given below:

| Name of Director | Directors Identification No. (DIN) | Category | Designation |
|---------------------------|---|--------------------------------------|---------------------|
| Mr. Jayantilal A. Jhaveri | 00020250 | Promoter & Non-Executive Director | Chairman |
| Mr. Jayesh J. Jhaveri | 00020277 | Promoter & Executive Director | Managing Director |
| Mr. Devang R. Jhaveri | 00020235 | Promoter & Executive Director | Whole-Time Director |
| Mr. Rajnikant A. Jhaveri | 00020351 | Promoter & Non-Executive Director | Director |
| Mrs. Neeta J. Jhaveri | 01131017 | Promoter & Non-Executive Director | Director |
| Mr. Mohit Kiran Thakur | 08487825 | Non-Executive & Independent Director | Director |
| Mr. Jindat Kalidas Mehta | 00020303 | Non-Executive & Independent Director | Director |
| Mr. Hasmukh B. Thakkar | 03351903 | Non-Executive & Independent Director | Director |
| Mr. Uday Shah | 07679833 | Non-Executive & Independent Director | Director |
| Mrs. Sheela Kadechkar | 06862410 | Non-Executive & Independent Director | Director |

There are no Institutional Nominee Directors on the Board. The Company has in place the Succession Policy for appointments at the Board and Senior Management level.

Independent Directors

The Independent Directors of the Company are Non-Executive Directors as defined under Section 149(6) of the Act read with Regulation 16(1)(b) of the SEBI Listing Regulations. Independent Directors of the Company provide appropriate annual certifications to the Board confirming satisfaction of the conditions of their being independent as laid down in Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations. In the opinion of the



Board the Independent Directors fulfil the conditions specified in Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations. They possess rich and varied experience with skills in critical areas like governance, finance, entrepreneurship, general management etc. As required by Regulation 46 of the SEBI Listing Regulations, the terms and conditions of appointment of Independent Directors are listed down in the draft letter of appointment, available on the Company's website at www.zodiacjrdmkjld.com. Each Independent Director has been issued formal letter of appointment.

Independent Directors Meeting

During the year under review, a separate meeting of the Independent Directors was held on 27th January, 2021; without the attendance of Non-Independent Directors and Management Personnel. Various matters were discussed by the Independent Directors at the said meeting, including, inter alia, matters as prescribed in the Schedule IV of the Act and SEBI Listing Regulations, viz. review of the performance of Non-Independent Directors and the Board as whole, review of the performance of the Chairman, assessed the quality, quantity and timeliness of flow of information between the Company's management and the Board, that is necessary for the Board to effectively and reasonably perform their duties.

2) Attendance of Directors and Number of other Directorship:

Details of Membership and Attendance of each Director at the Meeting of Board of Directors held during the financial year under review and the last Annual General Meeting and the number of other Directorships and Chairmanship/Membership of Board Committees as on 31st March, 2021 are as follows:

| Name of the Director | Directors Identification No. (DIN) | Attendance | | Position on the Board of other companies as on 31st March 2021 | | |
|---------------------------|------------------------------------|---------------|-----------------------------|--|-------------------------|---------------------------|
| | | Board Meeting | Last Annual General Meeting | Directorship* | Committee Membership ** | Committee Chairmanship ** |
| Mr. Jayantilal A. Jhaveri | 00020250 | 5 | Yes | 0 | 0 | 0 |
| Mr. Jayesh J. Jhaveri | 00020277 | 5 | Yes | 0 | 0 | 0 |
| Mr. Devang R. Jhaveri | 00020235 | 5 | Yes | 0 | 0 | 0 |
| Mr. Rajnikant A. Jhaveri | 00020351 | 5 | Yes | 0 | 0 | 0 |
| Mrs. Neeta J. Jhaveri | 01131017 | 5 | Yes | 0 | 0 | 0 |
| Mr. Mohit Kiran Thakur | 08487825 | 5 | Yes | 0 | 0 | 0 |
| Mr. Jindat Kalidas Mehta | 00020303 | 5 | Yes | 0 | 0 | 0 |
| Mr. Hasmukh B. Thakkar | 03351903 | 4 | Yes | 0 | 0 | 0 |
| Mr. Uday Shah | 07679833 | 4 | Yes | 0 | 0 | 0 |
| Mrs. Sheela Kadechkar | 06862410 | 5 | Yes | 2 | 0 | 0 |

Note:

* Only Public limited companies, (both listed and unlisted) are included in other directorships. Directorships in all other companies including private limited companies (which are not the subsidiary of Public Company), foreign companies and companies under Section 8 of the Act are excluded.

** Chairmanship/Membership of the Audit Committee and the Stakeholders' Relationship Committee are considered for the purpose of committee positions in all public companies, whether listed or not as per SEBI Listing Regulations and it also includes the committees in which a Director holds position as a Chairman.

3) Number of Directorship(s)/ Chairmanship(s)/ Membership(s):

None of the Director of the Company holds directorships in more than Ten (10) public companies. Further, none of them is a member of more than Ten (10) committees or chairman of more than Five (5) committees across all the public companies in which he/she is a director.



Further, none of the Independent Director of the Company is acting as an Independent Director in more than Seven (7) listed companies or acting as whole-time director in more than Three (3) listed companies.

Necessary disclosures regarding directorships and committee positions in other public companies as on 31 March 2021 have been made by all the Directors of the Company.

4) Number of Board Meetings:

The Board met Five (5) times during the financial year 2020-21 i.e. on 29th June, 2020; 25th August, 2020; 11th November, 2020; 18th December, 2020 and 27th January, 2021. The maximum time gap between Two (2) meetings of the Board did not exceed One Hundred and Twenty (120) days or any extended date as may be permitted by SEBI due to COVID-19. The necessary quorum was present for all the meetings.

The Board meets at regular intervals to discuss and decide on business policy of the Company and strategy apart from other Board business. The Board/Committee Meetings are pre-scheduled and tentative dates of the Board and Committee Meetings are informed well in advance to facilitate Directors to plan their schedule. The agenda is circulated well in advance to the Board Members, along with comprehensive background information on the agenda items to enable the Board to take an informed decision.

5) Details of Other Directorships:

Details of the directorships of the Company's Directors in other listed companies as on 31st March 2021 were as under:

| Name of Directors | Name of the Listed Company | Category of Directorship |
|-----------------------|------------------------------------|--------------------------------------|
| Mrs. Sheela Kadechkar | Mishka Finance and Trading Limited | Non-Executive - Independent Director |
| | SSPN Finance Limited | Non-Executive - Independent Director |

None of the Directors except above are directors in listed entities

6) Disclosure of Relationship between directors:

- Mr. Jayantilal Jhaveri Chairman, Non-Executive Director and Mr. Rajnikant Jhaveri, Non-Executive Director of the Company are brothers,
- Mr. Jayesh Jhaveri, Managing Director of the Company is son of Mr. Jayantilal Jhaveri, Chairman, Non-Executive Director,
- Mr. Devang Jhaveri, Whole Time Director is son of Mr. Rajnikant Jhaveri, Non-Executive Director and
- Mrs. Neeta Jhaveri, Non-Executive Director is wife of Mr. Jayesh Jhaveri, Managing Director of the Company.

Other than the aforesaid, there are no inter-se relationships amongst the Directors.

7) Details of Equity Shares held by Directors:

The numbers of shares held by the Directors in the Company as on 31st March, 2021 were as under:

| Sr. No | Name of the Directors | Executive/Non-Executive Director | No. of Shares |
|--------|---------------------------------|----------------------------------|---------------|
| 1 | Mr. Jayesh Jayantilal Jhaveri | Executive Director | 10,23,107 |
| 2 | Mr. Devang Rajnikant Jhaveri | Executive Director | 3,46,550 |
| 3 | Mr. Rajnikant Amratlal Jhaveri | Non-Executive Director | 2,41,009 |
| 4 | Mr. Jayantilal Amratlal Jhaveri | Non-Executive Director | 86,173 |
| 5 | Mrs. Neeta Jayesh Jhaveri | Non-Executive Director | 1,064 |

Except above, none of the Directors holds any equity shares in the Company.

**8) Familiarisation Programme for Independent Directors:**

Familiarisation Programme for Independent Directors is designed with an aim to make the Independent Directors aware about their roles, responsibilities and liabilities as per the Act, SEBI Listing Regulations and other applicable laws and to get better understanding about the Company, nature of industry in which it operates and environment in which it functions, business model, long term/short term/strategic plans etc. As a part of familiarization programme, the Company makes presentations to the Board Members, inter alia, covering business environment, business strategies, operations review, quarterly and annual results, review of Internal Audit Report and action taken, statutory compliance, risk management, operations of subsidiaries, etc.

The details of familiarization programmes are uploaded on website of the Company at <http://zodiacjrdmkjld.com/wp-content/uploads/2021/08/familiarisation-programme-for-independent-directors-2021.pdf>

9) Skills/Expertise/Competence Identified by the Board of Directors:

The Board comprises of the qualified members who bring in the required skills, competence and expertise to enable them through effectively contribute in deliberations at Board and Committee Meetings. The following is the list of core skills / competencies identified by the Board of Directors as required in the context of the Company's business.

| Sr. No | Nature of skill, competence and experience | Name of Directors |
|---------------|---|--|
| 1 | Industry experience/knowledge | Mr. Jayantilal A. Jhaveri, Mr. Jayesh J. Jhaveri, Mr. Devang R. Jhaveri, Mr. Rajnikant A. Jhaveri, Mr. Mohit Kiran Thakur & Mr. Jindat Kalidas Mehta |
| 2 | Experience and expertise in strategic thinking and planning | Mr. Jayesh J. Jhaveri, Mr. Devang R. Jhaveri, Mr. Rajnikant A. Jhaveri, Mrs. Neeta J. Jhaveri, Mr. Mohit Kiran Thakur, Mr. Jindat Kalidas Mehta, Mr. Hasmukh B. Thakkar, Mr. Uday Shah & Mrs. Sheela Kadechkar |
| 3 | Finance and accounting knowledge and experience | Mr. Jayantilal A. Jhaveri, Mr. Jayesh J. Jhaveri, Mr. Devang R. Jhaveri, Mrs. Neeta J. Jhaveri, Mr. Mohit Kiran Thakur, Mr. Jindat Kalidas Mehta, Mr. Uday Shah & Mrs. Sheela Kadechkar |
| 4 | Legal and Regulatory experience and knowledge | Mr. Jayantilal A. Jhaveri, Mr. Jayesh J. Jhaveri, Mr. Devang R. Jhaveri, Mr. Mohit Kiran Thakur, Mr. Jindat Kalidas Mehta & Mrs. Sheela Kadechkar |

Note: - Each Director may possess varied combinations of skills/ expertise within the described set of parameters and it is not necessary that all Directors possess all skills/ expertise listed therein.

COMMITTEES OF THE BOARD

The Board of Directors, at its various meetings, has constituted / re-constituted various committees to discuss upon the delegated work as per their respective charters. The Board supervises the execution of its responsibilities by the Committees and is responsible for their action. Minutes of all the Committee Meetings are placed before the Board for noting.

Following Committee(s) are constituted for better and focused attention on various affairs of the Company:

- Audit Committee
- Nomination and Remuneration Committee
- Stakeholders Relationship Committee

AUDIT COMMITTEE

An Audit Committee, duly constituted by the Board of Directors has a well-defined composition of members, terms of reference, powers, role and responsibilities in accordance with Section 177 of the Act and applicable Rules thereto and in accordance with Regulation 18 of SEBI Listing Regulations.



As on 31st March 2021, the Audit Committee comprised of Three (3) Members all of whom are Non-Executive Independent Directors, all of whom are financially literate and possesses accounting and related financial management expertise. The Chairman of the Audit Committee is a Non- Executive Independent Director and he had attended last year's Annual General Meeting.

The brief terms of reference of Audit Committee are as under:

- (i) 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;
- (ii) examination of the financial statement and the auditors' report thereon;
- (iii) reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Act;
 - changes, if any, in accounting policies and practices and reasons for the same;
 - major accounting entries involving estimates based on the exercise of judgment by management;
 - significant adjustments made in the financial statements arising out of audit findings;
 - compliance with listing and other legal requirements relating to financial statements;
 - disclosure of any related party transactions;
 - modified opinion(s) in the draft audit report;
- (iv) reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- (v) recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
- (vi) approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- (vii) reviewing and monitoring, 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 utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
- (viii) Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments.
- (ix) reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- (x) approval or any subsequent modification of transactions of the Company with related parties;
- (xi) scrutiny of inter-corporate loans and investments;
- (xii) valuation of undertakings or assets of the Company, wherever it is necessary;
- (xiii) evaluation of internal financial controls and risk management systems;
- (xiv) reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- (xv) reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- (xvi) discussion with internal auditors of any significant findings and follow up there on;



- (xvii) reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- (xviii) discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- (xix) to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- (xx) to review the functioning of the whistle blower mechanism;
- (xxi) approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
- (xxii) Carrying out any other function as is mentioned in the terms of reference of the Committee.
- (xxiii) The Committee shall mandatorily review the following information:
 - management discussion and analysis of financial condition and results of operations;
 - statement of significant related party transactions (as defined by the Committee), submitted by management;
 - management letters / letters of internal control weaknesses issued by the statutory auditors;
 - internal audit reports relating to internal control weaknesses; and
 - the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
 - statement of deviations:
 - a. quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
 - b. annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).

Meeting Details:

During the year under review, Audit Committee met Four (4) times in a year viz. on 29th June, 2020; 25th August, 2020; 11th November, 2020 and 27th January, 2021. The maximum time gap between Two (2) meetings of the Committee did not exceed One Hundred and Twenty (120) days or any extended date as may be permitted by SEBI due to COVID-19. The necessary quorum was present for all the Meetings.

Composition of the Audit Committee and the attendance of each Member at the said Committee Meetings are set out in following table:

| Name of Committee Member | Directors Identification No. (DIN) | Designation in the Committee | Category | Number of Meetings attended |
|---------------------------------|---|-------------------------------------|------------------------------------|------------------------------------|
| Mr. Jindat K. Mehta | 00020303 | Chairman | Non-Executive Independent Director | 4 |
| Mr. Mohit K. Thakur | 08487825 | Member | Non-Executive Independent Director | 4 |
| Mrs. Sheela Kadechkar | 06862410 | Member | Non-Executive Independent Director | 4 |

NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee is constituted in accordance with Section 178 of the Act and applicable Rules thereto and in accordance with Regulation 19 of SEBI Listing Regulations. As on 31st March, 2021, the Nomination and Remuneration Committee comprised of Three (3) Members, all of whom are Non-Executive Independent Directors. The Chairman of the Nomination and Remuneration Committee is a Non-Executive Independent Director and he was present at last year's Annual General Meeting to address the queries of the shareholders.



The brief terms of reference of Nomination and Remuneration Committee are as under:

- (i) Formulation of the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board of Directors a policy, relating to, the remuneration of the Directors, Key Managerial Personnel and other employees;
- (ii) While formulating the policy in point (i) above, the Committee shall ensure that:
 - a) The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully;
 - b) Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
 - c) Remuneration to Directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals;
- (iii) Ensure that the policy mentioned in point (i) and (ii) above, are disclosed in the Board's Report.
- (iv) Formulation of criteria for evaluation of Independent Directors and the Board;
- (v) Shall carry out evaluation of every Director's performance.
- (vi) Devising a policy on Board diversity;
- (vii) Identifying persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board their appointment and removal. The Company shall disclose the remuneration policy and the evaluation criteria in its Annual Report.
- (viii) Whether to extend or continue the terms of appointment of the independent director, on the basis of the report of performance evaluation of the independent directors.
- (ix) To monitor and ensure the implementation of Sexual Harassment Policy.
- (x) Recommend to the board, all remuneration, in whatever form, payable to senior management.

Meeting Details:

During the year under review, Nomination and Remuneration Committee met Two (2) times in a year viz. on 25th August, 2020 and 18th December, 2020. The necessary quorum was present at all the meetings.

Composition of the Nomination and Remuneration Committee and the attendance of each member at the said Committee Meetings are set out in following table:

| Name of Committee Member | Directors Identification No. (DIN) | Designation in the Committee | Category | Number of Meetings attended |
|---------------------------------|---|-------------------------------------|------------------------------------|------------------------------------|
| Mr. Hasmukh Thakkar | 03351903 | Chairman | Non-Executive Independent Director | 2 |
| Mr. Jindat K. Mehta | 00020303 | Member | Non-Executive Independent Director | 2 |
| Mrs. Sheela Kadechkar | 06862410 | Member | Non-Executive Independent Director | 2 |

Performance evaluation criteria:

The Nomination and Remuneration Committee has laid down the criteria for evaluation of performance of (a) Independent Directors (b) Board of Directors pursuant to Regulation 19 read with Part D of Schedule II of the SEBI (LODR) Regulations, 2015. The evaluation of the performance of individual directors (including Independent Directors and Non-Independent Directors) was carried out in a manner as detailed in the Director's Report

REMUNERATION OF DIRECTORS

Non – Executive Directors Compensation and Disclosures:

The Non-Executive Independent Directors are paid compensation in the following manner:



- Criteria for making payments to Non-executive Directors is disseminated on the website of the Company at below link <http://zodiacjrdmkjtd.com/Download/Remuneration%20policy%20to%20non%20executive%20directors/Remuneration%20policy%20to%20non%20executive%20directors/Remuneration%20policy%20to%20non%20executive%20directors.pdf>
- Sitting Fees of Rs. 500/- for attending each Board and Committee Meeting.
- None of the Non-Executive Independent Directors have any pecuniary relationship with the Company.
- None of the Non-Executive Independent Directors holds any equity shares of the Company.
- None of the Non-Executive Independent Directors hold any convertible instruments in the Company.
- Payment of reimbursement of expenses incurred by Non-Executive Independent Directors for participation in the Board and other meetings of the Company.

Details of remuneration paid to all the Directors for the financial year 2020-2021 are as follows:

| Name of the Director | Salary | Allowances, Perquisites and other benefit | Sitting Fees | Total |
|---------------------------|--------|---|--------------|--------|
| Mr. Jayantilal A. Jhaveri | 0 | 0 | 2500 | 2500 |
| Mr. Jayesh J. Jhaveri | 600000 | 19487 | 0 | 619487 |
| Mr. Devang R. Jhaveri | 480000 | 55627 | 0 | 535627 |
| Mr. Rajnikant A. Jhaveri | 0 | 0 | 2500 | 2500 |
| Mrs. Neeta J. Jhaveri | 0 | 0 | 2500 | 2500 |
| Mr. Mohit Kiran Thakur | 0 | 0 | 4500 | 4500 |
| Mr. Jindat Kalidas Mehta | 0 | 0 | 5000 | 5000 |
| Mr. Hasmukh B. Thakkar | 0 | 0 | 2500 | 2500 |
| Mr. Uday Shah | 0 | 0 | 2000 | 2000 |
| Mrs. Sheela Kadechkar | 0 | 0 | 5000 | 5000 |

STAKEHOLDERS RELATIONSHIP COMMITTEE

The Stakeholders Relationship Committee is constituted in accordance with Section 178 of the Act and applicable Rules thereto and in accordance with Regulation 20 of SEBI Listing Regulations. As on 31st March 2021, the Stakeholders Relationship Committee comprised of Five (5) Members, majority of whom are Non-Executive Directors. The Chairman of the Stakeholders Relationship Committee is a Non- Executive Director and he was present at last year's Annual General Meeting to address the queries of the shareholders.

Meeting Details:

During the year under review, Stakeholders Relationship Committee met Three (3) times in a year viz. on 29th June, 2020; 25th August, 2020 and 11th November, 2020. The necessary quorum was present at all the Meetings.

| Name of Committee Member | Directors Identification No. (DIN) | Designation in the Committee | Category | Number of Meetings attended |
|---------------------------|------------------------------------|------------------------------|------------------------------------|-----------------------------|
| Mr. Jayantilal A. Jhaveri | 00020250 | Chairman | Non-Executive Director | 3 |
| Mr. Jayesh J. Jhaveri | 00020277 | Member | Executive Director | 3 |
| Mr. Devang R. Jhaveri | 00020235 | Member | Executive Director | 3 |
| Mr. Rajnikant Jhaveri | 00020351 | Member | Non-Executive Director | 3 |
| Mr. Hasmukh Thakkar | 03351903 | Member | Non-Executive Independent Director | 2 |



The functions and powers of the Stakeholders Relationship Committee includes resolving of investor's complaints pertaining to share transfers, non-receipt of annual reports, dividend payments, issue of duplicate share certificates, transmission of shares and other shareholder related queries, complaints, maintaining investor relations etc.

The main objective of Stakeholders Relationship Committee is to ensure effective implementation and monitoring of framework devised to avoid insider trading and abusive self-dealing, ensure effective implementation of whistle blower mechanism offered to all the stakeholders to report any concerns about illegal or unethical practices, consider and resolve the grievances of security holders of the Company, approval of transfer, transmission of shares, and other securities of the Company, issue of duplicate certificates on split, carrying out any other function contained in the SEBI Listing Regulations, as and when amended from time to time.

Status of Investor Grievances during the year 2020-2021:

| Description of Investors Grievances received during the year | No. of Grievances |
|---|-------------------|
| Investor Complaints pending at the beginning of the year | 0 |
| Investor Complaints received during the year | 0 |
| Investor Complaints disposed off during the year | 0 |
| Investor Complaints remaining unresolved at the end of the year | 0 |

All queries and complaints have been redressed to the satisfaction of the members and none of them were pending as on 31st March, 2021.

Compliance Officer of the Company:-

- Ms. Vishakha Mehta, Company Secretary upto 7th December, 2020
- Mr. Jayesh Jhaveri, Managing Director from 8th December, 2020 to 1st April, 2021
- Mr. Tejas Shah, Company Secretary from 1st April, 2021

Share Transfer System:

As mandated by SEBI, effective 1st April, 2019 except in case of transmission or transposition of securities, requests for effecting transfer of securities shall not be processed unless the securities are held in dematerialised mode with a depository. Accordingly, the Members of the Company were requested to open a demat account and submit physical securities to their Depository Participants.

INVESTORS INFORMATION

General Body Meeting

Details of location, date and time of last three Annual General Meetings and special resolution passed thereat:

| Financial Year | Date and Time | Venue | Special Resolution Passed |
|----------------|-----------------------------|---|--|
| 2017-18 | 18.09.2018 at 10:00 a.m. | Garware Club House, 2nd Floor, Banquet Hall No.4, "D" Road Churchgate, Mumbai – 400 020 | 1) Continuing appointment of Mr. Jayantilal. A. Jhaveri (DIN: 00020250) as a Director Chairman of the company after attaining age of 75 years. 2) Continuing appointment of Mr. Rajnikant. A. Jhaveri (DIN: 00020351) as a director of the company after attaining age of 75 years. 3) Addendum To The Annual Report 2016 – 2017 |
| 2018-19 | 20.09.2019 at 11:00 a.m. | Orient Club, 9, Chowpatty Sea Face, Mumbai 400007 | 1) Continuing appointment of Mr. Jayantilal. A. Jhaveri (DIN: 00020250) as a Director Chairman of the company after attaining age of 75 years. 2) Continuing appointment of Mr. Rajnikant. A. Jhaveri (DIN: 00020351) as a director of the company after attaining age of 75 years. |



| Financial Year | Date and Time | Venue | Special Resolution Passed |
|----------------|-------------------------|--|--|
| | | | 3) Re appointment of Mr. Jayesh Jayantilal Jhaveri (DIN: 00020277) as a Managing Director of the company. 4) Re appointment of Mr. Devang Rajnikant Jhaveri (DIN:00020235) as a Whole Time Director of the company 5) Sale Of Undertaking Under Section 180 (1) (A) Of The Companies Act, 2013 |
| 2019-20 | 25.09.2020 at 2:00 p.m. | Through Video Conferencing /Other Audio Visual Mode pursuant to the Ministry of Corporate Affairs ("MCA") Circular dated May 05, 2020 and as such there was no requirement to have a venue for the AGM | 1) Continuing Appointment of Mr. Jayantilal A. Jhaveri (DIN: 00020250) as a Director Chairman of the company after attaining age of 75 year 2) Continuing Appointment of Mr. Rajnikant A. Jhaveri (DIN: 00020351) as a Director Chairman of the company after attaining age of 75 year |

No Extra Ordinary General Meeting of the Shareholders of the Company was held during the financial year 2020-2021.

RESOLUTIONS PASSED BY WAY OF CONDUCTING THE POSTAL BALLOT:

During the year under review, no ordinary/special resolutions were passed through Postal Ballot pursuant to the provisions of Section 110 of the Companies Act, 2013 read with the Rule 22 of the Companies (Management and Administration) Rules, 2014.

No ordinary/special resolution is proposed to be conducted through postal ballot as on the date of this report.

MEANS OF COMMUNICATION

The Company has always promptly reported to both the stock exchanges where the securities of the Company are listed, all the material information including declaration of quarterly, half yearly and annual financial results in the prescribed formats and through press releases.

Financial results are published in "Business Standard" and "Mumbai Lakshdeep" as per the requirements of the SEBI Listing Regulations. The said results are also made available on Company's website at www.zodiacjrdmkjtd.com.

Presentation to Institutional Investors / Analysts

No presentations have been made to institutional investors / analysts during the year.

GENERAL SHAREHOLDERS INFORMATION:

| Annual General Meeting | |
|--|--|
| Day, Date and Time | Wednesday, 29th September, 2021 at 3.00 p.m. |
| Venue | Through Video Conferencing ("VC")/Other Audio Visual Means ("OAVM") |
| Financial year | 1 April to 31 March |
| Book Closure Dates | From Thursday, 23rd September, 2021 to Wednesday, 29th September, 2021 (both days inclusive) |
| Listing of equity shares at Stock Exchanges | BSE Limited Pheeroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai-400 001. Tel No:- +91-22-22721233/1234 Fax No:- +91-22-22721919 |



| | |
|--|--|
| | National Stock Exchange of India Limited Exchange Plaza, 5th Floor, Plot No- C Block, G Block, Bandra Kurla Complex, Mumbai-400 051. Tel No:- +91-22-26598100-8114 Fax No:- +91-22-26598120 |
| Stock Codes | BSE – 512587 NSE – ZODJRDMKJ |
| ISIN No | INE077B01018 |
| Corporate Identification Number (CIN) | L65910MH1987PLC042107 |

The Annual Listing Fees for the financial year 2021-2022 to BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) has been paid by the Company within prescribed time.

The Annual Custodian Fees for the financial year 2021-2022 to National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) has been paid by the Company within prescribed time.

MARKET PRICE DATA

The equity shares of the Company are listed on the BSE Limited and the National Stock Exchange of India Limited. The monthly high and low share prices on both the exchanges for a period starting from April 2020 to March 2021 are as below:

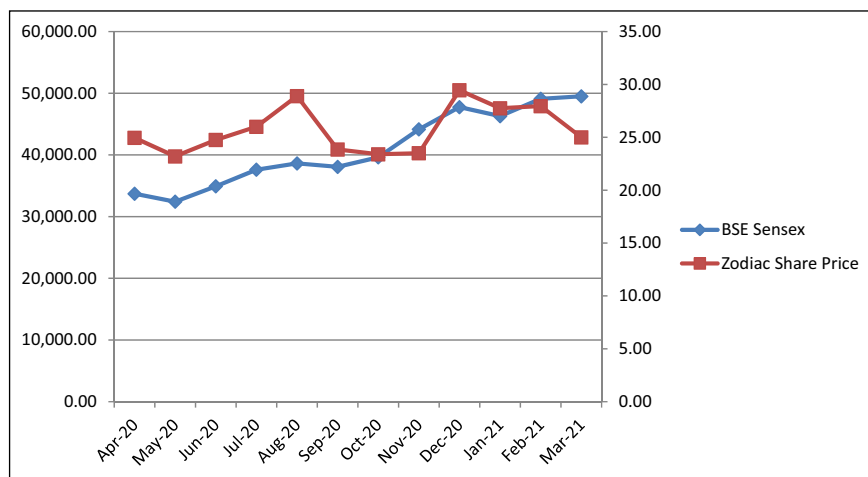
| Month | BSE Limited (BSE) | | National Stock Exchange of India Limited (NSE) | |
|----------------|-------------------|-----------------|--|-----------------|
| | High Price (Rs.) | Low Price (Rs.) | High Price (Rs.) | Low Price (Rs.) |
| April 2020 | 27.60 | 18.75 | 28.45 | 16.80 |
| May 2020 | 27.20 | 19.75 | 27.95 | 20.85 |
| June 2020 | 27.95 | 21.80 | 29.00 | 22.05 |
| July 2020 | 42.00 | 22.50 | 39.50 | 22.25 |
| August 2020 | 29.80 | 25.70 | 30.15 | 24.00 |
| September 2020 | 27.50 | 23.85 | 28.20 | 23.80 |
| October 2020 | 26.70 | 22.85 | 25.70 | 22.75 |
| November 2020 | 25.50 | 22.25 | 24.60 | 22.15 |
| December 2020 | 32.10 | 22.70 | 35.00 | 23.25 |
| January 2021 | 31.60 | 26.70 | 32.05 | 26.00 |
| February 2021 | 29.55 | 26.10 | 29.50 | 24.65 |
| March 2021 | 29.55 | 24.70 | 31.50 | 24.25 |

[Source: This information is compiled from the data available from the websites of BSE and NSE]



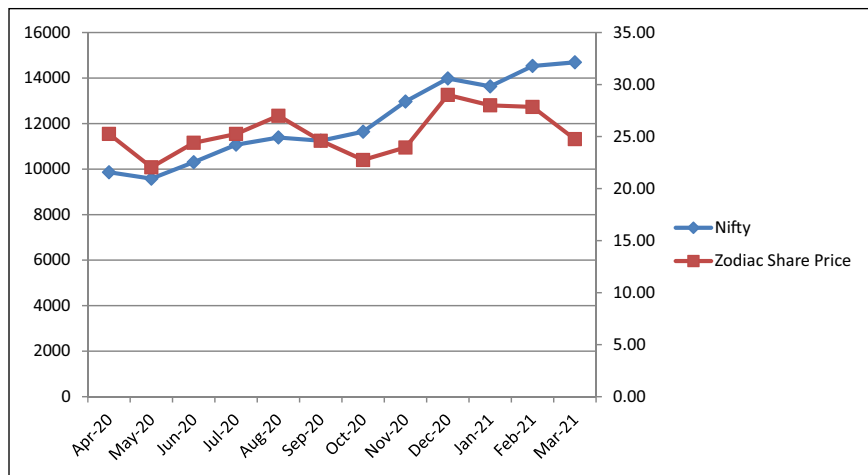
PERFORMANCE IN COMPARISON TO BROAD BASED INDICES

The performance of the Company's shares relative to the BSE Sensitive Index (SENSEX) is given in the chart below:



Source: BSE website

The performance of the Company's shares relative to the NSE Sensitive Index (Nifty Index) is given in the chart below:



Source: NSE website

REGISTRAR AND SHARE TRANSFER AGENTS

Link Intime India Private Limited
C 101, 247 Park, LBS Marg, Vikhroli West,
Mumbai 400 083, Maharashtra (India).
Tel: +91 (22) 49186270
Fax: +91 (22) 49186060
Email: mnt.helpdesk@linkintime.co.in
Web: www.linkintime.co.in

**DISTRIBUTION OF SHAREHOLDING AS ON 31st March, 2021**

| Shares Holding of Shares | No. of Shareholders | % to Total |
|--------------------------|---------------------|---------------|
| 1-5000 | 3,409 | 92.79 |
| 5001-10000 | 140 | 3.81 |
| 10001-20000 | 56 | 1.52 |
| 20001-30000 | 19 | 0.52 |
| 30001-40000 | 7 | 0.19 |
| 40001-50000 | 5 | 0.14 |
| 50001-100000 | 10 | 0.27 |
| 100001 and above | 28 | 0.76 |
| Total | 3,674 | 100.00 |

SHAREHOLDING PATTERN AS ON 31ST MARCH, 2021:

| Category | No. of Shares | % of Shares |
|------------------------------|------------------|---------------|
| Promoters & Promoters Group | 23,71,648 | 45.81 |
| Indian Public | 11,16,453 | 21.57 |
| Others | 72,444 | 1.40 |
| NRIs/OCBs/ Foreign Nationals | 15,15,435 | 29.27 |
| Private Corporate Bodies | 1,01,202 | 1.95 |
| Total | 51,77,182 | 100.00 |

DEMATERIALISATION OF SHARES AND LIQUIDITY AS ON 31STMARCH, 2021

The securities of the Company are compulsory traded in dematerialised form and are available for trading on both the depositories in India viz. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). Equity Shares of the Company representing 98.37% of the Company's Equity Share Capital are in dematerialised form as on 31st March 2021 and the entire promoters holding have been held in the dematerialised as on 31st March 2021.

Break up of Shares in physical and demat form as on 31ST March, 2021 is as follows:

| Category | No. of Shares | % of Shares |
|------------------|------------------|---------------|
| Physical Segment | 84,428 | 1.63 |
| Demat Segment | | |
| • NSDL | 18,72,436 | 36.17 |
| • CDSL | 32,20,318 | 62.20 |
| Total | 51,77,182 | 100.00 |

The Company's Equity Shares are regularly traded on the BSE Limited and the National Stock Exchange of India Limited, in dematerialised form.

Under the Depository system, the International Security Identification Number (ISIN) allotted to the Company's shares is INE077B01018



OUTSTANDING ADRS/GDRS AND OTHER INSTRUMENTS

Your Company has not issued any GDRs/ADRs/Warrants or any convertible instruments in the past and hence as on 31st March, 2021 there were no outstanding GDRs/ADRs/Warrants or any convertible instruments.

COMMODITY PRICE RISK OR FOREIGN EXCHANGE RISK AND HEDGING ACTIVITIES

The Company does not deal in Commodity and Foreign Exchange and hence the disclosure is not applicable.

ADDRESS FOR GENERAL CORRESPONDENCE

Zodiac-JRD-MKJ Limited
910, Parekh Market, 39 J.S.S. Road,
Opera House, Mumbai – 400004, Maharashtra (India).
Tel: +91-22-23869731
Email: info@zodiacjrmdkjtd.com
Web: www.zodiacjrmdkjtd.com

PLANT LOCATION

Vardhaman Industrial Premises Co-Op. Society Ltd.
Gala No. 204, S.V. Road, Dahisar (E), Mumbai – 400 068

CREDIT RATINGS

The Company does not carry any debt and is not required to obtain a credit rating.

OTHER DISCLOSURES:

- During the year, there were no transactions of materially significant nature with the Promoters or Directors or the Management or the subsidiaries or relatives etc. that had potential conflict with the interests of the Company at large. A statement of summary of related party transactions is duly disclosed in the Notes to Accounts.
- No penalties have been imposed on the Company by the Stock Exchanges, SEBI or any other statutory authorities on any matter related to capital markets during the last three years.
- The Whistle Blower Mechanism (Vigil Mechanism) in the Company enables all the directors, employees and its stakeholders, to report concerns about unethical behaviour, report for leakage of unpublished price sensitive information, actual or suspected fraud or violation of the Company's code of conduct or ethics policy. This mechanism has provided adequate safeguards against victimization of directors/employees of the Company who avail the mechanism and also provide for direct access to the Chairman of the Audit Committee. No personnel are denied access to this mechanism.

The Vigil Mechanism and Whistle Blower Policy has been posted on the website of the Company at below link:

<http://zodiacjrmdkjtd.com/Download/whistle%20blower%20policy/whistle%20blower%20policy/WHISTLE%20BLOWER%20%20POLICY.pdf>

- The Company does not have any subsidiary. The Policy for determining Material Subsidiary has been posted on the website of the Company at <http://zodiacjrmdkjtd.com/wp-content/uploads/2021/04/material-subsidiaries-policy.pdf>
- A policy on materiality of Related Parties and dealings with Related Party Transactions has been formulated by the Board of Directors and has also been uploaded on the website of the Company at below weblink:

<http://zodiacjrmdkjtd.com/Download/related%20party%20transaction%20policy/related%20party%20transaction%20policy/RELATED%20PARTY%20TRANSACTION%20POLICY.pdf>

The objective of the Policy is to ensure due and timely identification, approval, disclosure reporting and transparency of transactions between Company and any of its Related Parties in compliance with the applicable laws and regulations, as may be amended from time to time.

- No treatment different from the Indian Accounting Standards (Ind AS), prescribed by the Institute of Chartered



Accountants of India, has been followed in the preparation of financial statements.

- During the year, the Company did not make any public issue, right issue, preferential issue, etc. and hence it did not receive any proceeds from any such issues.
- Certificate from a Company Secretary in Practice on confirming directors are not debarred or disqualified by SEBI/MCA or any statutory authority is annexed to this Report.
- The total fees for all services paid by the Company to the statutory auditor are Rs. 1,50,000/-.
- During the year, there were no complaints filed, disposed or pending relating to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

GREEN INITIATIVE

As a responsible corporate citizen, the Company welcomes and supports the 'Green Initiative' undertaken by the Ministry of Corporate Affairs, Government of India, enabling electronic delivery of documents including the Annual Report, quarterly and half-yearly results, amongst others, to Shareholders at their e-mail address previously registered with the DPs and RTAs.

Shareholders who have not registered their e-mail addresses so far are requested to do the same. Those holding shares in demat form can register their e-mail address with their concerned DPs. Shareholders who hold shares in physical form are requested to register their e-mail addresses with the RTA, by sending a letter, duly signed by the first/sole holder quoting details of Folio Number.

CEO / CFO CERTIFICATION

Mr. Jayesh Jhaveri, Managing Director and Mr. Mitesh Temgire, Chief Financial Officer of the Company has provided certification on financial reporting and internal controls to the Board as required under Regulation 17(8) of the SEBI Listing Regulations, copy of which is attached to this Report. The Managing Director and the Chief Financial Officer also give quarterly certification on financial results while placing the financial results before the Board in terms of Regulation 33(2) of the SEBI Listing Regulations.

The Company has complied with all the mandatory requirements of Corporate Governance Report as stated under SEBI Listing Regulations.

COMPLIANCE OF DISCRETIONARY REQUIREMENTS

The Company has adopted the following discretionary requirements stated under Part E of Schedule II of Regulation 27(1) of SEBI Listing Regulations: -

A. The Board

The Chairman i.e. Mr. Jayantilal A. Jhaveri is a Non-Executive Director.

B. Separate posts of chairperson and chief executive officer

The Company has appointed two separate persons for the post of Chairperson of the Company and Managing Director. Mr. Jayantilal A. Jhaveri act as the Chairperson of the Board whereas Mr. Jayesh Jhaveri is the Managing Director of the Company.

C. Reporting of Internal Auditor

The internal control systems of the Company are routinely tested and verified by Internal Audit Department and significant audit observations and follow-up actions are reported to the Audit Committee.

COMPLIANCE WITH CORPORATE GOVERNANCE MANDATORY REQUIREMENTS

The Company has complied with the all the required requirements specified under Regulation 17 to Regulation 27 and Clauses (b) to (i) of sub-regulation (2) of Regulation 46 of SEBI Listing Regulations and the disclosure of the compliance status forms part of this Report. There are no non-compliance of any requirements of Corporate Governance.



CODE OF CONDUCT

The Board has laid down a Code of Business Conduct and Ethics for all the Directors, Key Managerial Personnel and Senior Managerial Personnel of the Company in accordance with the requirement under Regulation 17(5) of SEBI Listing Regulations. The Code has also been posted on the website of the Company at www.zodiacjrdmkjltd.com. All the Board Members, Key Managerial Personnel and Senior Management Personnel have affirmed their compliance with the said Code for the Financial Year ending 31st March, 2021.

A declaration to this effect signed by the Managing Director of the Company is provided below in this Report.

In accordance with Schedule IV of the Act, a separate Code of Conduct for the Independent Directors has been adopted by the Company. The said Code states, inter alia, the duties, roles and responsibilities of Independent Directors and it has also been posted on the website of the Company at www.zodiacjrdmkjltd.com.

All Independent Directors have confirmed to the Company that they have adhered to and complied with the said Code for the Financial Year end 31st March, 2021.

DECLARATION AFFIRMING COMPLIANCE OF CODE OF CONDUCT

To the best of my knowledge and belief, I hereby affirm that all the Board Members and Senior Management Personnel of the Company have fully complied with the provisions of the code of conduct as laid down by the Company for Directors and Senior Management Personnel during the financial year ended on 31st March, 2021.

For ZODIAC-JRD-MKJ LIMITED

Jayantilal A. Jhaveri
Chairman
DIN: 00020250

Date: 10.08.2021
Place: Mumbai



CEO/CFO CERTIFICATE

To
The Audit Committee / Board of Directors
Zodiac JRD MKJ Limited
Mumbai

We hereby certify that in the preparation of the accounts for the year ended 31st March, 2021

- (a) We have reviewed Financial Statements and the Cash Flow Statement for the year 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 statements 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 Indian Accounting Standards (IndAS), applicable laws and regulations.
- (b) To the best of our knowledge and belief, there are no transactions entered into by the Company during the year, which are fraudulent, illegal or in violation of the Company's Code of Conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, and further state that there were no deficiencies in the design or operation of such internal controls.
- (d) We have indicated to the auditors and the Audit Committee.
- (i) That there are no significant changes in internal controls over financial reporting during the year.
 - (ii) That there are no significant changes in accounting policies during the year.
 - (iii) There have been no instances of significant fraud of which we have become aware and the involvement therein, if any of the management or an employee having a significant role in the company's internal control system over financial reporting.

Date: 28.06.2021
Place: Mumbai

Jayesh Jhaveri
Managing Director
DIN: 00020277

Mitesh Temgire
Chief Financial Officer

**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members of
ZODIAC-JRD-MKJ LIMITED
910, Parekh Market, 39-J.S.S. Road,
Opp. Kennedy Bridge, Opera House,
Mumbai – 400004

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of the Zodiac-Jrd-Mkj Limited having CIN: L65910MH1987PLC042107 and having registered office at 910, Parekh Market, 39-J.S.S. Road, Opp. Kennedy Bridge, Opera House, Mumbai – 400004 (hereinafter referred to as “the Company”), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C sub-clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the financial year ending on 31st March, 2021 have been disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India and Ministry of Corporate Affairs:

| Sr. No. | Name of Director | DIN | Date of Appointment at current Designation | Original Date of Appointment |
|---------|-----------------------------|----------|--|------------------------------|
| 1 | Devang Rajnikant Jhaveri | 00020235 | 03/04/1992 | 03/04/1992 |
| 2 | Jayantilal Amratlal Jhaveri | 00020250 | 03/04/1992 | 03/04/1992 |
| 3 | Jayesh Jayantilal Jhaveri | 00020277 | 03/04/1992 | 03/04/1992 |
| 4 | Jindat Kalidas Mehta | 00020303 | 21/09/2017 | 24/03/2005 |
| 5 | Rajnikant Amratlal Jhaveri | 00020351 | 03/04/1992 | 03/04/1992 |
| 6 | Neeta Jayesh Jhaveri | 01131017 | 28/09/2011 | 28/01/2011 |
| 7 | Hasmukh Bachubhai Thakker | 03351903 | 21/09/2017 | 28/01/2011 |
| 8 | Sheela Somnath Kadechkar | 06862410 | 20/09/2019 | 06/08/2019 |
| 9 | Uday Subhashchandra Shah | 07679833 | 30/01/2017 | 30/01/2017 |
| 10 | Mohit Kiran Thakur | 08487825 | 20/09/2019 | 06/08/2019 |

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion on these based on my verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Virendra G. Bhatt
Practicing Company Secretary
ACS No.: 1157 / COP No.: 124
UDIN: A001157C000186562

Date: 27th April, 2021
Place: Mumbai

Note:

I have conducted online verification and examination of records, as facilitated by the Company due to Covid-19 and subsequent lockdown situation for the purpose of issuing this Report.



CERTIFICATE OF CORPORATE GOVERNANCE

To,
The Members of **Zodiac-Jrd-Mkj Limited**

I have examined the compliance of Corporate Governance by the **Zodiac-Jrd-Mkj Limited** ('the Company') for the year ended 31st March, 2021, as stipulated in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations') as referred to in Regulation 15(2) of the SEBI Listing Regulations for the year ended 31st March, 2021.

The compliance of conditions of Corporate Governance is the responsibility of the Company's Management. My examination has been limited to a review of the procedures and implementations thereof, adopted by the Company for ensuring the Compliance with the conditions of Corporate Governance as stipulated in the said Regulations. It is neither an audit nor an expression of Corporate Governance as stipulated in the above-mentioned SEBI Listing Regulations, as applicable.

In my opinion and to the best of my information and according to the explanation given to me and based on the representations made by the Management, I am of the opinion that the Company has prima facie complied with the conditions of Corporate Governance as stipulated in the above-mentioned SEBI Listing Regulations, as applicable.

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

Virendra G. Bhatt
Practicing Company Secretary
ACS No.: 1157 / COP No.: 124
Peer Review Cert. No.: 491/2016

Date : 11th August, 2021
Place: Mumbai

UDIN: A001157C000769452

Note:

I have conducted online verification and examination of records, as facilitated by the Company due to Covid-19 and subsequent lockdown situation for the purpose of issuing this Report.



MANAGEMENT DISCUSSION AND ANALYSIS

(a) Industry structure and developments

The gems and jewellery sector plays a significant role in the Indian economy, contributing around 7 per cent to country's GDP and 15 per cent to India's total merchandise export.

The corona virus pandemic has crippled India's economy. Like many industries, the Gems and Jewellery industry too has been hit hard owing to a long list of cancelled or postponed events, shows, exhibitions, and weddings for the next few months. Major jewellery brands had anticipated 2020 to be a doorway to a plethora of business opportunities. The production, supply, and export were aligned to meet the desired goals towards the end of the year.

However, corona virus was a big factor that turned the smooth operations upside down. As businesses lost their profitability, the managements of key players duly intervened to firefight the crisis.

(b) Threats, Opportunities, Risks and concerns

The threat arising from activities of competitors especially online market platform. The sector is home to more than 300,000 gems and jewellery players.

The Company is trying to achieve better performance in coming years, but factors like availability of raw material and its prices, changes in Government regulation, economic development within and outside India could affect the performance of the Company.

The Company is taking proactive steps in implementing management principles well adapted to the demands of the changing environment. The company has the policy of assessing the risk and manages the business. The company is operating on a well-defined plan and strategy and hence is well equipped to face any change in regulatory risk. The Company has sufficient working capital to maintain its liquidity position. Management monitors rolling forecasts of Company's liquidity position and cash and cash equivalent on the basis of expected cash flows.

India's gems and jewellery sector is one of the largest in the world, contributing 29 per cent to the global jewellery consumption. Its market size will grow by US\$103.06 billion during 2019-2023.

(c) Segment-wise or product-wise performance

The Company operates in only one business segment viz. manufacturing, sale and trading of Gold & Diamond jewellery, cut & polished Diamonds, Precious Stones & Semi Precious Stones.

(d) Outlook

It is one of the toughest time for Diamond + Jewellery Trade for the current year. Your Company is no exception and face a challenging time during the year. Because of slow down economy in Europe, U.S.A., Japan & China, customer's sentiments are affected. Your Company is looking to further strengthen its business to enable it to constantly innovate and adopt to changing consumer trend. In spite of many variations & uncertainty in economy, we hope your company will look forward for a good time ahead in near future.

(e) Internal Control Systems and their adequacy

The company has an extensive system of internal controls which ensures optimal utilization and protection of resources, accurate reporting of financial transactions and compliance with applicable laws regulations as also internal policies and procedures. The internal control system is supplemented by extensive internal audits, regular reviews by management and well documented policies and guidelines to ensure reliability of financial and all other records to prepare financial statements and other data.

(f) Financial Performance with respect to Operational Performance

The Total Turnover of the Company is Rs. 8,66,94,719/- in current year and Rs. 12,54,22,193/- in previous year indicating decline by 30.88% due to high competition and sluggish market condition. The Company has incurred a Profit of Rs. 34,48,251/- compared to Rs. 49,40,011/- in the previous year.



(g) Human Resources / Industrial Relations front, including number of people employed

The Company believes that the Human Resources Management of the Company must be developed in terms of the current and emergent strategic orientation of the Company. The mission of Human Resources Management is to support the goal and challenges of the Company and is dedicated to partnering with Company business units to maximize the potential of our greatest assets – our employees. We embrace change and the opportunity it brings. The Company and its employees are focused on delivering quality customer service and are committed to recruiting, developing, rewarding and retaining our workforce.

The total numbers of personnel employed as on 31st March 2021 were 9 (staff plus workers).

(h) Details of significant changes in key financial ratios

In accordance with the amended SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, the Company is required to give details of significant changes (i.e. change of 25% or more as compared to the immediately previous financial year) in key financial ratios, along with detailed explanations thereof:

The Company has identified following ratios as key financial ratios:

| Particulars | FY 2020-21 | FY 2019-20 | % Change | Reason for change of 25% or more as compared to the immediately previous financial year |
|-----------------------------|------------|------------|----------|---|
| Debtors Turnover | 0.80 | 1.26 | -36.44 | Reduction in credit sales and increase in debtors has impacted the debtors turnover |
| Inventory Turnover | 0.15 | 0.20 | -24.22 | N.A. |
| Interest Coverage Ratio | NA | NA | | |
| Current Ratio | 111.05 | 56.41 | 96.87 | Substantial reduction in current liabilities has impacted the current ratio of the Company |
| Debt Equity Ratio | 0.01 | 0.02 | -46.74 | Substantial reduction in liabilities combined with increase in profits has resulted changes in debt equity ratio. |
| Operating Profit Margin (%) | -0.80 | -0.66 | 20.04 | N.A. |
| Net Profit Margin | 0.14 | 0.24 | -40.43 | Reduction in overall revenue has affected the net profit margin |
| Return on Net Worth | 0.02 | 0.05 | -59.47 | Reduction in Net profit after Tax and subsequent increase in Shareholders Fund. |

(i) Accounting Treatment

All Accounting Standards mandatorily required have been followed in preparation of financial statements and no deviation has been made in following the same.

**REMUNERATION DETAILS PURSUANT TO SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5 OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014.**

1. **The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the Financial Year 2020-21:**

| Name of Director | Remuneration (Rs.) | Median Remuneration of Employees | Ratio |
|-------------------------------|--------------------|----------------------------------|-------|
| Mr. Jayesh Jayantilal Jhaveri | 619487 | 113100 | 18.26 |
| Mr. Devang Rajnikant Jhaveri | 535627 | 113100 | 21.12 |

2. **Percentage increase in remuneration of each Director, Chief Financial Officer, Company Secretary in the Financial Year 2020-21:**

| Director | Designation | % increase / (decrease) in remuneration |
|--|-------------------------|---|
| Mr. Jayesh Jayantilal Jhaveri | Managing Director | (7.49) |
| Mr. Devang Rajnikant Jhaveri | Whole-time Director | (0.02) |
| Mr. Mitesh P Temgire | Chief Financial Officer | No changes |
| Mr. Vishakha Mehta (up to 7th Dec, 2021) | Company Secretary | (5.00) |

3. Percentage increase in the median remuneration of employees in the Financial Year 2020-21 is 0%.
4. The number of permanent employees on the rolls of the Company as on 31st March, 2021 is 9.
5. There are no increase in the salary of the employees (other than the managerial personnel) in FY 2020-21 and there is decrease in the salary of managerial personnel by 12.51%.
6. It is hereby affirmed that the remuneration paid during the year is as per the Remuneration Policy of the Company.

For ZODIAC-JRD-MKJ LIMITED

Jayantilal A. Jhaveri
Chairman
DIN: 00020250

Date: 10.08.2021
Place: Mumbai



Independent Auditors' Report

To the Members,

Zodiac JRD MKJ Limited

Report on the Audit of Financial Statements

Qualified Opinion

1. We have audited the accompanying financial statements of Zodiac JRD MKJ Limited ("the Company"), which comprise the Balance Sheet as at 31st March 2021, the statement of Profit and Loss (including Other Comprehensive Income), the statement of Cash flow and the statement for changes in equity for the year ended on that date, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us except for the effects of the matter described in the 'Basis for Qualified Opinion' section of our report the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2021, the profit and the total comprehensive income, change in equity and its cash flows for the year ended on that date.

Basis for Qualified Opinion

2. We draw attention to Note 39 to the financial statements, wherein the Company has not received confirmation from one of the vendor having outstanding balance of Rs. 49,32,661/- for more than 3 years. Due to non-availability of confirmation of balance, we are unable to quantify the impact, if any, arising from the same.
3. We conducted our audit of financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Financial Statements' section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that

the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion on the financial statements.

Emphasis of Matter

We draw attention to:

4. Note 29 of the financial statements as regards to the management's evaluation of COVID-19 impact on the future performance of the Company.
5. Our opinion is not modified in respect of this matter.

Key audit matter

6. Key audit matter are those matter that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matter were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the Key Audit Matter to be communicated in our report.

| Sr. no. | Key Audit Matter | Auditor's Response |
|---------|--|---|
| 1. | Valuation of Inventory – The carrying value of Inventories amounted to Rs. 49,77,42,809/- as at March 31, 2021. The Inventories mainly comprised of Cut & Polished Diamond in the Stock in trade & Finished goods. It also includes some quantity of CVD diamonds which has high risk of fall in value. Valuation of Inventories is at lower of cost and net realizable value. Significant portion of Inventories costs includes old stock of cut & polished which are subject to risk of changes in the market value. The assessment of net realizable value of Inventories is based on estimates and judgements by the management in respect of, among | Our audit procedures over existence and valuation of Inventories included the following: <ul style="list-style-type: none"> • We obtained an understanding, evaluated the design and tested the operating effectiveness of key controls that the Company has in relation to Inventories process, in particular, we: <ol style="list-style-type: none"> a. Observed the periodical count procedures performed by the management. b. In respect of samples tested for physical verification by management we inspected the respective periodical cycle physical count reports for reconciliation of daily ending Inventories to the record in the Inventories system; |



| | | |
|-----------|---|---|
| | <p>others, the economic condition, sales forecast, marketability of products and the quality of gold and diamonds used to make jewellery products. Furthermore, there is higher inherent risk of theft and pilferage given the high intrinsic value and portable nature of individual inventory items. Considering the above, we concluded that existence and valuation of inventories as a key audit matter for our audit.</p> | <p>c. In respect of physical verification by management we read the in-house certificate of authenticity of diamond jewellery products;</p> <ul style="list-style-type: none"> We have observed periodic Inventories counts and performed procedures of the Company as done by the management. We compared the net realizable values on sample basis of gold, silver and platinum Inventories calculated based on the current market price with their carrying value of Inventories. We compared the results of independent gemological appraisal report to the weight and purity of diamond jewellery with records in the Inventories system. We evaluated the independence and objectivity of the gemologist appointed by management. |
| <p>2.</p> | <p>External Confirmations:</p> <p>This matter is considered to be key audit matter given the circumstances of the year-end confirmations under COVID-19 vis-à-vis non-COVID-19 scenario.</p> <p>COVID-19 has impacted the procedure of external confirmation request to vendors and</p> | <ul style="list-style-type: none"> Our audit procedures included, among others, the following: Revised assessed risk and modified our audit procedures to mitigate these risks; Obtained a reliable assurance pertaining to transactions with confirming parties, for accurate and complete process of routine and significant classes of transactions such as sales, purchases, etc.; |

| | | |
|--|--|---|
| | <p>customers at the year-end and therefore, external confirmation request was sent through electronic mode by the Company.</p> <p>In view of this, we have performed alternative audit procedures.</p> | <ul style="list-style-type: none"> Selected samples and tested the effectiveness of controls related to accuracy and completeness of transactions in totality, considering the frequency and regularity of transactions; Obtained representations from the management regarding any impairment in the receivables |
|--|--|---|

Information Other than the Financial Statements and Auditor's Report Thereon

7. The Company's management and Board of Directors are responsible for the preparation of the other information. The other information comprises the information included in the Management Discussions and Analysis, Director's Report including Annexures to Director's Report, Secretarial Audit Report, Corporate Governance Report, Business Committee Report, but does not include the financial statements and our auditor's report thereon.

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

8. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

9. The Company's management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

10. This responsibility also includes maintenance of adequate accounting records in accordance with the



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

11. 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 company's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

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

The description of the auditor's responsibilities for the audit of the financial statements is given in "Appendix I" to this report.

Report on Other Legal and Regulatory Requirements

13. 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" statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
15. As required by section 143(3) of the Act, we report that:
- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

- c) The Balance Sheet, Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity and Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.
- e) On the basis of written representations received from the directors as on 31st March 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2021 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses unmodified opinion on the adequacy and operative effectiveness of the Company's internal financial controls with reference to financial statements.
- g) In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the company to its director during the year is within the limit laid down in section 197 of the Act.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, 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 financial statements. (Refer Note no. 30 to the financial statements)
- ii. The Company did not have any long term contracts including derivative contracts for which there were any materials foreseeable losses.
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For **M/s. CHOKSHI AND CHOKSHI LLP**
Chartered Accountants
FRN: 101872W/W100045

Priyank Ghia
Partner
M. No.155778

UDIN: 21155778AAAAOQ4521

Place: Mumbai
Date: 28th June, 2021



APPENDIX – I: THE FURTHER DESCRIPTION OF THE AUDITOR’S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our qualified opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our qualified opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor’s report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

**ANNEXURE A TO INDEPENDENT AUDITORS' REPORT
IN RESPECT OF THE MATTERS COVERED IN CARO
2016 REPORT, WE CONFIRM THE FOLLOWING:**

1. In respect of its fixed assets:
 - a) The Company has maintained proper records showing full particulars, including quantitative details and situations of all the fixed assets.
 - b) The fixed assets of the Company are physically verified as per the program approved by the management for such verification. As per the information and explanation provided by the management, due to COVID-19 lockdown, the aforesaid verification could not be undertaken by the Company as at the end of the current financial year. The management explanation that considering the past trend and having regard to the size of the Company and nature of its assets and related internal controls, there is unlikely to be any material discrepancy for the current financial year, has been relied upon. Further, the management has informed that post COVID-19 lockdown, an interim physical verification shall be conducted for the next financial year.
 - c) According to the information and explanations given to us, the title deeds of immovable properties are held in the name of the Company.
2. As per the information and explanation provided by the management, due to COVID-19 lockdown, the physical verification of Inventory undertaken by the Company with Independent gemological (except lying with the third party which are confirmed) as on 15th June 2021 for the inventory held at the end of the current financial year, which is reasonable and adequate in relation to the size of the Company and the nature of its business.
3. According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, Limited Liability Partnerships firms or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Accordingly, clause 3(iii)(a) to 3(iii)(c) are not applicable to the Company.
4. According to the information and explanations given to us the company has not given/made any loans, investments, guarantees, and security accordingly provisions of section 185 and 186 of the Companies Act, 2013 are not applicable.
5. The Company has not accepted any public deposits within the meaning of sections 73 to 76 of Companies Act, 2013 and rules framed there under;

6. As the Company is not a manufacturing concern, the clause 3(vi) of the Order regarding maintenance of cost records under sub-section (1) of section 148 of the Companies Act, 2013 is not applicable to the Company.
7. a) In our opinion and according to the information and explanations given to us, the Company is generally regular in depositing applicable undisputed statutory dues, including provident fund, employees' state insurance, income tax, sales tax, goods and service tax, cess and any other statutory dues with the appropriate authorities during the period under audit and no such dues are outstanding for more than six months from the date they became payable.
- b) As at 31st March 2021, according to the records of the Company and the information and explanations given to us, disputed dues payable by the Company on account of Income Tax/Sales Tax/Wealth Tax/Service Tax/Duty of Custom/Duty of Excise are as under: -

| Sr. No | Name of statute | Nature of Dispute | Amount (in Rs.) | Period to which it relates | Forum where the dispute is pending |
|--------|----------------------|-------------------|-----------------|----------------------------|------------------------------------|
| 1 | Income Tax Act, 1961 | Income Tax | 51,17,180 | 2014-15 | CIT-Appeal |

8. In our opinion, and according to the information and explanations given to us, the Company has not borrowed any money from financial institutions, banks or Debenture holders. Accordingly, the provision of clause 3(viii) of the Order is not applicable to the Company.
9. According to the information and explanations given to us, the Company has not raised any fund by way of public offer, further public offer (including debt instruments) and term loans. Accordingly, the provisions of Clause 3(ix) of the order are not applicable to the company.
10. During the course of our examination of the books of accounts, carried out in accordance with the generally accepted auditing standards in India, and according to the information and explanation given to us, we have not come across any instance of fraud by the company or any fraud on the Company by its officers or employees, either noticed or reported during the year, on or by the Company.
11. According to the information and explanations given to us and based on our examination of the records of the Company, the managerial



remuneration has been paid/provided in accordance with the requisite approval mandated by the provision of section 197 of the Act read with Schedule V to the Act.

12. The Company is not in the nature of a Nidhi Company as defined under section 406 of the Act.
13. According to the information and explanations given to us, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in Note 32 of the financial Statements, as required by the applicable accounting standards.
14. The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

15. According to the information and explanations given to us, the company has not entered into any non-cash transactions with directors or persons connected with him and hence clause 3(xv) of the Order is not applicable to the Company.

16. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For M/s. CHOKSHI AND CHOKSHI LLP

Chartered Accountants
FRN 101872W/W100045

Priyank Ghia
Partner

Place : Mumbai

Dated : 28th June, 2021

M. No.155778

UDIN: 21155778AAAAOQ4521



ANNEXURE - B TO INDEPENDENT AUDITORS' REPORT

REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE ACT

1. We have audited the internal financial controls over financial reporting of Zodiac JRD MKJ Limited ("the Company") as of 31st March, 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. The Company's Board of Directors 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 Act.

Auditors' Responsibility

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

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

7. 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.

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.

Opinion

8. In our opinion, to the best of our information and according to the explanation given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting with reference to the financial statements and such internal financial controls over financial reporting with reference to these financial statements were operating effectively as at 31st March, 2021, based on

For M/s. CHOKSHI AND CHOKSHI LLP

Chartered Accountants
FRN 101872W/W100045

Priyank Ghia
Partner

Place : Mumbai

Dated : 28th June, 2021

M. No.155778

UDIN: 21155778AAAAAQ4521



BALANCE SHEET AS AT MARCH 31, 2021

| Particulars | Notes | As at March 31, 2021 | As at March 31, 2020 |
|---|-------|-------------------------|-------------------------|
| ASSETS | | | |
| 1) Non-current assets | | | |
| (a) Property, plant and equipment | 2 | 26,24,910 | 28,50,067 |
| (b) Financial Assets | | | |
| (i) Non- Current Investments | 3 | - | 1,83,05,936 |
| (c) Deferred tax assets (net) | 4 | 11,36,258 | - |
| (d) Other non-current assets | | - | - |
| (d) Income tax Assets (net) | 26 | 27,57,633 | 32,29,797 |
| | | 65,18,802 | 2,43,85,800 |
| (2) Current assets | | | |
| (a) Inventories | 5 | 49,77,43,879 | 49,85,25,893 |
| (b) Financial Assets | | | |
| (i) Investments | 6 | 2,93,67,547 | 3,75,77,713 |
| (ii) Trade receivables | 7 | 10,83,46,477 | 9,96,24,431 |
| (iii) Cash and cash equivalents | 8 | 66,41,707 | 2,07,41,836 |
| (iv) Bank balances other than (iii) above | 9 | 2,92,18,466 | - |
| (v) Other financial assets | 10 | 1,31,220 | 2,33,280 |
| (c) Other current assets | 11 | 12,15,578 | 8,11,047 |
| | | 67,26,64,874 | 65,75,14,200 |
| TOTAL ASSETS | | 67,91,83,676 | 68,19,00,000 |
| EQUITY AND LIABILITIES | | | |
| Equity | | | |
| (a) Equity Share Capital | 12 | 5,17,71,820 | 5,17,71,820 |
| (b) Other Equity | 13 | 62,01,73,391 | 61,66,08,539 |
| Total Equity | | 67,19,45,211 | 66,83,80,359 |
| Liabilities | | | |
| (1) Non-current liabilities | | | |
| (a) Provisions | 14 | 11,81,168 | 15,13,845 |
| (b) Deferred tax liability (net) | 4 | - | 3,49,152 |
| | | 11,81,168 | 18,62,997 |
| (2) Current liabilities | | | |
| (a) Financial Liabilities | | | |
| (i) Trade payables | | | |
| (a) total outstanding dues of micro enterprises and small enterprises~ and | 15 | - | |
| (b) total outstanding dues of creditors other than micro enterprises and small enterprises. | | 51,49,102 | 95,38,041 |
| (ii) Other financial liabilities | 16 | 2,30,411 | 6,31,020 |
| (b) Provisions | 14 | 5,91,213 | 2,89,945 |
| (c) Other current liabilities | 17 | 86,571 | 1,81,568 |
| (d) Current Tax Liabilities (Net) | | - | 10,16,070 |
| | | 60,57,297 | 1,16,56,644 |
| TOTAL EQUITY AND LIABILITIES | | 67,91,83,676 | 68,19,00,000 |

The accompanying notes form an integral part of the Financial Statements

Significant Accounting Policies and Notes to Financial Statements

1-42

As per our report of even date

For Chokshi & Chokshi LLP

Chartered Accountants

FRN : 101872W/W100045

Priyank Ghia

Partner

Membership No. 155778

Place: Mumbai

Date: 28/06/2021

For and on behalf of the Board of Directors

Jayantilal A Jhaveri
Chairman

Jayesh J Jhaveri
Managing Director

Mitesh P Temgire
Chief Financial Officer

Tejas Shah
Company Secretary

Rajnikant A Jhaveri
Director



Statement of Profit and Loss for the year ended March 31, 2021

(In Rs.)

| PARTICULARS | NOTES | FOR THE YEAR ENDED MARCH 31, 2021 | FOR THE YEAR ENDED MARCH 31, 2020 |
|---|-------|-----------------------------------|-----------------------------------|
| I Revenue from operations | 18 | 8,66,94,719 | 12,54,22,193 |
| Other Income | 19 | 31,30,052 | 58,97,924 |
| Total Revenue | | 8,98,24,771 | 13,13,20,117 |
| II Expenses | | | |
| (a) Cost of materials consumed | 20 | 88,42,960 | 2,18,93,013 |
| (b) Purchases of stock-in-trade | 21 | 7,31,86,433 | 12,98,29,632 |
| (c) Changes in inventories of finished goods, stock-in-trade and work-in-progress | 22 | (8,00,091) | (3,56,55,530) |
| (e) Employee benefits expense | 23 | 28,82,070 | 30,30,651 |
| (f) Depreciation and amortization expense | 24 | 2,31,088 | 3,43,068 |
| (g) Other expenses | 25 | 30,25,438 | 47,84,445 |
| Total Expense | | 8,73,67,899 | 12,42,25,279 |
| III Profit before tax | | 24,56,872 | 70,94,838 |
| IV Tax Expense: | 25 | | |
| (i) Current tax | | 4,28,936 | 10,16,070 |
| (ii) Earlier year tax adjustments | | (1,00,218) | - |
| (iii) Deferred tax | | (27,73,734) | 7,22,784 |
| (iv) MAT Credit Entitlement | | 14,53,637 | 4,15,973 |
| Total Tax Expense | | (9,91,379) | 21,54,827 |
| V Profit / (loss) for the year | | 34,48,251 | 49,40,011 |
| VI OTHER COMPREHENSIVE INCOME | | | |
| Other comprehensive income not to be reclassified to profit or loss : | | | |
| (a) Re-measurement (gains) / losses on defined benefit plans | | (1,57,569) | (13,487) |
| (b) Deferred Tax | | 40,968 | 3,507 |
| VII Other comprehensive income for the year, net of tax | | (1,16,601) | (9,980) |
| VIII Total comprehensive income for the year (V + VII) | | 35,64,852 | 49,49,991 |
| XI Earnings per equity share of face value of Rs. 10 each - In Rs. | 27 | | |
| (1) Basic | | 0.67 | 0.95 |
| (2) Diluted | | 0.67 | 0.95 |

The accompanying notes form an integral part of the Financial Statements
Significant Accounting Policies and Notes to Financial Statements 1 - 42

As per our report of even date

For Chokshi & Chokshi LLP
Chartered Accountants
FRN : 101872W/W100045

Priyank Ghia
Partner
Membership No. 155778
Place: Mumbai
Date : 28/06/2021

Mitesh P Temgire
Chief Financial Officer

For and on behalf of the Board of Directors

Jayantilal A Jhaveri
Chairman

Jayesh J Jhaveri
Managing Director

Tejas Shah
Company Secretary

Rajnikant A Jhaveri
Director

**Statement of changes in equity for the year ended March 31, 2021****A Equity Share Capital (also refer note 11) (In Rs.)**

| Particulars | For the year ended March 31, 2021 |
|---------------------------------|--------------------------------------|
| As at March 31, 2019 | 5,17,71,820 |
| Changes in equity share capital | - |
| As at March 31, 2020 | 5,17,71,820 |
| Changes in equity share capital | - |
| As at March 31, 2021 | 5,17,71,820 |

B Other Equity (also refer note 12) (In Rs.)

| Particulars | General Reserve | Share Premium | Retained Earnings | Other Comprehensive Income- FVTOCI | TOTAL |
|--------------------------------------|--------------------|--------------------|---------------------|------------------------------------|---------------------|
| Balance as at 31st March 2019 | 3,92,77,332 | 3,75,00,00 | 53,47,35,145 | 1,46,071 | 61,16,58,548 |
| Addition in Current year | | | 49,40,011 | 9,980 | 49,49,991 |
| Less - Appropriation | | | | | |
| Dividend for FY 2018-19 | - | - | - | - | - |
| Tax on dividend for FY 2018-19 | - | - | - | - | - |
| Balance as at 31st March 2020 | 3,92,77,332 | 3,75,00,000 | 53,96,75,156 | 1,56,051 | 61,66,08,539 |
| Addition in Current year | | | 34,48,251 | 1,16,601 | 35,64,852 |
| Less - Appropriation | | | | | |
| Dividend for FY 2019-20 | - | - | - | - | - |
| Tax on dividend for FY 2019-20 | - | - | - | - | - |
| Balance as at 31st March 2021 | 3,92,77,332 | 3,75,00,000 | 54,31,23,407 | 2,72,652 | 62,01,73,391 |

The accompanying notes form an integral part of the Financial Statements
Significant Accounting Policies and Notes to Financial Statements 1 - 42

As per our report of even date

For Chokshi & Chokshi LLP
Chartered Accountants
FRN : 101872W/W100045

Priyank Ghia
Partner
Membership No. 155778

Mitesh P Temgire
Chief Financial Officer

For and on behalf of the Board of Directors

Jayantilal A Jhaveri
Chairman

Jayesh J Jhaveri
Managing Director

Tejas Shah
Company Secretary

Rajnikant A Jhaveri
Director

Place: Mumbai
Date: 28/06/2021



Notes to Financial Statements for year ended 31st March 2021

Note no.1

Corporate Information

Zodiac JRD MKJ Limited (“the Company”) is a company limited by shares incorporated under the Companies Act, 1956. The Company’s Registered Office is situated at Mumbai. The Company’s shares are listed on the Bombay Stock Exchange (BSE) with the Scrip Code 512587 and on the National Stock Exchange (NSE) with the Scrip Code ZODJRDMKJ.

The Company was incorporated in the year 1987 and is part of the Jhaveri family (JRD Group) which is engaged in the business of manufacturing, sale and trading of gold & diamond jewellery, Cut & Polished Diamonds, Precious Stones & Semi Precious Stones.

Basis of Preparation:

The financial statements of the Company are prepared in accordance with the Indian Accounting Standards (Ind AS) under the historical cost convention on the accrual basis except for Defined Employees benefit Plans, certain financial instruments which are measured at fair values, and the provisions of the Companies Act, 2013 (‘Act’) (to the extent notified). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

1) Significant Accounting Policies:

The Significant Accounting Policies have been predominantly prescribed below in order of the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014.

I) Current versus Non Current Classification

All assets and liabilities have been classified as current or non-current as per the Company’s normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of transaction, the Company has ascertained its operating cycle as 12 months for the purpose of current / non-current classification of assets and liabilities.

II) Revenue Recognition:

a. Sales of Goods

The Company derives revenues primarily from business sale of “Cut and Polished diamonds”, “Gold and Silver jewellery” and “Rough Diamond”.

Effective April 1, 2018, the Company adopted Ind AS 115.

Revenue is recognized upon transfer of control of promised products to customers in an amount that reflects the consideration we expect to receive in exchange for those products.

b. Other Income

Other income is accounted on accrual basis and recognized when no significant uncertainty as to its determination or realization exists.



III) Use of Estimates :

The preparation of the financial statements in conformity with Indian AS requires the Management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities as at the date of the financial statements and the reported amounts of revenues and expenses during the year. The Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Future results could differ from those estimates and the difference between the actual results and the estimates are recognized in the periods in which the results are known/materialize.

Estimates and assumptions are reviewed on a periodic basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

IV) Property, plant and equipment

Recognition & Initial Measurement

1. Tangible

All items of tangible property, plant & equipment are stated at their historical cost (as reduced by tax credit available) less accumulated depreciation. The cost comprises its purchase price, borrowing cost if capitalization criteria are met and directly attributable expenditure incurred in bringing the asset to its working condition for the intended use.

Subsequent Measurement (Depreciation & Useful lives)

Depreciation is provided on the Straight Line method as per the useful life prescribed in Schedule II of the Companies Act 2013.

The assets' residual values, useful lives in method of depreciation are reviewed at each year ended and adjusted prospectively, if appropriate.

Impairment of Assets:

As at each Balance Sheet date, the Company assesses the realizable value of all the assets. If there is any indication of fall in the realizable value over the carrying cost of the assets, impairment in value of the assets is recognized.

V) Valuation of Inventories:

Raw Material: Lower of cost or net realizable value. Cost is determined on Weighted Average Cost basis.

Work in progress: At cost determined on Weighted Average Cost basis upto estimated stage of completion.

Finished goods: Lower of cost or net realizable value. Cost is determined on Weighted Average Cost basis, includes direct material and labour charges and other expenses directly related to manufacturing of goods.

Net realizable value is the estimated selling price in the ordinary course of business less estimated costs necessary to make the sale.

VI) Foreign Currency Transactions:

Functional currency

The functional currency of the company is the Indian rupee. These financial statements are presented in Indian rupees.



- a. Transactions in foreign currency are recorded at the exchange rates prevailing on the date of transaction
- b. Monetary assets and liabilities denominated in foreign currencies at the year-end are translated in the functional currency at the year-end exchange rates.
- c. The exchange difference on conversion are credited or charged to the Statement of Profit and Loss.
- d. Transaction gains or losses realized upon settlement of foreign currency transactions are included in determining net profit for the year in which the transaction is settled. Revenue, expense and cashflow items denominated in foreign currencies are translated into the relevant functional currencies using the exchange rate in effect on the date of the transaction.

VII) Employee benefits:

- a. The Company's contribution to Provident Fund is charged to the Statement of Profit and Loss.
- b. The gratuity liability, which is a defined benefit plan, is provided on the basis of actuarial valuation as at the Balance Sheet date on the projected unit credit method and the same is unfunded.

The Company recognizes the net obligation of a defined benefit plan in its balance sheet as an asset or liability. Gains and losses through re-measurements of the net defined benefit liability/(asset) are recognized in other comprehensive income. The actual return of the portfolio of plan assets, in excess of the yields computed by applying the discount rate used to measure the defined benefit obligation is recognized in Other Comprehensive Income. The effects of any plan amendments are recognized in the Statement of Profit and Loss.

VIII) Earnings Per Share:

The Company reports basic earnings per share in accordance with the IndAS 33 'Earnings per share'. Basic earnings per share, is computed by dividing the net profit or loss before other Comprehensive income for the year attributable to equity shareholders, by the weighted average number of equity shares outstanding during the year. The company does not have any potentially dilutive securities.

IX) Income Taxes :

Provision for Income Tax is made for both current and deferred taxes.

Current tax is provided on the basis of the taxable income in accordance with and at the applicable tax rates and tax laws.

Deferred tax assets and liabilities arising on account of timing differences and which are capable of reversal in subsequent periods are recognized using the tax rates, and tax laws that have been enacted or substantively enacted, subject to prudence. Deferred tax assets on unabsorbed depreciation and carry forward of losses are not recognized unless there is a reasonable certainty that there will be sufficient future taxable income available to realize such assets. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax relating to items recognized outside statement of profit and loss is recognized outside statement of profit and loss (either in OCI or in equity).

MAT Credit has been recognized as per the Guidance note issued by the ICAI.

IX) Expenses:

- a) All expenses are accounted for on accrual basis.



b) Prior period items, if material, are disclosed separately.

X) Provisions, Contingent Liabilities and Contingent Assets:

Provisions are recognized for liabilities that can be measured only by using substantial degree of estimation, if:

- a. The Company has a present obligation as a result of past events.
- b. A probable outflow of resources is expected to settle the obligation.
- c. The amount of the obligation is best estimate required to settle the obligation at the Balance Sheet date.
- d. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimate.

Reimbursement expected in respect of the expenditure required to settle a provision is recognized only when it is virtually certain that reimbursement will be received

Contingent Liability is disclosed in the case of:

- a. A present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation,
- b. A present obligation when no reliable estimate is possible, and
- c. A possible obligation arising from past events where the probability of outflow of resources is not remote.

Contingent Assets are neither recognized, nor disclosed. Provision, Contingent Liabilities and Contingent Assets are reviewed at each Balance Sheet date.

XI) Operating Leases:

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor, are recognized as operating leases. Lease rents under operating leases are recognized as an expense on a straight line basis in the Statement of Profit and Loss over the lease term.

XII) Cash and cash equivalents :

Cash and cash equivalents comprise cash in hand, demand deposits with banks/corporations and short term highly liquid investments (original maturity less than 3 months) that are readily convertible into known amount of cash and are subject to an insignificant risk of change in value.

Cash flows are reported using the indirect method. The cash flows from operating, investing and financing activities of the Company are segregated under cash flow statement.

XIII) Financial Instruments:

a. Initial recognition & Measurement

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities that are not at fair value through profit or loss are added to the fair value on initial recognition. Regular purchase and sale of financial assets are accounted for at trade date.



b. Subsequent measurement

i) Financial instruments carried at amortized cost

A financial instrument is subsequently measured at amortized cost if it is held within a business model whose objective is to hold the asset in order 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 (SPPI) on the principal amount outstanding.

ii. Financial assets at fair value through other comprehensive income

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets 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.

iii. Financial assets at fair value through profit or loss

A financial asset which is not classified in any of the above categories is subsequently fair valued through profit or loss.

All investments equity instruments (mutual funds in scope of Ind AS 109 are measured at fair value through Profit and Loss (FVTPL)).

iv. Financial liabilities

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognized in a business combination which is subsequently measured at fair value through profit and loss. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

**Notes to Financial Statements as at March 31, 2021****2 Property, Plant and Equipment and capital work-in Progress.**

| Particulars | Buildings | Plant and Equipment | Computer | Office Equipment | Furniture and Fixtures | Vehicles | Total |
|---------------------------------|-----------|---------------------|----------|------------------|------------------------|----------|-----------|
| Balance as at 1st April 2019 | 26,56,992 | 8,22,805 | 1,50,338 | 5,96,350 | 1,21,975 | 6,06,325 | 49,54,785 |
| Additions | - | - | - | - | - | - | - |
| Deductions | - | - | - | - | - | - | - |
| Balance as at 1st April 2020 | 26,56,992 | 8,22,805 | 1,50,338 | 5,96,350 | 1,21,975 | 6,06,325 | 49,54,785 |
| Additions | - | - | 5,932 | - | - | - | 5,932 |
| Deductions | - | - | - | - | - | - | - |
| Balance as at 31st March 2021 | 26,56,992 | 8,22,805 | 1,56,270 | 5,96,350 | 1,21,975 | 6,06,325 | 49,60,717 |
| Accumulated Depreciation | | | | | | | |
| Balance 1st April 2019 | 2,74,600 | 4,03,170 | 1,40,583 | 4,11,579 | 97,967 | 4,33,751 | 17,61,650 |
| Depreciation Expense | 91,655 | 91,281 | 1,027 | 68,327 | 2,139 | 88,640 | 3,43,069 |
| Deductions | - | - | - | - | - | - | - |
| Balance 31st March 2020 | 3,66,255 | 4,94,451 | 1,41,610 | 4,79,906 | 1,00,106 | 5,22,391 | 21,04,719 |
| Balance 1st April 2020 | 3,66,255 | 4,94,450 | 1,41,610 | 4,79,906 | 1,00,106 | 5,22,391 | 21,04,719 |
| Depreciation Expense | 91,654 | 86,914 | 1,050 | 50,052 | 1,418 | - | 2,31,088 |
| Deductions | - | - | - | - | - | - | - |
| Balance 31st March 2021 | 4,57,909 | 5,81,364 | 1,42,660 | 5,29,958 | 1,01,524 | 5,22,391 | 23,35,807 |
| Net Block | | | | | | | |
| As at March 31, 2020 | 22,90,737 | 3,28,355 | 8,728 | 1,16,444 | 21,869 | 83,934 | 28,50,067 |
| As at March 31, 2021 | 21,99,083 | 2,41,441 | 13,610 | 66,392 | 20,451 | 83,934 | 26,24,910 |

3 Investments

(In Rs.)

| Particulars | As at March 31, 2021 | | As at March 31, 2020 | |
|---|----------------------|---------------|----------------------|--------------------|
| | No. of Units | Amount in Rs. | No. of Units | Amount in Rs. |
| Investment Designated through Profit and loss account | | | | |
| a) Investments in Mutual Fund (Quoted) | | | | |
| Hdfc Fmp 370 D Mar-2014-1 Rg | - | - | - | - |
| Icici Prudential Fixed Maturity Plan Series 81 - 1195 Days Plan D | - | - | - | - |
| Icici Prudential Fixed Maturity Plan Series 81 - 1190 Days Plan F | - | - | - | - |
| Reliance Fhf Xxxiii - Series 8 Growth Plan | - | - | 5,00,000 | 61,96,700 |
| Reliance Fixed Horizon Fund Xxxiii-S-2 | - | - | 10,20,000 | 1,21,09,236 |
| Uti Fixed Term Income Fund Ser Xxvi-V | - | - | - | - |
| Uti Fixed Term Income Fund Ser Xxvi-Xiii (1124 Days) | - | - | - | - |
| TOTAL | - | - | 15,20,000 | 1,83,05,936 |
| Aggregate Amount of Quoted Securities | - | - | - | 1,83,05,936 |
| Market value of Quoted securities | - | - | - | 1,83,05,936 |



4 Deferred tax Assets (net)

(In Rs.)

| Particulars | As at March 31, 2021 | As at March 31, 2020 |
|---|-------------------------|-------------------------|
| Deferred tax Liability | | |
| Timing difference due to depreciation as per Income Tax and Companies Act | 3,18,979 | 3,16,081 |
| Investment Recognised through FVTPL | 80,927 | 28,51,543 |
| OCI | 40,969 | 3,507 |
| Deferred tax Assets | | |
| Provision for Doubtful Debts | 2,78,280 | 2,84,646 |
| Provision for Gratuity | 4,17,945 | 4,09,070 |
| MAT Credit | 8,80,908 | 21,28,263 |
| Net Deferred tax Assets/(Liability) | 11,36,258 | (3,49,152) |

(a) Reconciliation of deferred tax liabilities, net

(In Rs.)

| Particulars | As at March 31, 2021 | As at March 31, 2020 |
|--|-------------------------|-------------------------|
| Opening Balance | 24,77,415 | 17,51,124 |
| Tax income/(expense) during the period recognised in statement of profit or loss | (27,73,733) | 7,22,784 |
| Tax income/(expense) during the period recognised in OCI | 40,968 | 3,507 |
| Closing Balance | (2,55,350) | 24,77,415 |

5 Inventories

(Valued at lower of cost or net Realisable Value) Certified by Independent Valuer & Management

(In Rs.)

| Particulars | As at March 31, 2021 | As at March 31, 2020 |
|--|-------------------------|-------------------------|
| Raw Material | | |
| Gold | 12,89,476 | 4,89,968 |
| Raw Silver | 2,43,095 | 5,01,785 |
| Silver alloy | - | 7,15,809 |
| Rough Diamonds | 40,78,618 | 54,81,807 |
| Pearl | 4,15,675 | 4,19,600 |
| Sub Total (a) | 60,26,864 | 76,08,969 |
| Stock in trade and Finished Goods | | |
| Cut & Polished Diamonds | 44,75,23,919 | 45,05,43,816 |
| Precious & Semi Precious Stones | 64,74,538 | 64,78,671 |
| Gold Jewellery - Diamond studded | 3,77,18,558 | 3,38,94,437 |
| Sub Total (b) | 49,17,17,015 | 49,09,16,924 |
| TOTAL | 49,77,43,879 | 49,85,25,893 |



6 Investments

(In Rs.)

| Particulars | As at March 31, 2021 | | As at March 31, 2020 | |
|---|----------------------|--------------------|----------------------|--------------------|
| | No. of Units | Amount in Rs. | No. of Units | Amount in Rs. |
| a) Investments in Mutual Fund (Quoted) | | | | |
| Hdfc Fmp 370 D Mar-2014-1 Rg | - | - | 5,00,000 | 79,91,400 |
| Icici Prudential Fixed Maturity Plan Series 81 - 1195 Days Plan D | - | - | 8,00,000 | 98,22,320 |
| Icici Prudential Fixed Maturity Plan Series 81 - 1190 Days Plan F | - | - | 2,50,000 | 30,67,750 |
| Uti Fixed Term Income Fund Ser Xxvi-V | - | - | 10,30,000 | 1,29,19,702 |
| Uti Fixed Term Income Fund Ser Xxvi-Xiii (1124 Days) | - | - | 2,50,000 | 30,88,500 |
| ABSL MONEY MANAGER FUND GRP A/C 1009844419 | 39,185 | 1,11,64,181 | - | - |
| HDFC MONEY MATKET FUND RPG A/C NO. 328458/49 | 2,678 | 1,18,29,829 | - | - |
| Icici Pru. Money Market Fund A/c No. 379791/86 | 20,786 | 60,90,587 | - | - |
| Sub Total (a) | 62,649 | 2,90,84,596 | 28,30,000 | 3,68,89,672 |
| b) Investments in Equity shares (Quoted) | | | | |
| Softrak Technology Limited | 500 | 150 | 500 | 1 |
| Reliance Industries Ltd. | - | - | 500 | 5,56,225 |
| Reliance Communications Limited | 3,700 | 6,179 | 3,700 | 2,442 |
| Reliance Power Limited | 5,742 | 25,035 | 5,742 | 7,005 |
| Mahindra Life Space Developers Limited | 50 | 28,480 | 50 | 9,540 |
| Unitech Ltd | 7,650 | 12,699 | 7,650 | 8,874 |
| Hindustan Construction Ltd | 200 | 1,614 | 200 | 798 |
| DLF Limited | 125 | 35,881 | 125 | 17,188 |
| Alstom T&D India Limited | 225 | 26,235 | 225 | 16,335 |
| GMR Infra Limited | 2,100 | 51,135 | 2,100 | 34,125 |
| Bharat Heavy Electric Ltd | 750 | 36,563 | 750 | 15,600 |
| GTL Infra Ltd | 1,400 | 1,078 | 1,400 | 308 |
| Reliance Infrastructure Ltd | 50 | 1,753 | 50 | 505 |
| Religare Enterprises Ltd | 100 | 8,760 | 100 | 1,900 |
| Punj Lloyed Ltd | 50 | 74 | 50 | 43 |
| Schneider Electric Infrastructure Limited | 225 | 21,263 | 225 | 14,760 |
| JSW Steel Limited Preference Share | - | - | 1,960 | 2,391 |
| Hdfc Standard Life Insurance Co Ltd. | 30 | 20,873 | - | - |
| Sub Total (b) | 22,897 | 2,77,770 | 25,327 | 6,88,039 |
| c) Investments in Equity shares (Unquoted) | | | | |
| Supriya Pharmaceuticals Limited | 400 | 4,120 | 400 | 1 |
| S.M.Dychem Limited | 106 | 1,060 | 106 | 1 |
| Sub Total (c) | 506 | 5,180 | 506 | 2 |
| TOTAL | 23,403 | 2,93,67,547 | 28,55,833 | 3,75,77,713 |
| Aggregate Amount of Quoted Securities | | 2,93,62,367 | | 3,75,77,711 |
| Aggregate Amount of Unquoted Securities | | 5,180 | | 2 |
| Market value of Quoted securities | | 2,93,62,367 | | 3,75,77,711 |



7 Trade Receivables

(In Rs.)

| Particulars | As at March 31, 2021 | As at March 31, 2020 |
|---|-------------------------|-------------------------|
| Current | | |
| (a) Secured, considered good | - | - |
| (b) Unsecured, considered good | 10,83,46,477 | 9,96,24,431 |
| (c) Doubtful | 10,70,308 | 10,94,793 |
| (d) Allowance for doubtful debts (expected credit loss allowance) | (10,70,308) | (10,94,793) |
| TOTAL | 10,83,46,477 | 9,96,24,431 |

8 Cash and Cash Equivalents

(In Rs.)

| Particulars | As at March 31, 2021 | As at March 31, 2020 |
|---|-------------------------|-------------------------|
| Balances with banks | 17,54,835 | 25,78,507 |
| Cash on hand | 76,881 | 1,21,818 |
| Investments in mutual funds (Highly Liquid Funds) | 48,09,991 | 1,80,41,511 |
| TOTAL | 66,41,707 | 2,07,41,836 |

8.1 Investments in mutual funds (Highly Liquid Funds)

(In Rs.)

| Particulars | As at March 31, 2021 | | As at March 31, 2020 | |
|---|----------------------|------------------|----------------------|--------------------|
| | No. of Units | Amount in Rs. | No. of Units | Amount in Rs. |
| Investments in Mutual Funds (Quoted) | | | | |
| Quoted Investments in Mutual Funds at FVPL | | | | |
| Absl Liquid Fund Grp | - | - | 29,039.08 | 92,27,037 |
| Icici Pru Liq.Fund G | 1,077 | 3,26,303 | 27,554.011 | 80,59,554 |
| Tata Liquid Fund Rpg | 760 | 24,51,361 | 242.464 | 7,54,920 |
| Tata Money Maket Fund A/C. 222334/67 | 559 | 20,32,326 | - | - |
| TOTAL | 2,396 | 48,09,991 | 56,835.555 | 1,80,41,511 |
| Aggregate Amount of Quoted Securities | | 48,09,991 | | 1,80,41,511 |
| Market value of Quoted securities | | 48,09,991 | | 1,80,41,511 |

9 Other Bank Balances

(In Rs.)

| Particulars | As at March 31, 2021 | As at March 31, 2020 |
|-----------------------|-------------------------|-------------------------|
| Fixed deposits | | |
| - Others | 2,92,18,466 | - |
| TOTAL | 2,92,18,466 | - |

**10 Other Financial Assets****(In Rs.)**

| Particulars | As at March 31, 2021 | As at March 31, 2020 |
|---|-------------------------|-------------------------|
| (l) Advances (Unsecured, consider good) | | |
| (a) Security Deposit | 1,24,320 | 1,24,320 |
| (b) Advances to Supplier | 6,900 | 24,000 |
| (c) Rent Receivable | - | 84,960 |
| TOTAL | 1,31,220 | 2,33,280 |

11 Other Current Assets**(In Rs.)**

| Particulars | As at March 31, 2021 | As at March 31, 2020 |
|-------------------------------------|-------------------------|-------------------------|
| Balances with Statutory Authorities | 10,22,319 | 7,40,757 |
| Prepaid expenses | 1,93,259 | 70,290 |
| TOTAL | 12,15,578 | 8,11,047 |

11 Equity Share Capital**(In Rs.)**

| Particulars | As at March 31, 2021 | As at March 31, 2020 |
|---|-------------------------|-------------------------|
| Authorised Share Capital : | | |
| 11,000,000 (March 31, 2021: 11,000,000 & March 31, 2020: 11,000,000) Equity Shares of Rs. 10/- each | 11,00,00,000 | 11,00,00,000 |
| | 11,00,00,000 | 11,00,00,000 |
| Issued and Subscribed Capital | | |
| 5,177,182 (March 31, 2021: 5,177,182 & March 31, 2020: 5,177,182) Equity Shares of Rs. 10/- each | 5,17,71,820 | 5,17,71,820 |
| TOTAL | 5,17,71,820 | 5,17,71,820 |

a) Reconciliation of Number of Shares outstanding at the beginning and at the end of the reporting period : (In Rs.)

| Particulars | As at March 31, 2021 | | As at March 31, 2020 | |
|---|----------------------|--------------------|----------------------|--------------------|
| | No. of shares | Amt in Rs. | No. of shares | Amt in Rs. |
| Equity Shares at the beginning of the year | 51,77,182 | 5,17,71,820 | 51,77,182 | 5,17,71,820 |
| Increase/(decrease) during the year | - | - | - | - |
| Equity Shares at the end of the year | 51,77,182 | 5,17,71,820 | 51,77,182 | 5,17,71,820 |

b) Terms/rights attached to equity shares

The Company's issued, subscribed and paid-up capital comprises of equity shares only and no preference share have been issued. The Company's paid-up capital comprises only one class, i.e. equity shares having par value of Rs. 10 per share. Each holder of equity share is entitled to one vote per share and carry a right to dividend. The liability of the members is limited. No bonus shares have been issued, no shares have been issued for consideration other than cash and no shares have been bought back during the last five years.



c) Details of shares held by each shareholder holding more than 5%

(In Rs.)

| Particulars | As at March 31, 2021 | | As at March 31, 2020 | |
|---|-----------------------|----------------------------|-----------------------|----------------------------|
| | Number of Shares held | % holding of equity shares | Number of Shares held | % holding of equity shares |
| Fully paid equity shares | | | | |
| 1. Jayesh Jayantilal Jhaveri | 10,23,107 | 19.76% | 10,23,107 | 19.76% |
| 2. Devang Rajnikant Jhaveri | 3,46,550 | 6.69% | 3,46,550 | 6.69% |
| 3. AS-Me Estelle Co.Ltd. - 1205890000002687 | 9,01,065 | 17.40% | 9,01,065 | 17.40% |
| 4. AS Me Estelle Co.Ltd. - In30133019344558 | 2,95,150 | 5.70% | 2,95,150 | 5.70% |
| 5. Kanchanben R Jhaveri | 3,99,214 | 7.71% | 3,99,214 | 7.71% |
| 6. Thorndike Holding Ltd. | 3,00,000 | 5.79% | 3,00,000 | 5.79% |

12 Other equity

(In Rs.)

| Particulars | Reserves and Surplus | | | | TOTAL |
|--------------------------------------|----------------------|--------------------|---------------------|------------------------------------|---------------------|
| | General Reserve | Share Premium | Retained Earnings | Other Comprehensive Income- FVTOCI | |
| Balance as at 31st March 2019 | 3,92,77,332 | 3,75,00,000 | 53,47,35,145 | 1,46,071 | 61,16,58,548 |
| Addition in Current year | | | 49,40,011 | 9,980 | 49,49,991 |
| Less - Appropriation | | | | | |
| Dividend for FY 2018-19 | - | - | - | - | - |
| Tax on dividend for FY 2018-19 | - | - | - | - | - |
| Balance as at 31st March 2020 | 3,92,77,332 | 3,75,00,000 | 53,96,75,156 | 1,56,051 | 61,66,08,539 |
| Addition in Current year | | | 34,48,251 | 1,16,601 | 35,64,852 |
| Less - Appropriation | | | | | |
| Dividend for FY 2019-20 | - | - | - | - | - |
| Tax on dividend for FY 2019-20 | - | - | - | - | - |
| Balance as at 31st March 2021 | 3,92,77,332 | 3,75,00,000 | 54,31,23,407 | 2,72,652 | 62,01,73,391 |

14 Provisions

(In Rs.)

| Particulars | As at March 31, 2021 | As at March 31, 2020 |
|--|----------------------|----------------------|
| Non Current | | |
| Employee Benefits - Gratuity (refer note 36) | 11,81,168 | 15,13,845 |
| Sub Total (a) | 11,81,168 | 15,13,845 |
| Current | | |
| Expenses | 1,64,900 | 2,30,443 |
| Employee Benefits - Gratuity (refer note 36) | 4,26,313 | 59,502 |
| Sub Total (b) | 5,91,213 | 2,89,945 |
| Total | 17,72,381 | 18,03,790 |

**14.1 Provision for Expenses****(In Rs.)**

| Particulars | As at March 31, 2021 | As at March 31, 2020 |
|----------------------|-------------------------|-------------------------|
| Opening | 2,30,443 | 1,60,763 |
| Addition | 3,05,308 | 4,19,839 |
| Reversal/utilization | 3,70,851 | 3,50,159 |
| Closing | 1,64,900 | 2,30,443 |

15 Trade Payables**(In Rs.)**

| Particulars | As at March 31, 2021 | As at March 31, 2020 |
|-----------------------|-------------------------|-------------------------|
| Trade Payables | | |
| MSMED (refer note 33) | - | - |
| Others* | 51,49,102 | 95,38,041 |
| Total | 51,49,102 | 95,38,041 |

*Refer Note 39

16 Other Financial Liabilities**(In Rs.)**

| Particulars | As at March 31, 2021 | As at March 31, 2020 |
|------------------------------|-------------------------|-------------------------|
| Liability for other expenses | 2,30,411 | 5,31,020 |
| Rent Deposit | - | 1,00,000 |
| Total | 2,30,411 | 6,31,020 |

17 Other Current Liabilities**(In Rs.)**

| Particulars | As at March 31, 2021 | As at March 31, 2020 |
|--------------------------------|-------------------------|-------------------------|
| Statutory dues | 42,071 | 62,074 |
| Advance received from customer | 44,500 | 1,19,494 |
| Total | 86,571 | 1,81,568 |

18 Revenue from Operations**(In Rs.)**

| Particulars | For the year ended March 31, 2021 | For the year ended March 31, 2020 |
|---------------------------|--------------------------------------|--------------------------------------|
| Sale of products | | |
| Cut and Polished diamonds | 8,34,93,682 | 11,71,10,032 |
| Gold and Silver jewellery | 32,01,037 | 58,42,066 |
| Rough Diamonds | - | 24,70,095 |
| Total | 8,66,94,719 | 12,54,22,193 |

**19 Other Income****(In Rs.)**

| Particulars | For the year ended March 31, 2021 | For the year ended March 31, 2020 |
|--|--------------------------------------|--------------------------------------|
| Dividend Income | 2,007 | 13,607 |
| Gain on sale of mutual fund and shares | 1,39,56,316 | 8,84,290 |
| Rent Income | 1,44,000 | 9,63,000 |
| Sundry balances written back | - | 11,000 |
| Investments measured at FVTPL | (1,19,04,120) | 39,77,489 |
| Misceleaneous Income | 951 | 44,776 |
| Interest Received | 9,23,786 | - |
| Export Exchange Difference (Diamond) | 6,332 | - |
| Discount | 780 | 3,761 |
| Total | 31,30,052 | 58,97,924 |

20 Cost of Materials Consumed**(In Rs.)**

| Particulars | For the year ended March 31, 2021 | For the year ended March 31, 2020 |
|----------------------|--------------------------------------|--------------------------------------|
| Opening Stock | 76,08,969 | 76,26,639 |
| Add: Purchases | 50,74,594 | 1,58,17,572 |
| Add: Labour Charges | 21,86,261 | 60,57,771 |
| | 1,48,69,824 | 2,95,01,982 |
| Less: Closing Stock | (60,26,864) | (76,08,969) |
| Total | 88,42,960 | 2,18,93,013 |

21 Purchase of stock in trade**(In Rs.)**

| Particulars | For the year ended March 31, 2021 | For the year ended March 31, 2020 |
|----------------------------------|--------------------------------------|--------------------------------------|
| Cost of Purchase | | |
| a. Purchase of Material | | |
| Cut and Polished diamonds | 6,72,65,040 | 12,90,14,749 |
| Cut & Polished Diamond (Trading) | 37,71,580 | 17,883 |
| Gold | 21,49,813 | 7,97,000 |
| Total | 7,31,86,433 | 12,98,29,632 |

**22 Changes in inventories of finished goods, stock in trade and work in progress****(In Rs.)**

| Particulars | For the year ended March 31, 2021 | For the year ended March 31, 2020 |
|---------------------------------------|--------------------------------------|--------------------------------------|
| Opening Inventory | | |
| (a) Stock in trade and Finished Goods | 49,09,16,924 | 45,52,61,394 |
| A | 49,09,16,924 | 45,52,61,394 |
| Closing Inventory | | |
| (a) Stock in trade and Finished Goods | 49,17,17,015 | 49,09,16,924 |
| B | 49,17,17,015 | 49,09,16,924 |
| Total (A-B) | (8,00,091) | (3,56,55,530) |

23 Employee benefits expense**(In Rs.)**

| Particulars | For the year ended March 31, 2021 | For the year ended March 31, 2020 |
|---|--------------------------------------|--------------------------------------|
| Salaries and wages | 24,63,547 | 26,32,897 |
| Contribution to provident and other funds | 4,18,523 | 3,97,754 |
| Total | 28,82,070 | 30,30,651 |

24 Depreciation**(In Rs.)**

| Particulars | For the year ended March 31, 2021 | For the year ended March 31, 2020 |
|---|--------------------------------------|--------------------------------------|
| Depreciation of property, plant and equipment | 2,31,088 | 3,43,068 |
| Total | 2,31,088 | 3,43,068 |

**25 Other Expenses****(In Rs.)**

| Particulars | For the year ended March 31, 2021 | For the year ended March 31, 2020 |
|--|--|--|
| Factory Maintenance Expenses | 1,22,220 | 1,22,220 |
| Repairs and Maintenance | 3,37,216 | 18,365 |
| Insurance | 94,106 | 1,00,128 |
| Electricity | 32,447 | 42,541 |
| Brokerage/Commission | - | 59,884 |
| Auditor Remuneration* | 1,50,000 | 2,02,500 |
| Professional fees | 4,15,300 | 8,36,700 |
| Travelling expenses | - | 75,727 |
| Director's Sitting Fees | 55,500 | 22,000 |
| Bank Charges | 8,775 | 7,185 |
| Stock Exchange Listing Fees | 6,21,000 | 5,99,340 |
| Advertisement / Sales Promotion | 1,42,024 | 1,52,139 |
| Provision for Dimunition in value of quoted investment | 2,390 | - |
| Provision for Doubtful debt | (24,485) | 10,94,793 |
| Miscellaneous expenses | 10,68,945 | 14,50,922 |
| Total | 30,25,438 | 47,84,445 |

Remuneration to Auditors :*(In Rs.)**

| Particulars | For the year ended March 31, 2021 | For the year ended March 31, 2020 |
|--------------------|--|--|
| Audit fees | 1,00,000 | 1,00,000 |
| Tax Audit fees | 25,000 | 25,000 |
| Others | 25,000 | 77,500 |
| Total | 1,50,000 | 2,02,500 |

**26 Income Taxes**

A reconciliation of Income tax provision to the amount computed by applying the statutory income tax rate to the income before taxes is summarized below:

(In Rs.)

| Particulars | 2020-2021 | 2019-2020 |
|--|-------------------|------------------|
| Profit before income taxes | 24,56,872 | 70,94,838 |
| Non-taxable income/Income chargeable under separate rate for Indian tax purposes | 1,52,90,067 | 61,20,764 |
| Expenses inadmissible/for separate consideration | 1,24,57,728 | 25,80,627 |
| Income from Business/Book profit | (3,75,467) | 35,54,701 |
| Income from house property | 1,00,800 | 6,37,434 |
| Income from Short term Capital gain @15% | 76,651 | 8,84,290 |
| Income from Short term Capital gain | 22,59,994 | - |
| Income from Long term Capital gain | 52,53,083 | - |
| Income from Other sources | 9,25,793 | - |
| Income taxable at normal rate/as per MAT | 82,40,854 | 50,76,425 |
| Enacted tax rates in India | 22.59% | 17.806% |
| Computed expected tax expense (i) | 18,61,494 | 9,03,908 |
| Interest under section 234B and 234C | 21,083 | 1,12,174 |
| Computed expected tax expense (ii) | 21,083 | 1,12,174 |
| Total Computed tax expense (i)+ (ii) | 18,82,577 | 10,16,082 |

The following table provides the details of income tax assets and income tax liabilities as at 31st March 2021.

(In Rs.)

| Particulars | As at March 31, 2021 | As at March 31, 2020 |
|--|---------------------------------|---------------------------------|
| Income tax assets | 3,38,42,262 | 3,67,48,386 |
| Current income tax liabilities | 3,10,84,629 | 3,45,34,659 |
| Net current income tax assets/ (liability) at the end | 27,57,633 | 22,13,727 |

The gross movement in the current income tax asset/ (liability) for the Year ended March 31, 2021

(In Rs.)

| Particulars | 2020-2021 | 2019-2020 |
|--|------------------|------------------|
| Net Income Tax asset/ (liability) at the beginning | 22,13,727 | 2,44,767 |
| Add:- Income tax paid | 10,10,703 | 29,85,042 |
| Less:- Provision for income tax (net) | (18,14,370) | (10,16,082) |
| Less:- Earlier year tax | 1,00,218 | - |
| Net income tax asset/ (liability) at the end | 15,10,278 | 22,13,727 |

27 Earnings per share**(In Rs.)**

| Particulars | For the year ended March 31, 2021 | For the year ended March 31, 2020 |
|--|--|--|
| a) Basic Earning per share | | |
| Basic Earning per share attributable to equity share holders | 0.67 | 0.95 |
| b) Diluted Earning per share | 0.67 | 0.95 |

**c) Reconciliation of earning used in calculating earning per share****(In Rs.)**

| Particulars | For the year ended March 31, 2021 | For the year ended March 31, 2020 |
|--|--------------------------------------|--------------------------------------|
| Profit attributable to equity share holder used in calculating basic earning per share | 34,48,251 | 49,40,011 |
| Profit attributable to equity share holder used in calculating Diluted earning per share | 34,48,251 | 49,40,011 |

d) Weighted average number of shares used as the denominator**(In Rs.)**

| Particulars | For the year ended March 31, 2021 | For the year ended March 31, 2020 |
|--|--------------------------------------|--------------------------------------|
| Weighted average number of shares used as the denominator in calculating basic earning per share @ Rs. 10/- each | 51,77,182 | 51,77,182 |
| Adjustment for calculating diluted earning per share | | |
| Weighted average number of shares used as the denominator in calculating diluted earning per share @ Rs. 10/- each | 51,77,182 | 51,77,182 |

28 Impairment to Property, Plant and Equipment:

The Company has a process of conducting physical verification of the property, plant and equipment and assessment for cash generating capability of the same, which forms the basis for identifying impairment and consequent provision for impairment loss, if any, at each balance sheet date. Due to COVID-19 lockdown, the physical verification could not be undertaken as at the year end. Considering the past trend, nature of assets and cash generating capability of the assets the company does not envisage any impairment loss for the current financial year.

29 Impact of Covid - 19

The outbreak of COVID-19 pandemic globally and in India is causing significant disruption and slowdown of economic activity. The Company has evaluated impact of this pandemic on its business operations at the time of finalisation of accounts for the financial year 2020-21 and based thereon and keeping in view current indicators of future economic conditions, there is no significant impact on the carrying value of its assets and liabilities as at March 31, 2021 and on the financial performance for the year ended March 31, 2021. The impact of the pandemic may be different from that estimated as at the date of finalisation and subsequent approval of these financial statements. The Company will continue to closely monitor any material changes to economic conditions in future.

30 Contingent Liabilities and Commitments

- (a) Contingent liability not provided in regarding to following Income tax appeal has filed with the office of the Commissioner of Income Tax (Appeal-10) Mumbai for the said assessment years.

| Sr No. | Name of statute | Nature of Dispute | Amount (Rs.) | Period to which it relates |
|--------|----------------------|-------------------|--------------|----------------------------|
| 1 | Income Tax Act, 1961 | Income Tax | 51,17,180 | 2014-15 |

- (b) Capital Commitments : Nil

31 Segment information

The Company operates in only one business segment viz. manufacturing, sale and trading of gold & diamond jewellery, Cut & Polished Diamonds, Precious Stones & Semi Precious Stones. Therefore, segment-wise reporting under Ind AS 108 is not applicable.

32 Related party transactions

- a) Group Company :
- 1) JRD Gems Pvt. Ltd.
 - 2) JRD-MKJ Diamonds Pvt. Ltd.
 - 3) JRD Diamond

**b) Key Management Personnel**

Mr. Jayantilal A. Jhaveri (Promoter /Chairman)
 Mr. Jayesh J Jhaveri (Promoter /Managing Director) (Compliance Officer From 8/12/2020 till 31/03/2021)
 Mr. Devang R Jhaveri (Promoter /Whole-time Director)
 Mr. Rajnikant A Jhaveri (Promoter /Non Executive Director)
 Mrs. Neeta J Jhaveri (Promoter / Non Executive Director)
 Mr. Jindat K Mehta (Independent Director)
 Mr. Hasmukh B Thakker (Independent Director)
 Mr. Uday Shah (Independent Director)
 Mr. Mitesh Prasant Temgire
 Ms. Vishakha Mehta (Company Secretary) (Till 7/12/2020)
 Mr. Tejas Shah (Company Secretary) (From 01/04/2021)

c) Transaction with related parties**(In Rs.)**

| Particulars | For the year ending March 2021 | For the year ending March 2020 |
|--|-----------------------------------|-----------------------------------|
| 1) Directors Remuneration & Reimbursements | 11,55,114 | 12,05,297 |
| 2) Sitting fees | 26,000 | 22,000 |
| 3) Salary to Chief Financial Officer | 60,000 | 60,000 |
| 4) Salary and Bonus to Company Secretary | 1,81,033 | 3,25,000 |
| TOTAL | 14,22,147 | 16,12,297 |

d) Closing Balance with related parties**(In Rs.)**

| Particulars | Opening Balance as on 01-04-2020 | Closing Balance as on 31-03-2021 |
|---------------------------|-------------------------------------|-------------------------------------|
| 1) Mitesh Prasant Temgire | 0 | 5,000.00 |

e) There are no write off or write back of any amounts for any of the above related parties.

33 Disclosure in accordance with Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006:

According to information available with the Management and relied upon by the auditors, on the basis of intimation received from suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act), the Company has no amounts due to micro and small enterprises under the said Act as follows:

The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of accounting year:

(In Rs.)

| Particulars | As on March 31, 2021 | As on March 31, 2020 |
|---|----------------------|----------------------|
| i Principal amount remaining unpaid | - | - |
| ii Interest accrued, due and remained unpaid thereon | - | - |
| iii Payment made to suppliers (other than interest) beyond the appointed day during the Quarter / year | - | - |
| iv interest paid to suppliers under MSMED Act (other than Section 16) | - | - |
| v interest paid to suppliers under MSMED Act (Section 16) | - | - |
| vi interest due and payable towards suppliers under MSMED Act for payments already made | - | - |
| vii interest accrued and remaining unpaid at the end of the quarter / year to suppliers under the MSMED Act | - | - |

**34 Financial instruments and risk management****(I) Financial risk management objectives and policies**

The Company's principal financial liabilities comprises of trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include trade and other receivables, cash and cash equivalent that derive directly from its operations, investments and other bank balances including deposits with banks.

The Company is exposed to market risk, commodity risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks.

a) 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 prices.

b) Commodity Risk

The principal raw materials for the Company products are diamond, gold, silver alloy, silver, etc which are purchased by the Company from the suppliers depending on best price and quality specification available. Most of the input materials diamond, gold, silver alloy, raw silver and pearl are procured from domestic vendors. Raw material procurement is subject to price negotiation.

In order to mitigate the risk associated with raw material and components prices, the Company manages its procurement through grading, sourcing of raw material and constant pricing negotiation with vendors. It renegotiates the prices with its customers in case there is more than normal deviation in the prices of its major raw materials.

c) Credit Risk

Credit risk is the risk that a counter party will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk arising from cash and cash equivalents, deposits, as well as credit exposures from outstanding trade receivables. Credit risk has been managed by the company by establishing creditworthiness of customers to which the Company grants credit terms in the normal course of business.

(i) Trade Receivables

Customer credit risk is managed by each customer group subject to management approval. Trade Receivable has been managed by the Company by establishing creditworthiness of customers to which the Company grants credit terms in the normal course of business.

Provision on Trade receivable is calculated as per expected credit loss method (ECL) as per IND AS. ECL is calculated on the basis of delay in payment from invoice dates. Management is estimating the following % of provision/written off on Trade receivable based on delay in payments.

| Delay above Invoice date | % of Provisions |
|---------------------------------|------------------------|
| More than 3 years | 100% |

Based on above policy during the year Company has not written off any amounts during the year (PY Rs. 10,94,793).

d) Liquidity risk**(i) Risk assessment**

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. The Company has liabilities which are expected to mature within 12 months Rs. 60,53,982 as on 31st March 2021 (Rs. 1,06,40,574/- as on 31st March 2020). The Company has assets which are expected to be realised within 12 months Rs. 67,26,63,804/- 31st March 2021 (Rs. 65,75,14,200/- as on 31st March 2020). Hence Company had a working capital of Rs. 66,66,09,822/- as on 31st March 2021 (Rs. 64,68,73,626/- as on 31st March 2020).

**(ii) Risk Management**

The Company has sufficient working capital to maintain its liquidity position Management monitors rolling forecasts of Company's liquidity position and cash and cash equivalent on the basis of expected cash flows.

(II) Fair value measurements**Financial Instruments by Categories****(In Rs.)**

| Particulars | As on March 31, 2021 | As on March 31, 2020 |
|---|-----------------------------|-----------------------------|
| <i>Financial Assets</i> | | |
| Financial assets at fair value through Profit and Loss | | |
| Investments - (Note 3 and 6) | 2,93,67,547 | 5,58,83,649 |
| Cash and cash equivalents (Note 8) | 48,09,991 | 1,80,41,511 |
| Total (a) | 3,41,77,538 | 7,39,25,160 |
| Financial assets at fair value through Amortized Cost | | |
| Trade Receivables (Note 7) | 10,83,46,477 | 9,96,24,431 |
| Cash and cash equivalents (Note 8) | 18,31,716 | 27,00,325 |
| Other Bank Balances (Note 9) | 2,92,18,466 | - |
| Other financial assets (Note 10) | 1,31,220 | 2,33,280 |
| Total (b) | 13,95,27,879 | 10,25,58,036 |
| TOTAL (a+b) | 17,37,05,417 | 17,64,83,196 |
| <i>Financial Liabilities</i> | | |
| Financial liabilities at Amortized Cost | | |
| Trade payables (Note 15) | 51,49,102 | 95,38,041 |
| Other financial liabilities (Note 16) | 2,30,411 | 6,31,020 |
| TOTAL | 53,79,513 | 1,01,69,061 |

The management has assessed that the carrying amount of the Financial Assets/ Liabilities at amortised cost approximate their fair value largely due to their short-term nature.

(III) Fair value hierarchy

- a) Level 1 - Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds and mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period.

Level 2 - The fair value of financial instruments that are not traded in active market (for example, counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3 - If one or more of the significant Inputs is not based on observable market data (unobservable inputs), the instrument is included in level 3. This is case of the unlisted equity instruments included in level 3



b) Financial assets and liabilities measured at fair value-recurring(Level 1) and non- recurring(Level 3) fair value measurements

| Particulars | Fair value measurement using | | |
|--|---------------------------------|-------------------------------|---------------------------------|
| | Quoted prices in active markets | Significant observable inputs | Significant unobservable inputs |
| | (Level 1) | (Level 2) | (Level 3) |
| Financial assets | | | |
| Financial instrument at FVTPL as at March 31, 2021 | | | |
| Investments | 2,93,67,547 | - | - |
| TOTAL | 2,93,67,547 | - | - |
| Financial instrument at FVTPL as at March 31, 2020 | | | |
| Investments | 5,58,83,649 | - | - |
| TOTAL | 5,58,83,649 | - | - |

There have been no transfers between Level 1 and Level 2 during the period.

c) Valuation technique used to determine fair value

-The use of quoted market prices incase of investments.

-Incase of level 3 investments, fair value has been kept same as carrying value.

d) Valuation process

The finance manager of the Company performs the valuation of financial assets and liabilities. Finance Manager directly reports to the management. Valuation process is done once in every three months in line with the Companies quarterly reporting periods.

35 Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the company. The primary objective of the Company's capital management is to maximise the shareholder value and maintain an optimal capital structure to reduce the cost of capital.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. It is a debt free company and is not subject to any externally imposed capital requirements.

36 Employee benefits

As per Ind AS "Employee Benefits" (Ind AS - 19), the disclosures of Employee Benefits as defined in the Standard are given below:

1. Defined contribution plans

- Employer's contribution to Provident Fund
- Employer's contribution to Employee's state insurance

The Company has recognised the following amounts in the Statement of Profit & Loss.

(In Rs.)

| Particulars | For the year ended March 31, 2021 | For the year ended March 31, 2020 |
|---|-----------------------------------|-----------------------------------|
| Employer's Contribution to Provident Fund | 2,03,070 | 1,87,283 |
| Employer's Contribution to Employee's State Insurance | 23,750 | 24,025 |
| Total | 2,26,820 | 2,11,308 |

**2. Defined Benefit Plans**

The Company has a defined benefit gratuity plan (Un-funded). Company has maintain the fund through a trust. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service.

As per Ind AS "Employee Benefits" (Ind AS - 19), the disclosures of Employee Benefits as defined in the Standard are given below:

(In Rs.)

| Particulars | For the year ended March 31, 2021 | For the year ended March 31, 2020 |
|---|--|--|
| Annexure 1 : Un-Funded Status of the plan Assets | | |
| Present value of unfunded obligations | 16,07,481 | 15,73,347 |
| Present value of funded obligations | - | - |
| Fair Value of plan assets | - | - |
| Net Liability (asset) | 16,07,481 | 15,73,347 |
| Annexure 2 : Profit and loss account for current period | | |
| Service cost : | | |
| Current service cost | 92,141 | 85,589 |
| Past service cost and loss/(gain) on curtailments and settlement | - | - |
| Net interest cost | 99,562 | 1,00,857 |
| Total included in 'Employee Benefit Expense' | 1,91,703 | 1,86,446 |
| Expenses deducted from the fund | - | - |
| Total Charge to P&L | 1,91,703 | 1,86,446 |
| Other Comprehensive income for the current period | | |
| Components of actuarial gain/losses on obligations: | | |
| Due to Change in financial assumptions | 21,455 | 84,621 |
| Due to Change in demographic assumption | - | (224) |
| Due to Experience adjustments | (1,79,024) | (97,884) |
| Return on plan assets excluding amounts included in interest income | | |
| Amount recognised in other Comprehensive Income | (1,57,569) | (13,487) |
| Total of Annexure 2 | 34,134 | 1,72,959 |
| Annexure 3 : Reconciliation of defined benefit obligation | | |
| Opening Defined Benefit Obligation | 15,73,347 | 14,00,388 |
| Transfer in/(out) obligation | - | - |
| Current Service cost | 92,141 | 85,589 |
| Interest cost | 99,562 | 1,00,857 |
| Actuarial loss/(gain) due to change in financial assumption | 21,455 | 84,621 |
| Actuarial loss/(gain) due to change in demographic assumption | - | (224) |
| Actuarial loss/(gain) due to change in Experience | (1,79,024) | (97,884) |
| Past service cost | - | - |
| Benefits paid | - | - |
| Closing Defined Benefit Obligation | 16,07,481 | 15,73,347 |



| Particulars | For the year ended March 31, 2021 | For the year ended March 31, 2020 |
|--|--------------------------------------|--------------------------------------|
| Annexure 4: Reconciliation of net defined benefit liability | | |
| Net opening provision in books of accounts | 15,73,347 | 14,00,388 |
| Transfer in/(out) obligation | - | - |
| Transfer in/(out) obligation | - | - |
| Employee Benefit Expense as per Annexure 2 | 1,91,703 | 1,86,446 |
| Amounts recognized in Other Comprehensive Income | (1,57,569) | (13,487) |
| | 16,07,481 | 15,73,347 |
| Benefits paid by the Company | - | - |
| Contributions to plan assets | - | - |
| Closing provision in books of accounts | 16,07,481 | 15,73,347 |
| Annexure 5: Bifurcation of liability as per schedule III | | |
| Current Liability* | 4,26,313 | 59,502 |
| Non-Current Liability | 11,81,168 | 15,13,845 |
| Net Liability | 16,07,481 | 15,73,347 |

* The current liability is calculated as expected reduction in contributions for the next 12 months

| Annexure 6: Principle actuarial assumptions | % |
|--|--|
| For the year ended March 31, 2021 | |
| Discount Rate | 6.20% |
| Salary Growth Rate | 7.00% |
| Withdrawal Rates | 10% at younger ages reducing to 2% at older ages |
| For the year ended March 31, 2020 | |
| Discount Rate | 6.45% |
| Salary Growth Rate | 7.00% |
| Withdrawal Rates | 10% at younger ages reducing to 2% at older ages |

| Annexure 7: Sensitivity to key assumptions | DBO | Change in DBO (%) |
|---|-----------|-------------------|
| For the year ended March 31, 2021 | | |
| Discount rate varied by 0.5% | | |
| +0.5% | 15,65,048 | -2.64% |
| -0.5% | 16,51,883 | 2.76% |
| Salary growth rate varied by 0.5% | | |
| +0.5% | 16,51,333 | 2.73% |
| -0.5% | 15,65,165 | -2.63% |
| Withdrawal rate (W.R.) varied by 10% | | |
| W.R. x 110% | 16,07,392 | -0.01% |
| W.R. x 90% | 16,07,533 | 0.00% |



| For the year ended March 31, 2020 | | |
|---|-----------|--------|
| Discount rate varied by 0.5% | | |
| +0.5% | 15,25,386 | -3.05% |
| -0.5% | 16,23,830 | 3.21% |
| Salary growth rate varied by 0.5% | | |
| +0.5% | 16,21,781 | 3.08% |
| -0.5% | 15,27,346 | -2.92% |
| Withdrawal rate (W.R.) varied by 10% | | |
| W.R. x 110% | 15,72,723 | 0.04% |
| W.R. x 90% | 15,73,919 | -0.04% |

A Description of methods used for sensitivity analysis and its Limitations:

Sensitivity analysis is performed by verifying a single parameter while keeping all the other parameters unchanged.

Sensitivity analysis fails to focus on the interrelationship between underlying parameters.

Hence, the result may vary if two or more variables are changed simultaneously.

The method used does not indicate anything about the likelihood of change in any parameter and the extent of the change if any.

| Annexure 8: Expected benefit payments | Cash Flow | % |
|--|------------------|----------|
| 1st Following year | 4,26,313 | 18.7% |
| 2nd Following year | 1,88,867 | 8.3% |
| 3rd Following year | 46,403 | 2.0% |
| 4th Following year | 48,247 | 2.1% |
| 5th Following year | 2,47,907 | 10.9% |
| Sum of Year 6 to 10th | 10,61,996 | 46.5% |

The future accrual is not considered in arriving at the above cash-flows.

The Expected contribution for the next year is Rs. 4,26,313/-

The Average Outstanding Term of the Obligations (Years) as at valuation date is 5.32 Years.

37 Details of expenditure in foreign currency:**(In Rs.)**

| Particulars | For the year ended March 31, 2021 | For the year ended March 31, 2020 |
|---|--|--|
| Expenditure in foreign currency (Amount expended in equivalent Indian rupees) | - | - |

38 Revenue from operations

The Company derives revenues primarily from business sale of "Cut and Polished diamonds" and "Gold and Silver jewellery".

Revenue is recognized upon transfer of control of promised products to customers in an amount that reflects the consideration we expect to receive in exchange for those products or services.

The Company presents revenues net of indirect taxes in its statement of Profit and loss.

**Disaggregate revenue information based on Product**

The table below presents disaggregated revenues from customers for the year ended 31st March 2020 based on products.

| Particulars | Amount (In Rs) |
|---------------------------|-----------------------|
| Cut and Polished diamonds | 8,34,93,682 |
| Gold and Silver jewellery | 32,01,037 |
| Total | 8,66,94,719 |

Trade receivables and Contract Balances

The Company classifies the right to consideration in exchange for deliverables as receivables. Trade receivables are presented net of impairment in the Balance Sheet.

- 39 The Trade Payables of the Company includes a vendor having outstanding for more than 3 years amount of Rs. 49,32,661/- as at March 31, 2021. The vendor is under Corporate Insolvency Resolution Process from January 2018. The management of the Company is making all efforts to quantify the amount payable to the vendor. Based on the information with the management, the matter is pending before various statutory investigating authorities. However, the company has not received any claim. Hence, in the opinion of management no impact has been given in the financial statements in absence of the confirmation of the vendor.
- 40 On March 24, 2021, the Ministry of Corporate Affairs ("MCA") through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from April 1, 2021. The amendments are extensive and the Company will evaluate the same to give effect to them as required by law.
- 41 a) In the opinion of the Management, the Current Assets, Loans and Advances have a value on realization in the ordinary course of business, at least equal to the amount at which they are stated in the Balance Sheet. The provision for all known liabilities is adequate and not in excess of what is required.
- b) The account of Trade receivables, Trade payables, Other Liabilities, Loans and Advances are subject to confirmation / reconciliation and adjustments, if any. The management does not expect any material differences affecting the current year financial statements.
- 42 Previous year figures have been regrouped and restated wherever necessary to make their classification comparable with that of the current year. Financial statements are approved by Board of Directors as on.

As per our report of even date

For and on behalf of the Board of Directors

For Chokshi & Chokshi LLP
Chartered Accountants
FRN : 101872W/W100045

Jayantilal A Jhaveri
Chairman

Jayesh J Jhaveri
Managing Director

Priyank Ghia
Partner
Membership No. 155778

Mitesh P Temgire
Chief Financial Officer

Tejas Shah
Company Secretary

Rajnikant A Jhaveri
Director

Place: Mumbai
Date: 28.06.2021

**Cash Flow Statement for the year ended March 31, 2021**

| Particulars | For the year ended March 31, 2021 | For the year ended March 31, 2020 |
|---|--------------------------------------|--------------------------------------|
| A. CASH FLOW FROM OPERATING ACTIVITIES | | |
| Profit/(Loss) before tax | 26,14,441 | 71,08,325 |
| Adjustments to reconcile profit before tax to net cash flows : | | |
| Depreciation | 2,31,088 | 3,43,068 |
| Loss on sale of assets | - | - |
| Capital Gain | (1,39,56,316) | (8,84,290) |
| Dividend from mutual fund and shares | (2,007) | (13,607) |
| Change in Fair Value of Investments through P & L | 1,19,04,120 | (39,77,489) |
| OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES | 7,91,326 | 25,76,006 |
| Adjustments for movement in Working Capital : | | |
| Increase / (Decrease) in Long Term Provisions | (3,32,677) | 1,69,821 |
| Increase / (Decrease) in Current Liabilities | (55,99,348) | 1,02,175 |
| (Increase) / (Decrease) in Current Assets | (3,74,60,969) | (1,70,68,188) |
| Cash generated from operations | (4,26,01,668) | (1,42,20,186) |
| Direct Taxes paid | (62,837) | (11,22,134) |
| CASH FLOW FROM OPERATING ACTIVITIES | (4,26,64,504) | (1,53,42,319) |
| B. CASH FLOW FROM INVESTING ACTIVITIES | | |
| Purchase of fixed assets and addition to Capital Work in Progress | (5,930) | - |
| Sale of Fixed Assets | - | - |
| (Purchase)/Sale of Investments | 1,46,11,982 | 1,89,305 |
| Dividend from mutual fund and shares | 2,007 | 13,607 |
| Capital Gain | 1,39,56,316 | 8,84,290 |
| CASH FLOW FROM INVESTING ACTIVITIES | 2,85,64,376 | 10,87,203 |
| C. CASH FLOW FROM FINANCING ACTIVITIES | | |
| Dividend Paid | - | - |
| Tax on distributed profits | - | - |
| CASH FLOW FROM FINANCING ACTIVITIES | - | - |
| NET (DECREASE)/INCREASE IN CASH & CASH EQUIVALENTS | (1,41,00,128) | (1,42,55,116) |
| Cash and Cash equivalents at the beginning of the period | 2,07,41,836 | 3,49,96,952 |
| Cash and Cash equivalents at the end of the period | 66,41,707 | 2,07,41,835 |

Cash & Cash Equivalents

| Particulars | March 31, 2021 | March 31, 2020 |
|---|------------------|--------------------|
| Cash on Hand | 76,881 | 1,21,818 |
| Balances with Banks: | 17,54,835 | 25,78,507 |
| Investments in mutual funds (Highly Liquid Funds) | 48,09,991 | 1,80,41,511 |
| Cash and Bank Balances (Note 6) | 66,41,707 | 2,07,41,836 |

The accompanying notes form an integral part of the Financial Statements
Significant Accounting Policies and Notes to Financial Statements 1 - 42

As per our report of even date

For Chokshi & Chokshi LLP
Chartered Accountants
FRN : 101872W/W100045

Priyank Ghia (Partner)
Membership No. 155778

Place: Mumbai
Date: 28.06.2021

Mitesh P Temgire
Chief Financial Officer

For and on behalf of the Board of Directors

Jayantilal A Jhaveri
Chairman

Jayesh J Jhaveri
Managing Director

Tejas Shah
Company Secretary

Rajnikant A Jhaveri
Director

ZODIAC - JRD - MKJ LTD.

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Opera House, Mumbai – 400 004.

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