ZAVERI AND COMPANY (GUJARAT) LLP

G-12, Ground Floor, Swagat Building, Nr. Lal Bunglow C. G. Road
Ahemedabad-380 006, Gujarat, INDIA

Financial Statements

F. Y. 2019-20

AUDITOR

702, ParshwanathEsquare,
Corporate Road, Prahladnagar,
Ahmedabad-380 015.
Gujarat, INDIA.

Phone : +91-79-40042326
+91-9824055181
E-mail : info@crsharedalalco.com
Web : www.crsharedalalco.com

C. R. Sharedalal & Co.
Chartered Accountants

702, Parshwanath Esquare,
Corporate Road, Prahladnagar,
Ahmedabad-380 015.
Gujarat, INDIA.

Phone : +91-79-40042326
+91-9824055181
E-mail : info@crsharedalalco.com
Web : www.crsharedalalco.com

C. R. Sharedalal & Co.
Chartered Accountants

INDEPENDENT AUDITOR'S REPORT

To the Partners of Zaveri and Company (Gujarat) LLP,

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying financial statements of Zaveri and Company (Gujarat) LLP ("the LLP"), which comprise the balance sheet as at 31st March 2020, and the Profit and Loss Account and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by Limited Liability Partnership Act, 2008 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the LLP as at 31st March, 2020, and its profit and cash flow for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) issued by the Institute of Chartered Accountants of India. 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 LLP in accordance with the *Code of Ethics* issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

The LLP's Partners are responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flow of the LLP in accordance with the accounting principles generally accepted in India, including the Accounting Standards issued by the Institute of Chartered Accountants of India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the LLP 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

C. R. SHAREDALAL & CO. CHARTERED ACCOUNTANTS AHMEDABAD

effectively for ensuring the accuracy and completeness of the accountings records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Partners are responsible for assessing the LLP'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 the Partners either intends to dissolve the LLP or to cease operations, or has no realistic alternative but to do so.

Those Partners are also responsible for overseeing the LLP's financial reporting process.

Auditor's Responsibility for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.

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

- 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 LLP'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 LLP to cease to continue as a going concern.

C. R. SHAREDALAL & CO. CHARTERED ACCOUNTANTS AHMEDABAD

- 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.

Further, 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 LLP so far as appears from our examination of those books;

c. the Balance Sheet, Profit and Loss Account 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 Accounting Standards issued by the Institute of Chartered Accountants of India.

For C.R. SHAREDALAL & CO.
CHARTERED ACCOUNTANTS,
(Registration No.109943W)

PLACE : AHMEDABAD
DATE : 25-09-2020

C. R. SHAREDALAL & CO. CHARTERED ACCOUNTANTS AHMEDABAD

(C. R. SHAREDALAL)
PARTNER
Membership No.002571
UDIN:- 20002571AAAAHR9875

ZAVERI AND COMPANY (GUJARAT) LLP
BALANCE SHEET AS AT 31-03-2020

(All amounts are in Rupees unless otherwise stated)

	Schedules	As at 31-03-2020 Rupees	As at 31-03-2019 Rupees
Contribution and Liabilities			
Partners' Funds			
Contribution towards capital	1	4667000	4667000
Partners' Current Capital Accounts	2	1245212512	1208298257
Liabilities			
Deferred Tax Liability (Net)	20.II.2	17504700	14774900
Secured Loans	3	25973079	12701431
Unsecured Loans	4	639285739	441805996
Creditors	5	209134314	95782892
Other Liabilities	6	619155534	618658085
Provisions	7	20969368	11880521
Total		**2781902246**	**2408569082**
Assets			
Property, Plant and Equipment	8 (i)	171510915	176918755
Intangible Asset	8 (ii)	934500	1246000
Capital Work-in-progress	8 (iii)	0	665758
Investments	9	116538800	116538800
Loans & Advances	10	6379019	61168239
Inventories	11	2453711298	1990090109
Debtors	12	11267505	18212336
Cash & Bank Balances	13	21560209	43729085
Total		**2781902246**	**2408569082**

Accounting Policies & Notes Forming Part of Accounts — **21**

As per our Report of even date

For, C.R. Sharedalal & Co.
Chartered Accountants
(Firm Reg. No. 109943W)

C.R. SHAREDALAL & CO. CHARTERED ACCOUNTANTS AHMEDABAD

(C.R. Sharedalal)
Partner
Membership No. 002571
UDIN:- 20002571AAAAHR9875

Place : Ahmedabad
Date : 25-09-2020

For, Zaveri and Company (Gujarat) LLP

Z. V. M ... Dodi

Partner **Partner**

Place : Ahmedabad
Date : 25-09-2020

ZAVERI AND COMPANY (GUJARAT) LLP
PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED ON 31-03-2020

(All amounts are in Rupees unless otherwise stated)

	Schedules	For the Year ended 31-03-2020 Rupees	For the Year ended 31-03-2019 Rupees
INCOME			
Sales	14	2244262035	2076029056
Other Incomes	15	14292297	15789541
Total Income		2258554332	2091818597
EXPENSES			
Cost of Sales	16	1854252142	1728376197
Employee Benefit Expenses	17	41674438	40542981
Finance Cost	18	60643104	52072257
Other Expenses	19	85935353	67456065
Depreciation & Amortization	8	18444891	18206575
Partner's Remuneration		27600000	16100000
Total Expenditure		2088549928	1922754075
Net Profit/(Loss) before tax		170004404	169064522
Income Tax		58200000	53200000
(Excess)/Short provision of Income Tax of earlier years		1100379	0
Deferred Tax		2729800	6345900
Profit/(Loss) after Tax		107974225	109518622
Profit/(Loss) Transferred to Partners Account		107974225	109518622
Profit Transferred to Reserves and Surplus		0	0

Accounting Policies & Notes Forming Part of Accounts — 21

As per our Report of even date

For, C.R. Sharedalal & Co.
Chartered Accountants
(Firm Reg. No. 109943W)

SHAREDALAL & CO. CHARTERED ACCOUNTANTS AHMEDABAD

(C.R. Sharedalal)
Partner
Membership No. 002571
UDIN:- 20002571AAAAHR9875

Place : Ahmedabad
Date : 25-09-2020

For, Zaveri and Company (Gujarat) LLP

Z. V. Mandal

Partner

Partner

Place : Ahmedabad
Date : 25-09-2020

ZAVERI AND COMPANY (GUJARAT) LLP
CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31-03-2020

(All amounts are in Rupees unless otherwise stated)

		For the year ended	31-03-2020	For the period ended	31-03-2019
		Rupees	Rupees	Rupees	Rupees
A.	**CASH FLOW FROM OPERATING ACTIVITIES**				
	Net Profit (Loss) before taxtion and extraordinary items		170004404		169064522
	Adjustment for				
	Interest Income	(1648613)		(3528430)	
	Rent income	(12257790)		(12158252)	
	(Profit)/Loss on sale of Fixed Assets	(6436)		(11562)	
	Depreciation	18444891		18206575	
	Gold Price Difference on Revaluation of Gold Loan	4447560		0	
	Interest expense	60643104	69622716	52072257	54580588
	Operating Profit before Working CapitalChanges		**239627120**		**223645110**
	Decrease (Increase) in Debtors	6944831		(3498520)	
	Decrease (Increase) in Inventories	(418321188)		(13683698)	
	Decrease (Increase) in Loans & Advances	4789220		(375593)	
	Increase (Decrease) in Provisons	(1742527)		(6298057)	
	Increase (Decrease) in Other Liabilities	497449		(8269040)	
	Increase (Decrease) in Creditors	113351422	(294480794)	(40133780)	(72258688)
	Cash Used in Operations		**(54853674)**		**151386422**
	Direct taxes paid		(48469005)		(47044519)
	Net cash used in operating activities		**(103322679)**		**104341903**
B.	**CASH FLOW FROM INVESTING ACTIVITIES**				
	Purchase of Property, plant and equipment	(12211533)		(18105361)	
	Sale of Property, plant and equipment	158176		1085000	
	Interest income	1648613		3528430	
	Rent income	12257790		12158252	
	Loan given	50000000		15700000	
	Net cash used in investing activites		**51853046**		**14366321**
C.	**CASH FLOW FROM FINACING ACTIVITIES**				
	Capital contribution from partners	(71059970)		379884586	
	Proceeds/(Repayment) of Secured Loans	13271648		(8795277)	
	Proceeds/(Repayment) of Unsecured Loans	147732183		(402503953)	
	Interest Paid	(60643104)		(52072257)	
	Net cash from financing activities		**29300757**		**(83486901)**
	Net increase in cash & cash equivalents		**(22168876)**		**35221323**
	Cash & Cash equivalents at begining of year		43729085		8507762
	Cash & Cash equivalents at end of period		**21560209**		**43729085**

Note: Cash and Cash Equivalents included in the Cash Flow Statement comprises the following balances amounts :

	As at 31-03-2020	As at 31-03-2019
Cash On Hand	3106715	3931496
Bank Balance with Schedule Banks	18453494	39797589
Total	21560209	43729085

As per our Report of even date
For C.R. Sharedalal & Co.
Chartered Accountants
(Firm Reg no. 109943W)

SHAREDALAL & CO. CHARTERED ACCOUNTANTS AHMEDABAD

C.R.SHAREDALAL
Partner
Membership No. 002571
UDIN:- 20002571AAAAHR9875

Place : Ahmedabad
Date : 25-09-2020

For, Zaveri and Company (Gujarat) LLP

Partner

Partner

Place : Ahmedabad
Date : 25-09-2020

ZAVERI AND COMPANY (GUJARAT) LLP

Schedules forming part of the Financial Statements

(All amounts are in Rupees unless otherwise stated)

Schedule : 1 :

Contribution towards capital

Name of the Partner	As at 31-03-2020 Rupees	As at 31-03-2019 Rupees
Kishor P. Mandalia	443350	443350
Vipul Z. Mandalia	700080	700080
Zaverilal V. Mandalia	933440	933440
Chandresh Z. Mandalia	700080	700080
Bharat P. Mandalia	793360	793360
Raj B. Mandalia	350000	350000
Sneh K. Mandalia	350000	350000
Yash K. Mandalia	350000	350000
Pranjivandas V. Mandalia	46690	46690
Total	**4667000**	**4667000**

Schedule : 2 :

Partners' Current Capital Accounts

Name of the Partner	Share (%) in Profit/Loss	Balance as at 01-04-2019 Rupees	Addition	*Withdrawal	Profit/(Loss) for the year	Remuneration	Balance as at 31-03-2020 Rupees
Kishor P. Mandalia	9.50	166143031	7702839	14330000	10257551	3000000	172773421
Vipul Z. Mandalia	15.00	173812802	5250000	6970000	16196134	4200000	192488936
Zaverilal V. Mandalia	20.00	286699061	35675500	72938500	21594845	1200000	272230906
Chandresh Z. Mandalia	15.00	167915222	4030000	28711309	16196134	3000000	162430047
Bharat P. Mandalia	17.00	150619808	3730000	26570000	18355618	3000000	149135426
Raj B. Mandalia	7.50	70410426	2940000	5830000	8098067	3000000	78618493
Sneh K. Mandalia	7.50	71510313	2700000	4750000	8098067	3000000	80558380
Yash K. Mandalia	7.50	74685203	2970000	4330000	8098067	3000000	84423270
Pranjivandas V. Mandalia	1.00	46502391	18170000	17398500	1079742	4200000	52553633
Total	**100.00**	**1208298257**	**83168339**	**181828309**	**107974225**	**27600000**	**1245212514**

***Note:-** Withdrwal from current account also includes withdrwal of Remuneration

C.R. SHAREDALAL & CO.
CHARTERED ACCOUNTANTS
AHMEDABAD

ZAVERI AND COMPANY (GUJARAT) LLP
Schedules forming part of the Financial Statements

		As at 31-03-2020 Rupees	As at 31-03-2019 Rupees
Schedule : 3 :			
Secured Loans			
HDFC Car Loan *		0	2691313
BMW Financial Services (I) Pvt. Ltd. *		5243269	6108202
Axis Bank Car Loan *		2670110	3891888
*(Secured by hypothecation of the Car purchase against it)			
Bank of Baroda OD A/c		18059700	10028
(Secured against FDs of partner)			
	Total	**25973079**	**12701431**
Schedule : 4 :			
Unsecured Loans			
Gold Loan		49747560	0
From other parties		180619430	183559166
From related parties		408918749	258246830
	Total	**639285739**	**441805996**
Schedule : 5 :			
Creditors			
For Goods		199197605	87678725
For Expenses		9936709	8104167
	Total	**209134314**	**95782892**

C. R. SHAREDALAL & CO.
CHARTERED ACCOUNTANTS
AHMEDABAD

ZAVERI AND COMPANY (GUJARAT) LLP
Schedules forming part of the Financial Statements

		As at 31-03-2020 Rupees	As at 31-03-2019 Rupees
Schedule : 6 :			
Other Liabilities			
Statutory dues		8253317	7850468
TDS payables			
GST payable			
ESIC Payable			
PF Payable			
Professional Tax Payable			
Security Deposit		4638435	4638435
Other Debts*		602488042	602488042
Advance from customers		3775740	3681140
	Total	**619155534**	**618658085**

*Other Debts are payable to Zaveri and Company Private Limited (ZCPL), originally incurred as interdivision transactions in ZCPL and upon demerger of Showroom Undertaking of ZCPL in to erstwhile Company Zaveri International Pvt. Ltd. (ZIPL) it was considered as other debts.

		As at 31-03-2020 Rupees	As at 31-03-2019 Rupees
Schedule : 7 :			
Provisions			
For bonus		3387335	3558249
For salary and allowances		362285	0
For gratuity		6068128	5347814
For expenses		320246	397622
For income tax (Net of Advances)		10831374	2576836
	Total	**20969368**	**11880521**

ZAVERI AND COMPANY (GUJARAT) LLP
Schedules forming part of the Financial Statements

Schedule : 8 :

Property, Plant and Equipment, Intangible Assets and Work in Progress

	Description	Rate of Depreciation	Gross Block				Depreciation				Net Block	
			As at 01-04-2019	Additions	Deletions	As at 31-03-2020	As at 01-04-2019	For the Year	Deletions	Up to 31-03-2020	As at 31-03-2020	As at 31-03-2019
(i)	**Property, Plant and Equipment**											
1	Building	10%	74005385	0	0	74005385	41352686	3265267	0	44617953	29387432	32652699
2	Leasehold improvements-Building	5 years	1306040	1515335	0	2821375	1306040	303067	0	1609107	1212268	0
3	Plant and Machinery	15%	18144791	3086366	0	21231157	10789015	1322740	0	12111755	9119402	7355776
4	Furniture and Fixtures	10%	28596164	3083280	0	31679444	23518152	602103	0	24120255	7559189	5078012
5	Vehicles	15%	42847709	2255368	1131077	43972000	13469751	4668900	979337	17159314	26812686	29377958
6	Office Equipments	15%	1798795	926764	0	2725559	1276499	99854	0	1376353	1349206	522296
7	Electrical Installations	10%	2437855	1676024	0	4113879	1290439	194899	0	1485338	2628541	1147416
8	Computers	40%	3691450	334154	0	4025604	3186278	227191	0	3413469	612135	505172
9	Land		32557860	0	0	32557860	0	0	0	0	32557860	32557860
10	Windmills	11%	111005000	0	0	111005000	43283434	7449370	0	50732804	60272196	67721566
	Total		**316391049**	**12877291**	**1131077**	**328137263**	**139472294**	**18133391**	**979337**	**156626348**	**171510915**	**176918755**
(ii)	**Intangible Assets**											
1	Trade Mark		112210460	0	0	112210460	112210460	0	0	112210460	0	0
2	Software	5 Years	1557500	0	0	1557500	311500	311500	0	623000	934500	1246000
	Total		**113767960**	**0**	**0**	**113767960**	**112521960**	**311500**	**0**	**112833460**	**934500**	**1246000**
(iii)	Capital Work-in-progress											
1	Furniture & Fixture		665758	0	665758	0	0	0	0	0	0	665758
	Total		665758	0	665758	0	0	0	0	0	0	665758
	Grand Total		430824767	12877291	1796835	441905223	251994254	18444891	979337	269459808	172445415	178830513
	Previous Year		418746115	21792861	9714209	430824767	238740953	18206575	4953274	251994254	178830513	

C.R. SHAREDALAL & CO.
CHARTERED ACCOUNTANTS

ZAVERI AND COMPANY (GUJARAT) LLP
Schedules forming part of the Financial Statements

		As at 31-03-2020 Rupees	As at 31-03-2019 Rupees
Schedule : 9 :			
Investments			
(Long-term, Valued at Cost)			
Investments in Property (Commercial complex)			
Pancham Highstreet - Showroom GF1, FF 101, SF 201		66601575	66601575
Panchratna Complex No. 6		7381353	7381353
Shapath 5 - 1901,1902		31775051	31775051
Safal Profitare Unit A -6 & A-7 on 8th Floor		10776621	10776621
		0	
Investments in equity instruments (Unquoted)		0	
-168 Equity shares of Rs.25/- each fully paid up in Abhyuday Co.Op. Bank Ltd.		4200	4200
	Total	**116538800**	**116538800**
Aggregate amount of unquoted investments		4200	4200

Schedule : 10 :			
Loans & Advances			
Security deposits(Unsecured, considered good)		4947750	4526750
Loans to Staff		242943	127444
Loans to others		0	50000000
Advance to Creditors		288444	1571280
Prepaid Expense		874623	798012
Accrued Income		0	4120467
Others		25259	24286
	Total	6379019	61168239

C. R. SHAREDALAL & CO. CHARTERED ACCOUNTANTS AHMEDABAD

ZAVERI AND COMPANY (GUJARAT) LLP
Schedules forming part of the Financial Statements

		As at 31-03-2020 Rupees	As at 31-03-2019 Rupees
Schedule : 11 :			
Inventories			
Traded goods			
Gold Bars		6941267	6358353
Gold Ornaments		1734584119	1441317114
Silver & Silver Ornaments		40841351	35347670
Diamonds		448416622	432662710
Others		82690158	74404262
Units of Mutual Funds		71401181	0
	Total - (A)	**2384874698**	**1990090109**
Work in Progress			
Land Cost		68836600	0
	Total - (B)	**68836600**	**0**
	Total (A+B)	**2453711298**	**1990090109**
Schedule : 12 :			
Debtors			
Unsecured, considered good		11267505	18212336
	Total	**11267505**	**18212336**
Schedule : 13 :			
Cash & Bank Balances			
Balances with banks in current accounts		18453494	39797589
Cash on hand		3106715	3931496
	Total	**21560209**	**43729085**

SHAREDALAL & CO. C.R. CHARTERED ACCOUNTANTS AHMEDABAD

ZAVERI AND COMPANY (GUJARAT) LLP
Schedules forming part of the Financial Statements

	For the Year ended 31-03-2020 Rupees	For the Year ended 31-03-2019 Rupees
Schedule : 14 :		
Sales		
Gold & Silver Bars, Gold & Silver Ornaments, Diamonds and others	2047974253	1858838562
Electric Units	71287782	82748239
Units of Mutual Funds	125000000	134442255
Total	**2244262035**	**2076029056**

Schedule : 15 :

Other Incomes

Interest income	1648613	3528430
Rent income	12257790	12158252
Interest on Income Tax Refund	289320	0
Miscellaneous Income	18361	0
Insurance claim	71777	91297
Profit on sale of fixed assets	6436	11562
Total	**14292297**	**15789541**

C. R. SHAREDALAL & CO. CHARTERED ACCOUNTANTS AHMEDABAD

ZAVERI AND COMPANY (GUJARAT) LLP
Schedules forming part of the Financial Statements

		For the Year ended 31-03-2020 Rupees	For the Year ended 31-03-2019 Rupees
Schedule : 16 :			
Cost of Sales			
Inventories at the beginning of the year			
Gold Bars		6358353	5036118
Gold Ornaments		1441317249	1440853590
Silver & Silver Ornaments		35347670	34782652
Diamonds		432662603	431264112
Others		74404239	64469940
Units of Mutual Funds		0	0
	Total (A)	**1990090114**	**1976406412**
Purchase of Gold & Silver Bars, Gold & Silver Ornaments, Diamonds and others		1985238403	1592587154
Gold (Metal) Stock-Borrowed		45300000	0
Purchase of Units of Mutual Funds		192500000	132500000
Electric Consumption		202718	178076
Reactive Power Export by MSEB		57855	343837
Labour and Hallmark Charges		25737755	16450827
	Total (B)	**2249036731**	**1742059894**
Inventories at the end of the year:			
Gold Bars		6941272	6358353
Gold Ornaments		1734584119	1441317114
Silver & Silver Ornaments		40841351	35347670
Diamonds		448416622	432662710
Others		82690158	74404262
Units of Mutual Funds		71401181	0
	Total (C)	**2384874703**	**1990090109**
Cost of Sales (A+B-C)		**1854252142**	**1728376197**

SHAREDALAL & CO. C. R. CHARTERED ACCOUNTANTS AHMEDABAD

ZAVERI AND COMPANY (GUJARAT) LLP
Schedules forming part of the Financial Statements

		For the Year ended 31-03-2020 Rupees	For the Year ended 31-03-2019 Rupees
Schedule : 17 :			
Employee Benefit Expenses			
Salaries and Bonus		34260217	31993265
Leave Encashment		2658618	2628779
Provided for gratuity		1202045	1170312
ESIC and Provident fund		2673672	3022888
Staff welfare expenses		879886	1727737
	Total	**41674438**	**40542981**
Schedule : 18 :			
Finance Cost			
Interest on Loans		59206948	51126628
Interest on Car Loans		998206	647871
Interest on OD A/c.		437950	297758
	Total	**60643104**	**52072257**
Schedule : 19 :			
Other Expenses			
Electricity		4540176	4550406
Rent		7795056	5268683
Packing, Sales promotion and Advertisement		28456510	23367890
Gold Price Difference on Revaluation of Gold Loan		4447560	0
Insurance		2048828	1877392
Rates and taxes		984756	1015830
Repairs and maintenance			
Building		3545924	2445660
Machinery		14482899	13695711
Others		1705090	1327086
Freight charges		149914	140776
Vehicle running and maintenance		2603329	2401884
Travelling and conveyance		448640	394427
Office and Administrative		3919859	2973892
Communication		1322548	1004943
Donations		71000	62000
Legal and professional fees		1041990	678350
Payments to auditors		300000	300000
Software Expenses		463000	15300
Security expenses		1666146	1207900
Bank Charges		3484930	3591171
Prior Period Expenses		27400	15812
Bad Debts		0	140000
Showroom Inauguration Expense		1472759	0
Other Expenses		957039	980952
	Total	**85935353**	**67456065**

C. R. SHAREDALAL & CO.
CHARTERED ACCOUNTANTS
AHMEDABAD

ZAVERI AND COMPANY (GUJARAT) LLP
Schedules forming part of the Financial Statements

		For the Year ended 31-03-2020 Rupees	For the Year ended 31-03-2019 Rupees
	Schedule : 20 :		
	Work-in-progress		
	Cost of acquition of Land		
	Opening Work-in-progress	0	0
Add:	Cost incurred during the year	68836600	0
Less:	Tranfer during the year to Cost of Sales in proporation to sales	0	0
	Closing Work-in-progress	68836600	**0**

SHAREDALAL & CO. C. R. CHARTERED ACCOUNTANTS AHMEDABAD

Schedule : 21 :

Significant Accounting Policy and Notes on Financial Statements
(All amounts are in Rupees unless otherwise stated)

I. Significant accounting policies forming part of the Financial Statements

1. Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention, on accrual basis in accordance with Generally Accepted Accounting Principles (GAAP).

2. Use of estimates

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known / materialised.

3. Property, Plant & Equipment

(a) Measurement

Property, Plant and Equipment are initially recognized at cost of acquisition and subsequently at cost less accumulated depreciation and accumulated impairment, if any.

The cost of an item of property, plant and equipment initially recognized includes its purchase price and any cost that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

(b) Depreciation and Amortization

Depreciation on property, plant and equipment is calculated using the written down method at the rates mentioned in schedule 9.

Leasehold improvements-Building is amortised on straight line basis with reference to lease terms over a period of useful life not exceeding 10 years commencing from the year in which asset is acquired and put to use.

The residual values, estimated useful lives and depreciation method of property, plant and equipment are reviewed, and adjusted as appropriate, at each balance sheet date. The effects of any revision are recognized in profit or loss when the changes arise.

C. R. SHAREDALAL & CO. CHARTERED ACCOUNTANTS AHMEDABAD

(c) Subsequent Expenditure

Subsequent expenditure relating to property, plant and equipment that has already been recognized is added to the carrying amount of the asset only when it is probable that future economic benefits associated with the item will flow to the LLP and the cost of the item can be measured reliably. All other repair and maintenance expenses are recognized in the Profit or Loss Account when incurred.

(d) Disposal

On disposal of an item of property, plant and equipment, the difference between the disposal proceeds and its carrying amount is recognized in the Profit or Loss Account.

4. **Intangible Assets**

(a) Measurement

Intangible Assets are stated at cost of acquisition less accumulated amortisation. Cost of acquisition comprises of purchase price, duties, levies and any directly attributable to the intangible assets are capitalized.

(b) Amortization

Computer Software is amortized over the period of 5 years as estimated by the management.

5. **Inventories**

Traded Goods:

A. Inventories are valued at Average Cost or Net Realizable value whichever is lower.

Cost is arrived at after averaging the yearly purchase plus cost of opening stock and other costs incurred in bringing them to their respective present location and condition.

B. Securities are valued category wise at lower of cost or net realizable value. The cost is arrived at on FIFO basis.

Work in Progress:

Work in progress is valued at cost or net realizable value whichever is lower. Cost includes cost of land, development rights, materials cost, construction costs, rates and taxes, borrowing costs, other direct expenditure and other incidental expenses.

C. R. SHAREDALAL & CO. CHARTERED ACCOUNTANTS AHMEDABAD

6. **Cash Flow**

The cash flow Statement is prepared by the indirect method set out in Accounting Standard-3 on Cash Flow Statement and presents cash flows by operating, investing and financing activities of the LLP. Cash and cash equivalents presented in the cash flow statement consist of cash on hand and balances in current and demand deposit with banks.

7. **Revenue Recognition**

A. Revenue from sales of goods is recognised at the point of dispatch to the customers when risk and reward stand transferred to the customers. Sales are booked net of sales return, discount and exclusive of Goods and Services Tax.

B. Dividend income is recognised when the right to receive the dividend is established.

C. Interest income is recognised on the time proportion basis taking into account of the amount outstanding and rate applicable.

D. Units of Mutual Funds
Units of Mutual Fund transactions are accounted as Sales or Purchase as and when it is committed.

E. Other Income
Revenue in respect of other income is recognized when no significant uncertainty as to its determination or realization exists.

F. Electricity Energy Sale
Revenue from the sale of electricity energy generated through windmills is recognised on accrual basis in accordance with the provisions of the Power Purchase Agreement (PPA) after Commercial Operation Date.

G. Sale of Residential Units
The LLP is following the "Percentage of Completion Method" of accounting. As per this method, revenue from sale of residential units is recognized in Profit & Loss account in proportion to the actual cost incurred as against the total estimated cost of projects under execution with the LLP on transfer of significant risk and rewards to the buyer provided the following thresholds have been met:

a) All critical approvals necessary for the commencement have been obtained;
b) The expenditure incurred on construction and development costs is not less than 25 per cent of the total estimated construction and development costs;
c) At least 25 percent of the saleable project area is secured by contracts or agreements with buyers; and
d) At least 10 percent of the agreement value is realized at the reporting date in respect of such contracts and it is reasonable to expect that the parties to such contracts will comply with the payment terms as defined in the contracts.

SHAREDALAL & CO. C.R. CHARTERED ACCOUNTANTS AHMEDABAD

Determination of revenues under the percentage of completion method necessarily involves making estimates, some of which are of a technical nature, concerning, where relevant, the percentages of completion, costs to completion, the expected revenues from the project or activity and the foreseeable losses to completion. Estimates of project income, as well as project costs, are reviewed periodically. The effect of changes, if any, to estimates is recognized in the financial statements for the period in which such changes are determined.

8. **Employee Benefits**

Short-term employee benefits are recognized as expenses in the Profit and Loss Account of the period in which the related services are rendered at the undiscounted amount as and when it accrues.

Long term employee benefits and post-employment benefits both funded and non-funded are recognized as expenses in the Profit and Loss Account of the period in which the related services are rendered based on actuarial valuation.

i. LLP's Contribution towards provident fund are accounted for at pre-determined rates and deposited in to an EPFO.
ii. Gratuity is accounted for on the basis of actuarial valuation.

9. **Provision for Current and Deferred Tax**

Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income Tax Act, 1961. Deferred tax resulting from "timing difference" between taxable and accounting income is accounted for using the tax rates and laws that are enacted or substantively enacted as on the balance sheet date. Deferred tax assets is recognised and carried forward only to the extent that there is a virtual certainty that the asset will be realised in future.

10. **Provisions, Contingent Liabilities and Contingent Assets**

Provision is recognized when there is a present obligation as a result of past event that probably requires an outflow of resources and reliable estimate can be made of the amount of the obligation. Disclosure for Contingent Liabilities is made when there is a possible obligation or a present obligation that may, but probably will not, requires an outflow of resources. No provision is recognized or disclosure for Contingent Liability is made when there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote. Contingent Asset is neither recognized nor disclosed in the financial statements.

11. **Impairment of Assets**

An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value. An impairment loss is charged to the Profit and Loss Account in the year in which an asset is identified as impaired. The impairment loss recognized in prior period is reversed if there has been a change in the estimate of recoverable amount.

C. R. SHAREDALAL & CO. CHARTERED ACCOUNTANTS AHMEDABAD

12. **Investments**

Investments that are readily realisable and intended to be held for not more than a year are classified as Short-term investments. All other investments are classified as Long-term investments. Short-term investments are carried at lower of cost and quoted/fair value determined on category/item wise. Long-term investments are stated at cost. However, Provision for diminution in the value of Long-term investment is made only if such a decline is other than temporary.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the Profit and Loss Account.

13. **Borrowing Costs**

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to Profit and Loss Account.

14. **Leases**

Operating Leases

The LLP's significant leasing arrangements are in respect of operating leases for premises. The leasing arrangements range between eleven months to nine years generally and are usually renewable by mutual consent at agreed terms. The aggregate lease rent payables for respective period are charged as rent in Profit & Loss Accounts.

15. **Gold Metal Borrowing**

Initial Recognition and Measurement

Gold metal borrowings are recognised as a liability under Gold Loan with corresponding an asset under inventory at the agreed price of gold as per agreement.

Subsequent Measurement

Liability at the year-end or at the time of settlement is restated at prevailing market price of gold on that date.

Any income or expense on account of gold price difference either on the settlement date or on translation is recognised in the profit and loss account.

C. R. SHAREDALAL & CO. CHARTERED ACCOUNTANTS AHMEDABAD

ZAVERI AND COMPANY (GUJARAT) LLP

II. Notes forming part of the Financial Statements

1. Disclosure as required under Accounting Standard 18 in relation to 'Related Party Transaction' Issued by Institute of Chartered Accountants of India

Details of related parties

Description of relationship	Names of related parties
Enterprises in which Partners/ Relatives of Partners are interested as Director/Member/Partner	Zaveri & Co. Pvt. Ltd.
	Zaveri Enterprise Pvt. Ltd.
	Zaveri Finstock Pvt. Ltd.
	Zaveri & Co Jewellers Pvt. Ltd.
	Zaveri Comtrade Pvt. Ltd.
	Sarabai Enterprises Pvt. Ltd.
	Chokshi Estate Pvt. Ltd.
	Panchratna Infrastructure LLP
	Ausom Enterprise Ltd.
	Priyal Projects Pvt. Ltd.
	Priyal International Pvt Ltd
	Zaveri & Co Exports.
	Zaveri Foundation
	Saumya Developers
	Keshavaji Developers
	Achal Raj
	Priyal Realty
	Soni Pranjivandas Virjibhai
	Atit Developers LLP
	Amazo Projects LLP
	Zaveri Infracon LLP
	Jagdambey Hydro Projects LLP
	Amazo Arcade LLP
	Khandwala & Zaveri Developers LLP
	Amazo Wind Farm LLP
	Amazo Power LLP
	P K Z Developers LLP
	P K Z Realty LLP
	Atit Realty LLP
	Bricks Bonds Realty LLP
	Zaveri Energy LLP
	Zaveri Realty LLP
	Ananta Exim LLP
	Vrundavan Garden LLP
	Atit Infrastructure LLP
	Amazo Infraspace LLP
	Myspace Infracon LLP
	Amazo Waste Management Solution LLP
	Aaron Infraspace LLP

C. R. SHAREDALAL & CO. CHARTERED ACCOUNTANTS AHMEDABAD

ZAVERI AND COMPANY (GUJARAT) LLP

Description of relationship	Names of related parties
	S K Z Developers LLP
	Swadeshi Distributors LLP
	Euro Solar Power Pvt. Ltd.
	Safal Homes LLP
	Delectable Foods LLP
	Abhijit Workspaces LLP
	Zaveri Comtrade LLP
	Amazo Infralink LLP
	Priyal Projects LLP
	S. J. Green Park Energy Pvt. Ltd.
	Madhav Solar Private Limited
	BSAFAL.KZ ESTATE LLP
	Aaron Infracon LLP
	Aahna Organizers LLP
Partner	Kishor pranjivandas Mandalia
	Vipul Zaverilal Mandalia
	Zaverilal Virjibhai Mandalia
	Bharat Pranjivandas Mandalia
	Chandresh Zaverilal Mandalia
	Raj Bharatkumar Mandalia
	Sneh Kishorkumar Mandalia
	Yash Kishor Mandalia
	Pranjivandas Virjibhai Mandalia
Relative of Partner	Archi Yash Mandaliya
	Aadhyaksh Vipul Mandalia
	Arunaben K. Mandalia
	Bhanuben P. Mandalia
	Chaitali Chandresh Mandalia
	Chanakya C. Mandalia
	Chitranshi C. Mandalia
	Dakshaben B. Mandalia
	Fenny C. Mandalia
	Khushi B. Mandalia
	Prafulaben Zaverilal Mandalia
	Hemali Vipul Mandalia
	Kautilya Mandalia
	Purva Raj Mandalia
	Prabhaben Arvindbhai
	Agastya Sneh Mandalia
	Vidhaan Raj Mandalia
	Chandrikaben Bhogilal Adesra

C. R. SHAREDALAL & CO. CHARTERED ACCOUNTANTS AHMEDABAD

ZAVERI AND COMPANY (GUJARAT) LLP

Transactions during the year with related parties:

Sr. No.	Nature of Transactions	Partners	Relative of Partner	Enterprises in which Partners/ Relatives of Partners are interested as Director /Member /Partner	Total
1	**Loans taken**				
	Balance as on 01-04-2019	0	255746830	2500000	258246830
	Addition during the period	0	120300000	0	120300000
	Repaid during the period	0	5850000	0	5850000
	Balance as 31-03-2020	0	406418749	2500000	408918749
2	Purchase	0	429000	1041260	1470260
3	Sales	4998877	935198	2580612	8514687
4	Interest Expenses	0	40219725	0	40219725
5	Rent Expenses	0	5970000	0	5970000
6	Salary Expense	0	360000	0	360000
7	Remuneration	27600000	0	0	27600000
8	Reimbursement Received	0	0	14254	14254
9	Land Purchase	65000000	0	0	65000000

Transactions during the previous year with related parties:

Sr. No.	Nature of Transactions	Partners	Relative of Partner	Enterprises in which Partners/ Relatives of Partners are interested as Director /Member /Partner	Total
1	**Loans taken**				
	Balance as on 01-04-2018	339730604	243185218	2500000	585415822
	Addition during the period	0	14130000	0	14130000
	Repaid during the period	339730604	27319000	0	367049604
	Balance as 31-03-2019	0	255746830	2500000	258246830
2	**Loans given**				
	Balance as on 01-04-2018	0	0	15700000	15700000
	Given during the period	0	0	0	0
	Received back during the period	0	0	15700000	15700000
	Balance as 31-03-2019	0	0	0	0
3	Purchase	312060	240359	8618575	9170994
4	Sales	5209159	1365191	0	6574350
5	Interest Expenses	0	28588073	0	28588073
6	Rent Expenses	0	3582500	0	3582500
7	Salary Expense	0	360000	0	360000
8	Remuneration	16100000	0	0	16100000
9	Purchase of Fixed Asset	0	0	115833	115833

2. The deferred tax liability/asset comprises the following:

Particulars	**For the year ended 31-03-2020**	**For the year ended 31-03-2019**
Opening Deferred tax liability related to timing difference on depreciation of fixed assets	14774900	8429000
Deferred tax liabilities / (Asset) related to timing difference on depreciation of fixed assets	2729800	6345900
Net deferred tax liability	17504700	14774900

C. R. SHAREDALAL & CO.
CHARTERED ACCOUNTANTS
AHMEDABAD

3. Disclosure in respect of retirement benefits as per Accounting Standard 15 prescribed by Institute of Chartered Accountant of India.

The LLP has adopted AS15 (revised 2005) 'Employee Benefit'. Defined Employee benefit schemes are as follows:

a. Provident Fund: LLP pays fixed contribution of Provident Fund at pre-determined rates to an EPFO.
b. Gratuity is Defined Benefit Plans.

The liability towards Gratuity is determined based on actuarial valuation using the Projected Unit Credit Method which is as follows.

Sr. No.	Particulars	For the year ended 31-03-2020	For the year ended 31-03-2019
A	**Reconciliation of opening and closing balances of Defined Benefit obligation**		
	Defined Benefit Obligation at the beginning of the year	5347814	4769136
	Current Service Cost	595813	560275
	Interest Cost	411247	371039
	Actuarial(gain)/loss	194985	238998
	Benefit Paid	(481731)	(591634)
	Defined Benefit Obligation at the end of the year	6068128	5347814
B	**Reconciliation of opening and closing balances of fair value of plan assets**	N.A.	N.A.
C	**Reconciliation of fair value of assets and obligations**		
	Fair value of plan assets as at Balance Sheet date	-	-
	Present value of obligation as at Balance Sheet date	6068128	5347814
	Amount recognized in Balance Sheet	6068128	5347814
D	**Expenses recognized during the period**		
	Current Service Cost	595813	560275
	Interest Cost	411247	371039
	Expected return on plan assets	-	-
	Net Actuarial (gain)/loss	194985	238998
	Net Cost	1202045	1170312
E	**Actuarial assumptions**		
	Mortality Rates(L.I.C.)	2006-08 (ultimate)	2006-08 (ultimate)
	Discount rate(per annum)	7.69%	7.69%
	Rate of escalation in salary(per annum)	6%	6%

4. Balances of Debtors, Creditors, Loans and Advances and unsecured loan accounts are subject to confirmation and reconciliations if any.

SHAREDALAL & CO. C. R. CHARTERED ACCOUNTANTS AHMEDABAD

5. Leased Assets :

Premises taken on operating lease during the year 2012 -13, 2015-16 & 2018-19 at lease rent amounting to Rs.1,43,76,168/-, 1,87,51,500/- & 4,06,28,268/- respectively for 9 years. Future obligations towards lease rentals under the lease agreement as yearend 31-03-2020 is Rs. 4,80,66,940/- (PY 5,58,61,996/-)

General description of Lease Terms :

(i) Lease rentals are charged on the basis of agreed terms.

(ii) Lease period is for 9 years.

The future minimum lease payment is as under:

Particulars	For the year ended 31-03-2020	For the year ended 31-03-2019
Not later than one year	7795056	7795056
Later than one year and not later than five years	26947681	28985547
Later than five years	13324203	19081393
Total	48066940	55861996

6. Segment Reporting: -

The LLP has identified the following business segments according to nature of products and services provided, with each segment representing strategic business unit that offers different products and services. The geographical segment is based on geographical locations of customers which is same as business segment:-

Segment	Activities covered
Gold & Jewellery Business	Sale of Gold, Silver, Diamonds and Ornaments, etc.
Electricity Energy generated through Windmills	Supply of electricity energy generated through windmills
Real Estate Business	Construction and Sale of residential units

Segment revenues, expenses, assets and liabilities are those which are directly attributable to the segment or are allocated on an appropriate basis. Corporate and other revenues, expenses, assets and liabilities to the extent not allocable to the segments are disclosed in reconciliation of reportable segments with the financial statements. The LLP has two principal operating and reporting segments viz. Gold & Jewellery business and Power Supply Business.

Segment information for current year

Particulars	Gold & Jewellery Business	Power Supply Business	Others	Total
Segment Revenue				
External Sales	2172974253	71287782	0	2244262035
Inter segment sale	0	0	0	0
Other Income	12571907	71777	0	12643684
Total Revenue	**2185546160**	**71359559**	**0**	**2256905719**

SHAREBALAL & CO. CHARTERED ACCOUNTANTS AHMEDABAD

Segment Result	207966791	48638941	(6837)	256598895
Interest Cost				60643104
Remuneration				27600000
Interest Income				1648613
Net Profit Before Tax				**170004404**
Income Tax Expense (Provision for Tax and Deferred Tax)				62030179
Net Profit after Tax				**107974225**

Other Information				
Segment Assets	2620351617	106957471	54593163	2781902251
Segment Liabilities	1504218290	17154444	10650000	1532022734
Capital Expenditure	12877291	0	0	12877291
Depreciation	10510391	7934500	0	18444891

Segment information for previous year

Particulars	Gold & Jewellery Business	Power Supply Business	Total
Segment Revenue			
External Sales	1993280817	82748239	2076029056
Inter segment sale	0	0	0
Other Income	12169814	91297	12261111
Total Revenue	**2005450631**	**82839536**	**2088290167**
Segment Result	174295373	59412976	233708349
Interest Cost			52072257
Remuneration			16100000
Interest Income			3528430
Net Profit Before Tax			**169064522**
Income Tax Expense (Provision for Tax and Deferred Tax)			59545900
Net Profit after Tax			**109518622**

Other Information			
Segment Assets	2285295191	123273891	2408569082
Segment Liabilities	1183757779	11846046	1195603825
Capital Expenditure	17605361	500000	18105361
Depreciation	9273044	8933531	18206575

7. Previous year figures have been reworked regrouped rearranged and reclassified wherever necessary to make it comparable with current year figures.

C. R. SHAREDALAL & CO.
CHARTERED ACCOUNTANTS
AHMEDABAD

8. Additional information in Annual Accounts for the year ended 31.03.2020 under Section 22 of the Micro, Small & Medium Enterprise Development Act, 2006

#The LLP has not received any intimation from "Suppliers" regarding their status under Micro, Small and Medium Enterprise Development Act, 2006 ("the act"), and hence, disclosures, if any, relating to amount unpaid as at 31st March, 2020 together with interest paid/payable as required under the act has not been given.

Sr. No.	Particulars	At the end of 31st March, 2020
1.	The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier as at the end of each accounting year ;	#(Refer above note)
2.	The amount of interest paid by the buyer in terms of Section 16, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	
3.	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act;	
4.	The amount of interest accrued and remaining unpaid at the end of each accounting year;	
5.	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under Section 23.	

For C. R. Sharedalal & Co.
Chartered Accountants
(Firm Reg. No. 109943W)

(C. R. Sharedalal)
Partner
Membership No. 002571
UDIN:- 20002571AAAAHR9875

Place : Ahmedabad
Date : 25-09-2020

For Zaveri and Company (Gujarat) LLP

Z. V. Mandali

Partner

Partner

Place : Ahmedabad
Date : 25-09-2020