

A CULTURE OF TRUST A COMMITMENT TO GROWTH





A Culture of Trust. A Commitment to Growth



.....
FY22 HIGHLIGHTS
.....

₹ 1,08,179 Mn.

Total Revenue

.....
₹ 8,145 Mn.

EBITDA

.....
₹ 2,240 Mn.

PAT

.....
0.8x

Net Debt to Equity (with
Gold Metal Loan)

.....
0.3x

Net Debt to Equity (without
Gold Metal Loan)

.....

01 Corporate Overview

- 02 Who We Are
- 04 Performance Highlights
- 08 Product Portfolio
- 10 Presence
- 12 The Milestones of an
Illustrious Journey
- 14 Chairman's Message
- 16 Our Vision 2025
- 18 Established Brand - Till Now And
Beyond
- 20 Being Hyperlocal
- 24 My Kalyan Network
- 26 CRM and Digital Transformation
- 28 External Environment
- 30 Value Creation and Strategy
- 32 Environment and Social
Governance
- 34 Governance
- 36 Board Of Directors
- 38 Management Team
- 39 Statutory Report**
- 79 Financial Statements**
- 188 Notice**

Standing tall on the rock-solid pillars of legacy, transparency in operations, and the unshaking faith of our stakeholders, Kalyan Jewellers epitomises quality, value for money, and an unparalleled jewellery shopping experience. Since our inception in 1993, we have strategically and diligently cruised our way ahead to emerge as a market leader in the jewellery space.

Over the years, we have not just established a strong pan-India presence, but have also expanded to international

markets, along with spreading wings digitally. By means of our robust 'My Kalyan' network, we are committed to growth and diversification in terms of expanding our geographical footprint, in addition to widening our bouquet of offerings and sub-brands that cater to a diverse set of customers.

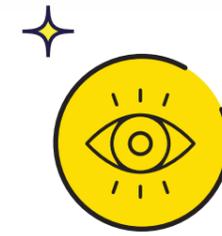
Our hyperlocal business approach gives us a unique competitive edge, while also enabling localisation at scale, and building us as an accessible and trusted "neighbourhood jeweller."



Placing Ethics Above All

Our family embarked on an entrepreneurial journey in 1908. Our growth story began with textiles, when our founder T.S. Kalyanarama Iyer started the first textile mill in Kerala, following which he opened a textile retailing showroom in 1913. The business grew through generations, until the third-generation visionary - T.S. Kalyanaraman laid the foundations of Kalyan Jewellers in 1993.

We entered the realms of jewellery retailing with a single standalone store. From that point, to date, we have grown in leaps and bounds, and at present, we have 159 stores. The Indian jewellery spectrum is rather wide, and there is room for much innovation and superior craftsmanship. The splendour, scope, and the appeal of Indian jewellery continues to mesmerise us as makers and retailers of it. Every piece of jewellery at Kalyan embodies our values, our honesty, and our legacy, prioritising the best interests of our customers. When we forayed into the jewellery industry, it was plagued with malpractices in quality, pricing, and promotions. With time, regulations are in place, and the consumers have become more aware. From our end, we have always strived to educate customers we sincerely believe that our efforts to bring in transparency and accountability into the industry have contributed fairly in creating the reassuring, present-day scenario.



Vision

To understand and delight the world, translating everyone's dream and personality into (fine/true/authentic Indian) jewellery, and spread the happiness from it to all.



Our Mission

To give every customer much more than what he/she asks for in terms of quality, selection, value for money and customer service, by understanding local tastes and preferences and innovating constantly to eventually provide an unmatched experience in (Indian) jewellery shopping.

Key facts

5,00,000+ sq.ft.

Cumulative Area Pan-India

154

Showrooms

37,000+ sq.ft.

Cumulative Area Across Middle East

8,386

No. of Employees

Strengths



One of the most popular brands in the segment with highest recall



Trusted brand associated with transparent business practices over years



Equally strong presence in North, South, East and West of India and GCC, something no other competitor has today



Perfection in the hyperlocal strategy achieved over years of fine-tuning



Widest range of brands and designs due to pan-Indian manufacturing and sourcing strengths



Robust and effective internal management control systems and processes



Aggressive marketing and promotion strategies



Widest reach due to large number of showrooms with a deep penetration into rural markets with our My Kalyan network



Leadership of promoters with deep-rooted values and an experienced professional management team



Strong governance framework as a function of the corporate philosophy



Poised for Growth

Financial Performance Highlights

Consolidated Revenue from Operations

	₹ million
FY20	101,009
FY21	85,733
FY22	108,179

Gross Margin

	%
FY20	16.9
FY21	17.0
FY22	15.6

Basic EPS

	₹
FY20	1.70
FY21	(0.07)
FY22	2.18

Net Worth

	₹ million
FY20	21,581
FY21	28,265
FY22	31,380

Revenue from India Business

	₹ million
FY20	78,979
FY21	73,871
FY22	91,775

Revenue from Middle East Business

	₹ million
FY20	22,030
FY21	11,862
FY22	16,404

RoE

	%
FY20	6.7
FY21	(0.2)
FY22	7.5

RoCE

	%
FY20	17.7
FY21	10.6
FY22	15.5

EBITDA

	₹ million
FY20	7,603
FY21	5,943
FY22	8,145

EBITDA Margin

	%
FY20	7.5
FY21	6.9
FY22	7.5

Net Debt to Equity

	times
FY20	1.34
FY21	0.81
FY22	0.82

Net Debt to EBITDA

	times
FY20	3.80
FY21	3.84
FY22	3.17

PAT

	₹ million
FY20	1,423
FY21	(61)
FY22	2,240

PAT Margin

	%
FY20	1.4
FY21	(0.1)
FY22	2.1

Operational Performance Highlights



INDIA BUSINESS (STANDALONE)

- India business delivered strong growth across all metrics with same-store-sales growth of 14%
- EBITDA for the current year increased to ₹ 6,915 Mn from ₹ 6,247 Mn in FY 21
- Our pan-India expansions have led to an increase in share of revenue from non-South markets to 34% vs 31% in FY21
- We achieved 98% operational capacity in H2 FY22 as restrictions were lowered in all states
- We launched 18 new stores during the year
- On our franchised showroom vertical we made significant progress with signing 6 LOIs in FY22.
- In June 2022, we successfully opened our first franchise store
- Our Board approved the appointment of Mr. Vinod Rai as Chairman and Independent Non-Executed Director on the Board of the Company. This appointment underpins our continued focus on not only strengthening the Board, but also emphasises on corporate governance.



MIDDLE EAST BUSINESS

- Post the impact of second wave at the start of FY22, almost all of our stores in the region were fully operational, leading to strong performance during the year. The region delivered 38% increase in revenues vs. FY21
- As the travel restrictions eased, the business improved progressively during the year. We witnessed significant growth not just in terms of value, but also with regard to footfall. This increase in footfall has been recorded till the mid of Q2 FY23
- Our primary focus on customers and our employees' safety helped us put forward our brand communication, revolving around the store hygiene and safety measures taken, which also included vaccination of store staff. This was well appreciated by the customers and the employees
- Similar to our India business, we have already received enquiries from potential franchisee partners. We plan to launch franchise operations in the region after successful launch of the first set of pilot showrooms in India.



DIGITAL BUSINESS

- Candere has recorded a revenue of ₹1,412 mn for FY22 marking a 83% CAGR growth since the acquisition by Kalyan Jewellers
- As a part of the growth phase, Candere will open its first showroom during the first half of FY23. In addition to that, we are also planning to widen our customer base through the introduction of innovative new product segments for brands and collections.



Catering to a Range of Preferences

In sync with our vision of bringing happiness by translating every dream and personality into jewellery, we have an array of brands for every customer's taste and price-point. Our online platform 'candere.com' has a variety of products meant for the young, tech-savvy, fashion conscious, and style-seeking online buyer.



The Brand Spectrum

Brands targeting different customer segments and occasions

WEDDING JEWELLERY

MUHURAT

Wedding-exclusive gold, uncut diamond, precious stone and diamond jewellery

MUDHRA

HANDCRAFTED ANTIQUE JEWELLERY
Handcrafted antique jewellery

nimab

TIMELESS HERITAGE JEWELLERY
Heritage jewellery, inspired by divinity

SPECIAL JEWELLERY

Anokhi

uncut diamond
Uncut diamond jewellery with grandeur

rang

precious stones
Emerald and ruby collections

TEJASVI

POLKI DIAMONDS
Polki collections for the royal look

DIAMOND JEWELLERY

antara

Bridal Diamond Collection
Light weight, prong setting jewellery

apoorva

DIAMONDS FOR SPECIAL OCCASIONS
Glamorous and bold Illusion setting collection

ziah

INFINITE SPARKLES
Light wear, cluster-setting collections for daily-wear

Glo

DANCING DIAMOND
Dancing diamonds in twinkle-setting for semi-formal occasions

Laya

Diamonds for all expressions
Pink-gold collections in unusual shapes for variety-seekers

hep

everyday diamond
Affordable daily-wear collection for working women

AISHWARYAM - AFFORDABLE COLLECTIONS FOR PRICE-SENSITIVE MARKETS.

AISHWARYAM
COLLECTIONS

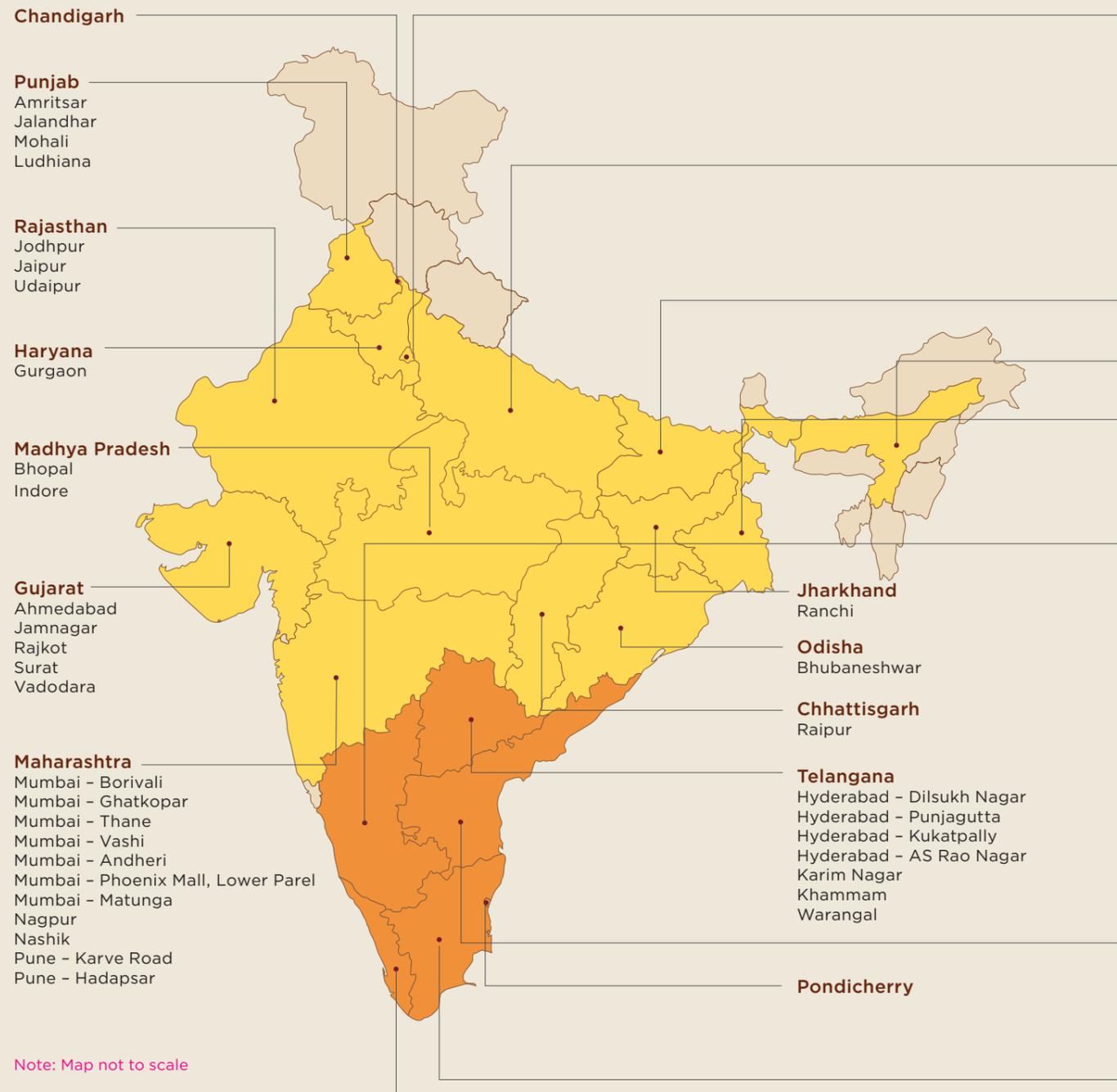
ONLINE BRANDS/ PLATFORMS

CANDERE | **KALYAN**
A KALYAN JEWELLERS COMPANY | JEWELLERS



Expanding Geographical Footprint

With the surging buying power of the Indian consumers, coupled with digitalisation, and our hyperlocal business approach, Kalyan Jewellers is at the forefront of capitalising on the opportunities presented by the market. We are not just broadening our network of stores in tier-1 cities, but are also eyeing tier-2 and 3 cities, which are replete with an upwardly mobile class of consumers, willing to invest in jewellery.



BALANCED PAN-INDIA PRESENCE

62%
South India

38%
Non-South India

36%
Metro Presence

64%
Non-metro Presence

Delhi
South Extension
Dwarka
Karol Bagh
Pitampura
Preet Vihar
Vegas Mall, Dwarka

Uttar Pradesh
Ghaziabad
Lucknow
Kanpur
Noida
Noida 2

Bihar
Patna

Assam
Guwahati

West Bengal
Kolkata - Camac Street
Kolkata - Gariahat
Kolkata - Salt Lake
Siliguri

Karnataka
Bengaluru - Dickenson Road
Bengaluru - Jayanagar
Bengaluru - Kammanahalli
Bengaluru - Koramangala
Bengaluru - Malleswaram
Bengaluru - Marathahalli
Bengaluru - Phoenix Mall
Bengaluru - Lulu Mall
Belgaum
Bellary
Davangere
Hubli
Hassan
Mysore
Mangalore
Shivamogga
Udupi

Andhra Pradesh
Guntur
Nellore
Kadapa
Kurnool
Kakinada
Visakhapatnam
Viayawada
Tirupati

Kerala
Adoor
Alappuzha
Angamali
Attingal
Kochi
Kannur
Kollam
Kodungallur
Kozhikode
Kottayam
Palakkad
Pathanamthitta
Perinthalmanna
Thalassery
Thiruvananthapuram
Thrissur - Round East
Thrissur - Round North
Thiruvalla
Thodupuzha
Trivandrum

Tamil Nadu
Chennai - Adayar
Chennai - Anna Nagar
Chennai - Chengalpettu
Chennai - Chromepet
Chennai - T.Nagar
Chennai - Velachery
Chennai - Usman Road
Coimbatore
Erode
Karur
Kancheepuram
Kumbakonam
Madurai
Madurai 2nd Showroom
Nagercoil
Vellore
Ramanathapuram
Salem
Tanjore
Thiruvannamalai
Tirunelveli
Trichi
Trichi 2nd Showroom
Thoothukudi

SHOWROOM PRESENCE

Presence in
5
Countries

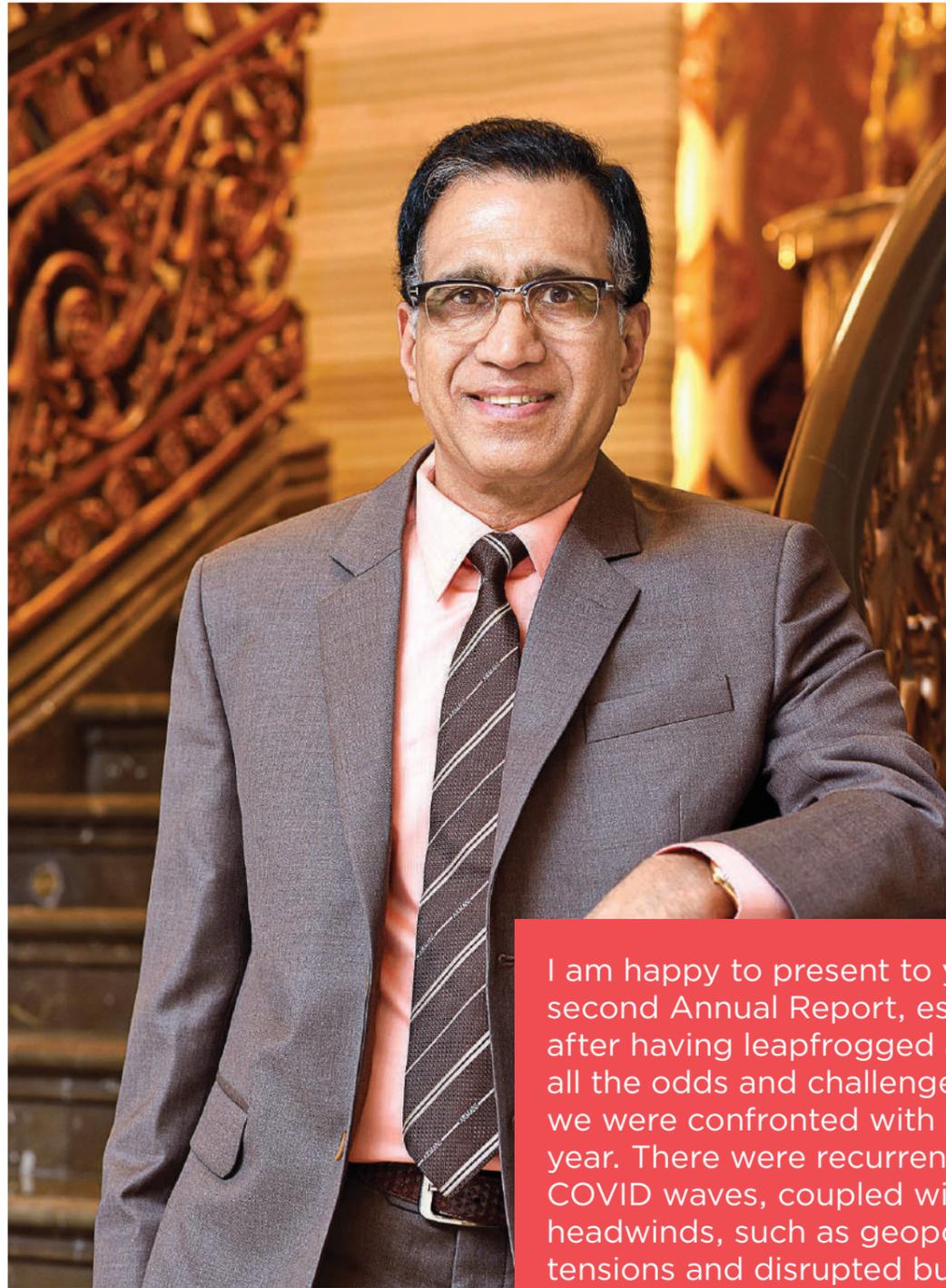
Presence in
21
Indian States and
Union Territories

13
Procurement Centres

30
Showrooms in Middle East

124
Showrooms in India

865
'My Kalyan'
Grassroots Stores



I am happy to present to you our second Annual Report, especially after having leapfrogged ahead of all the odds and challenges that we were confronted with in the last year. There were recurrences of COVID waves, coupled with other headwinds, such as geopolitical tensions and disrupted business operations worldwide. Nonetheless, I am proud to announce that in the face of multiple difficulties, we, at Kalyan, sailed through with grit and recorded a promising performance. We prioritised our employees, and customers' health, while adopting the best practices to ensure the safety and wellbeing of our stakeholders.

**Backed
by Values,
Driven by
Strategy**

Dear Shareholders,

A REASSURING MACRO ENVIRONMENT

Currently, India ranks sixth in the world in terms of nominal gross domestic product ("GDP") and the third largest economy in the world in terms of purchasing power parity (PPP). India is estimated to be among the top three global economies in terms of nominal GDP by FY50.

Jewellery is a popular savings asset and the Indian society has always invested in jewellery as a form of asset protection and emergency cash. India's rising income is driving the jewellery industry's rise. Continuous economic expansion, good demographics, and high private final consumption expenditure are growth factors for the Indian jewellery market. These tendencies boost gold's relevance in Indian markets, and India is the second largest gold market in the world.

Jewellery is the third highest component of the retail consumption in the country. There has been a rising share of organised retail in jewellery market. As these players bring in price transparency and product quality, and better service, they are creating better impact through brand campaigns, and more engaging retailing experiences. Bridal wear jewellery dominates the Indian market by a whopping 60% demand, but there has been a steady rise in demands for daily wear and fashion jewellery as well. The rising demand for gold in Indian markets and the tradition of investing in gold, complemented by a boost in buying power of consumers and expansion of the spectrum of jewellery use, from weddings to daily wear, surely spell optimism for us, as one of India's leading organised jewellery retailers.

MARCHING AHEAD WITH STRATEGY

Our legacy, an expanded geographical footprint, a diverse product portfolio, and our focus on stakeholder welfare above all, make us well-positioned to take advantage of the booming market, and the rising demand for organised jewellery retailers. To further enhance our appeal and reach more customers, especially in tier 2 and 3 cities, we have adopted a hyper-local business strategy, which places us closer to our customers, and enables better regional connect. By launching 'candere,' our online store, we have also tapped into the digital market through rich data mining and by gaining better customer insights.

By means of our 'My Kalyan' network, we are widening product offerings, diversifying distribution channels in core markets and expanding our showroom network.

MARKING A ROBUST PERFORMANCE

FY22 was an excellent year with revenue growth of 26% over FY21, recording the highest revenue in the history of the Company. We ended the year with a PAT of ₹2,240 Mn.

We announced the Board approval for the appointment of Mr. Vinod Rai as the Chairman

and Independent Non-Executive Director of the Company. This appointment underpins our continued focus on not only strengthening the Board, but also emphasising on exemplary corporate governance. We have made significant progress on our franchisee plans with 6 signed LOIs in place already, and we continued the momentum across markets within India, with our own store footprint growing by more than 16%. We opened 18 showrooms, and also witnessed improvement in the Gold Savings Scheme (GSS) enrolments sequentially.

With our Middle East businesses, we are seeing good traction over the last three consecutive quarters. This is primarily because of restoration of air connectivity between India and the Middle East, following the pandemic. Additionally, improvement in tourist traffic on the back of Expo 2020 as well as various sports events conducted in UAE, coupled with recovery in the overall economic activity in the region, have played a pivotal role in generating better business. In keeping with this, we now plan to restart our calibrated expansion in the Middle East. The expansion will be fully funded by the internal accruals from the region. Further, like in India, we have already received enquiries from potential franchisee partners for the Middle East as well. We plan to launch franchise operations in the region after the successful launch of the first set of pilot showrooms in India.

Another laudable feat for Kalyan has been the popularity and increased foothold of 'Candere' in the market. Candere reported a revenue of ₹ 1,412 million for FY22; CAGR growth of 83% since acquisition by Kalyan, along with a strong presence, and user loyalty in leading marketplaces. Unwavering customer trust and robust IT infrastructure have resulted in web traffic to increase from 3.7 million in 2017 to 25 million in 2022.

THE WAY FORWARD

With Vision 2025, we plan to take the share of our non-South business, from the current levels to 50% of the India revenue. Under the aegis of Vision 2025, we are also planning to strengthen our retail footprints in the non-South markets by adding around 20 showrooms in the current financial year, which will be the highest number of showroom additions in the non-South markets in the history of the Company. We are poised to open new showrooms; we have already launched four showrooms in India and one in Middle East and the rest are scheduled to unveil before Diwali 2022.

I wish to express my most sincere gratitude towards our employees, who are our most precious assets, in addition to our customers, for their undeterred trust in our brand, and all our stakeholders for their continued support and faith. It is this synergy that navigates us ahead, motivates us to exceed stakeholder expectations, and remain value driven.

Warm regards
T. S. Kalyanaraman



Striding Ahead with Gumption

Over the last three decades since inception, we have believed in building a strong brand that will eventually drive growth. Our successful business strides across the length and breadth of India and the GCC countries have been a testimony to our performance. Our standing as a hyperlocal player gives us unmatched strengths in comparison to competition, making us one of the most preferred jewellery brands in every market we are present in.

We are now at a juncture, where we are set to reap the benefits of our legacy, and market leadership. Vision 2025 is about faster growth, expanding presence, and improving operational efficiencies. Another mention-worthy leap in our growth trajectory has been adopting a franchisee model, paving way for new showrooms, and greater market penetration.

VISION 2025



We have identified five specific areas to be targeted, and specific goals to be achieved in those areas, as our Vision 2025.

◎ SAME STORES SALES GROWTH (SSG)

All our existing stores are expected to deliver a minimum growth in the mid-to-high single digits. We will be implementing specific strategies to attract new customers, bring back existing customers more frequently, increase the ticket-size per customer and improve the customer experience to achieve this target.

◎ IMPROVING PROFITABILITY

Every existing product, customer and market will be made more profitable through data insights. Newer products and markets (non-South) will be added at a faster pace. A combination of these two will lead to improving the PBT margins overall.

◎ EXPANDING OUR PAN-INDIA PRESENCE

We are one of the very few jewellery retailers in India, who have an equally strong customer base all over India. Jewellery retail experts believe we are the only brand that has managed to penetrate into southern as well as non-southern Indian markets. However, we are aware of a greater potential and untapped markets, especially in the non-southern states, which present us with a lucrative opportunity. The franchisee model gives us the advantage of speed and the great response so far hints at a pace faster than we had planned for.

◎ CALIBRATED MIDDLE-EAST EXPANSION

If carefully approached, the Middle East offers a tremendous promise for progress. Our performance in the last couple of years points to this direction, and we will continue to move ahead with the same momentum, especially by exploring the franchisee model, and accelerating expansion.

◎ IMPROVING ONLINE SALES - CANDERE

We acquired Candere in 2017 with the strategic objective of targeting working women, millennials, and Gen Z. The platform has created a new stream of revenue from 'jewellery as a gifting option.'

We will be opening our first offline Candere store in FY23, which we hope will lead to increased brand visibility and lead generation. Our push for growth in online sales is likely to give us exponential growth in the years to come.



A Brand Built on Transparency and Trust

We grew from a single store in a small town of Kerala to 154 stores worldwide through certain pathbreaking strategies that we chose to adopt in the past. The way ahead employing those very strategies will take us higher.

In an industry plagued by unscrupulous players who took advantage of the naïve customers and cheated on quality and pricing, 17 years ago we made a conscious decision to not just offer uncompromising quality but also to educate the customer about the product and offer never-before levels of service. The efforts to educate the customers and force transparency had even led to the competition boycotting us for short period. We became the most trusted brand in the jewellery retail space not by just claiming it but by continually proving it.

Our Pathbreaking Initiatives



100% BIS HALLMARKING OF GOLD JEWELLERY

BIS hallmarking signifies the purity of the metal and we were one of the early adopters of selling 100% BIS hallmarked jewellery, years before the regulatory mandate.



EDUCATING ON PRODUCT QUALITY

All our showrooms started offering 'karatmeters' to allow customers to verify the purity of our gold jewellery as well as the jewellery they purchased from other stores. It helped them identify the honest players in the market.



TRANSPARENCY IN PRICING

We introduced the concept of a detailed price tag on all our products that provides details on each attribute like weight, type, and pricing.



FAIR AND TRANSPARENT EXCHANGE POLICY

We check and verify purity in front of the customer, offer the best price, and transparently explain the same to the customer.



CERTIFICATION WITH EVERY PRODUCT

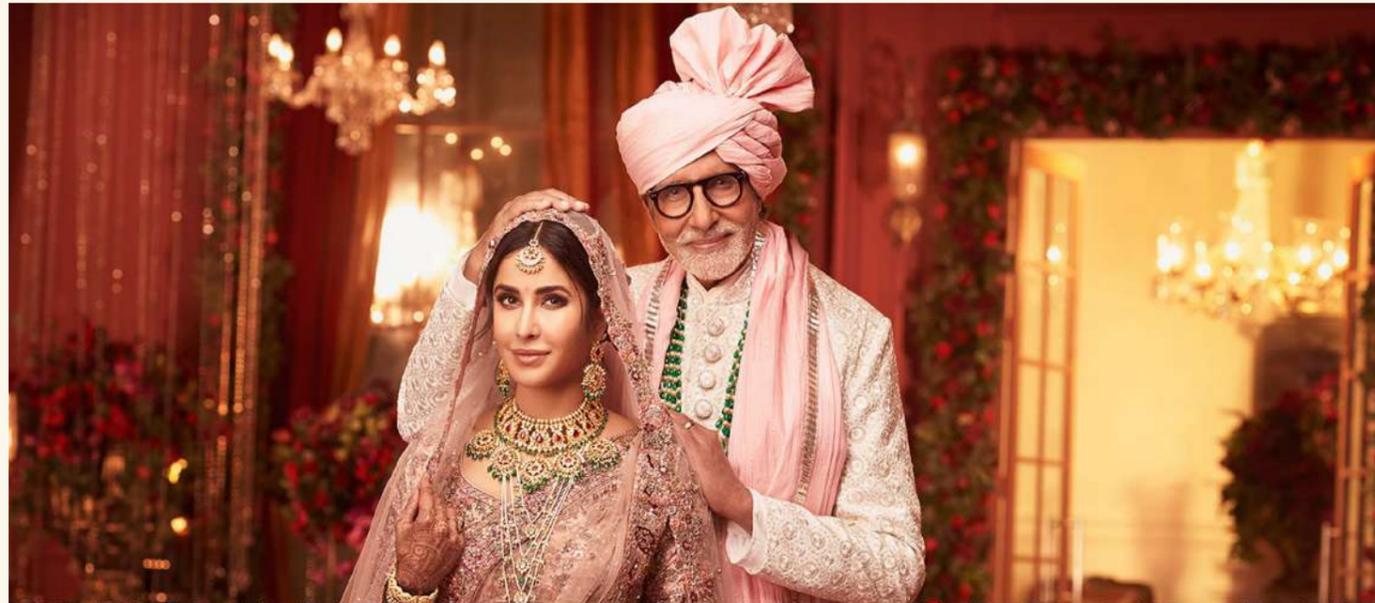
Every jewellery purchased from Kalyan is accompanied by a certificate. This certificate assures the claimed purity, promises lifetime product maintenance, lays down clear exchange and buyback terms, and provides a detailed product/price description. We call it the 4-level assurance.



STAFF TRAINING & DELIGHTFUL SERVICE

We constantly train our staff through classroom and online sessions to provide the highest levels of service and to constantly improve customer experience. Customers validate this claim by lauding us for exceptional service. Nothing assures customer retention and referrals more than delightful service.



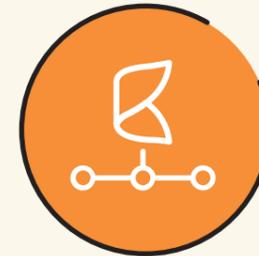


Being Relatable, Accessible, and The Most Preferred

Our hyperlocal strategy caters to an array of customer choices, segments, and geographies. It not only keeps us closer to our customers, but also helps us remain in sync with their preferences, socio-cultural practices and sensibilities.



Elements of the Hyperlocal Approach



LOCALISATION OF OUR PRODUCT PORTFOLIO

Our product portfolio is curated after understanding the local market preferences and trends in every geographic region we operate. The product-mix is tailor-made, according to the preference of the region, and when we add variety with fresh products from our national/international portfolio, we automatically become the go-to jeweller for all customer categories.

We have 13 procurement centres in India spread out in key jewellery manufacturing hubs, with artisans working exclusively for us, enabling us to bring down our cost, and facilitating faster processing and delivery of the products.



LOCALISATION OF OUR SHOWROOM AND CUSTOMER EXPERIENCE

We believe in creating equal opportunities for everyone in every region of the country where we have stores. We hire majority of our staff locally to enable better communication with locals and for better understanding of the cultural aspects of the region. This helps us connect better with our customers. We also try to infuse the cultural aspect of that region into our showroom's design and appearance to reflect local tastes and sensibilities.



LOCALISATION IN BRAND COMMUNICATION AND MARKETING

Our region-specific brand campaigns differ from state to state and city to city. We partner with different brand ambassadors with national, regional, and local appeal, who help us connect with the customers in the local language, making Kalyan one among them. Furthermore, we hire regional creative agencies to help develop our brand communication and marketing approach.



LOCALISATION THROUGH OUR 'MY KALYAN' NETWORK

We have built strong grassroots outreach across urban, semi-urban and rural areas through our 'My Kalyan' network. Our dedicated 3,234 'My Kalyan' personnel visit the household in every nook and corner of the catchment areas of our stores to establish a better rapport at a local level, and compete with both organised and unorganised players in the region.



Going Regional, Staying Relevant



We have always strongly believed in the 4 Ps of marketing: product, price, place, and promotion, with a special emphasis on promoting our brand. We were one of the first brands to use a male brand ambassador in the jewellery segment. We made headlines for our magnanimous launch campaigns, on entering Mumbai and Dubai markets with multiple stores. Our strategy of using regional agencies and brand ambassadors has helped us pioneer a unique hyperlocal approach in marketing. Our marketing campaigns connect with customers from different markets across several platforms, and promote Kalyan as a pan-Indian brand, with a local touch.



NATIONAL BRAND AMBASSADORS



Amitabh Bachchan



Katrina Kaif



Jaya Bachchan



Shweta Bachchan-Nanda

REGIONAL BRAND AMBASSADORS



Prabhu Ganesan
Tamil Nadu (Tamil)



Nagarjuna Akkineni
Andhra Pradesh, Telangana (Telugu)



Shiv Rajkumar
Karnataka (Kannada)



Manju Warrier
Kerala (Malayalam)



Kalyani Priyadarshan
South India

REGIONAL INFLUENCERS



Pooja Sawant
Maharashtra (Marathi)



Wamiqa Gabbi
Punjab (Punjabi)



Ritabhari Chakraborty
West Bengal (Bengali)



Kinjal Rajpriya
Gujarat (Gujarati)

Our different channels of communication

BRAND AMBASSADORS

In a diverse country like India with various languages spoken, regional tastes and preferences vary and are deep-rooted. Hence, we employ the strategy of bringing together a mix of regional and national celebrities and local influencers to promote our brand. Whenever we choose an endorser, we look at their background, legacy and the fit with our brand, rather than just their popularity.

DIGITAL AND SOCIAL MEDIA

Our website www.kalyanjewellers.net showcases our philosophy, journey, and products. We apply our localisation approach through region-specific offerings on social media with our brand ambassadors and panel of influencers.

KALYAN MATRIMONY

Using data leads/insights from our matchmaking platform Kalyan Matrimony, we identify potential customers for wedding-related jewellery well in advance of their nuptials. We then target them in a customised and personalised manner to facilitate sales of wedding jewellery.

MY KALYAN MINI STORES

'My Kalyan' is a pioneering initiative with the intention of getting close to the customers even when they are far from our stores. 'My Kalyan' facilities have specialised staff, who engage in door-to-door and other

direct marketing initiatives to promote our brand, present our product range, enrol clients in our purchase-advance schemes, enhance our customer database, and increase showroom traffic. We have 'My Kalyan' centres across India and most of them are in the rural areas in catchment regions of our showrooms.

₹10,000 MILLION

Marketing and Advertising Investments in the Last 4 Years,
One of the Highest in the Category

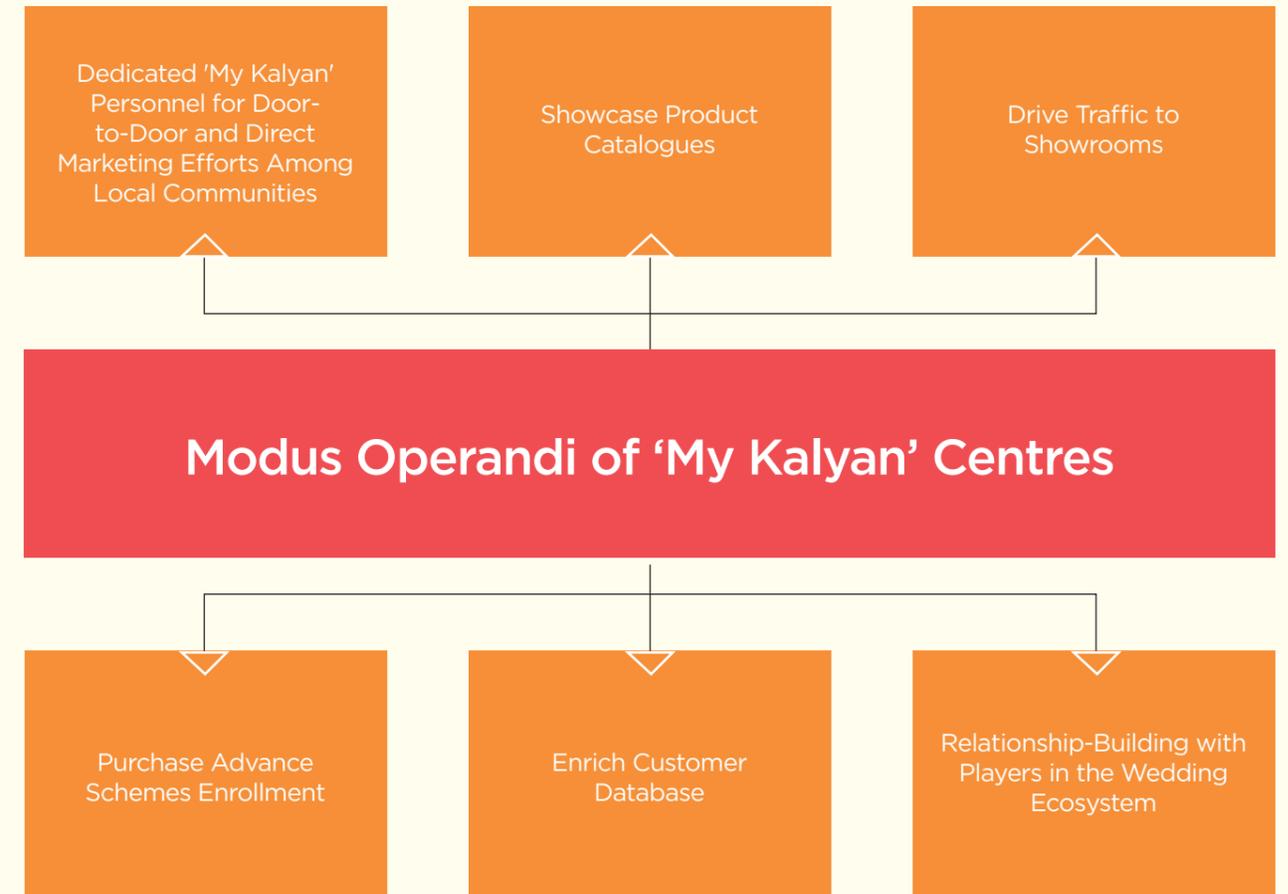


Prioritising Employee Connect

Typically, major jewellery outlets exist in cities and big towns. The catchment area of these stores is a vast area, which stretches up to 100 km in many cases. But in many smaller towns, local jewellers exist and their business comes from the fact that they are privy to what is happening in that locality, whether it is marriages, or other events and celebrations. In order to establish a better local connect, 'My Kalyan' was envisaged to understand the regional customers better, and meet the customer at their doorstep with our value proposition, while feeding sales to the parent store.

The 'My Kalyan' centres collect data and gain insights into specific customer requirements and demands of their areas. This data is further utilised to develop marketing tools to address the demand and compete with the organised and unorganised jewellery retailers in the said regions.

10 MILLION
Customer connected each year



865
'My Kalyan' Centres
(~7 Centres Per Showroom)

3,234
Employees

More than
35%
Of enrolment to purchase advance schemes in India

Approx.
19%
Contribution to revenue from operations in India



Powered by Cutting Edge Technology

At Kalyan, technology is a tool to enhance our capabilities in every aspect of our operations. In this evolving digital world, it can be used to understand the customers, connect with them, and influence them. Customer Relationship Management (CRM) is always a key focus area for us to connect and engage with our customers and develop a better understanding to deliver the best products and services.



How we connect, reach, and build relations



DEDICATED IN-HOUSE CUSTOMER CARE CALL CENTRE

Almost 15 years ago, we were the first in the jewellery retail space to have a dedicated call centre to address customer concerns, in addition to monitoring post-purchase satisfaction levels and staff efficiency through customer feedback. Today, our call centre is equipped with multilingual capabilities. The experienced staff nurtures quality leads, and aids in revenue generation. In addition, all our Retail Sales Executives from our stores outcall and engage with the customers constantly, through a tailor-made special software to increase visit frequencies.



DIGITALLY-ENABLED 'MY KALYAN' CENTRES

We have enabled our 'My Kalyan' staff with a mobile app, which allows them to store and access the customer data to provide better service. This CRM application uses the 'near me search' data for better lead generation.



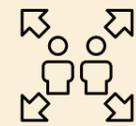
TARGETED DIGITAL MARKETING

We continuously capture customer information at the store level, understand their buying behaviour and patterns through analytics, and run performance-driven targeted campaigns. We use this data in upselling related products at point-of-sale, through instant dynamic voucher codes.



E-COMMERCE

Along with promoting and engaging with our customers through our website, we have our exclusive e-commerce site, candere.com, which enables us to reach our customers present in India, US, and UK. We have also introduced the concept of an online 'Gold Ownership Certificate,' which our customers can buy online and then redeem into physical gold at the store.



ANALYTICS-DRIVEN CUSTOMER OUTREACH

We use a content marketing platform to understand the high intent customer's online journey and trace the footfalls at our stores (online to offline). We further enhance our understanding by connecting with our customers through the digital medium and following up with them, thus building a solid relationship.



IMPROVING EMPLOYEE PRODUCTIVITY AND EFFICIENCY

We are continuously working towards integrating newer technologies to improve our employees' productivity and efficiency. We constantly train our retail sales executives through classroom and online learning sessions. Even during the lockdown, we had trained our staff through special online sessions to keep them engaged and groom them better.



Being Agile and Proactive



The jewellery industry is witnessing enormous growth in the organised retail segment. Regulations, practices and processes adopted by new and established players alike are changing the competitive landscape. By monitoring the evolution in the jewellery retailing space, and by leveraging our capabilities, we, at Kalyan are improving every aspect of our operations to mitigate business risks.

Reports suggest that the migration from rural India to urban in search of better economic opportunities is on the rise. This is leading to formation of new households in metros, cities, and towns. This, in turn, is leading to a new customer class for jewellery in urban centres, whose nexus with their traditional family jeweller in their hometown is broken, and who is looking for a trusted brand in this new city/town. Players who offer value-for-money, purity, wide selection, and good service are going to benefit from this trend.

CHANGING DEMOGRAPHIC PROFILE

65% of the population of India is under 35 years of age, and 229 million women are between the ages of 20 and 49. These customers are inspired by global trends and seek variety, and are ready to pay a premium to buy studded jewellery. Jewellery is being seen more as a style or lifestyle product than a product for occasions, even if the gold-based wedding and everyday jewellery continue to be the critical component of demand. The purchasing

decisions are guided by increased awareness of the need to find a jeweller, who can guarantee the product's quality, authenticity, and purity. Organised players that can meet consumers' shifting demands clearly have a built-in advantage.

PRODUCT QUALITY AND PRICE TRANSPARENCY

The brand consciousness and sophistication of Indian purchasers of jewellery are growing. They are exposed to a variety of international and domestic luxury brands in all product segments. They want the same kind of transparency and product quality from their jewellery. They want to understand the pricing mechanism and have confidence in the quality of the end product, which only brands in the organised space can assure them.

SERVICE EXPECTATIONS

Jewellery is a lifelong asset and functions as an investment. Therefore, consumers today want transparent invoicing, after-sales services, such as product repurchase at a fair market price, product customisation, etc. to be readily available with purchases. Such needs mean what was hitherto a product retail industry, also needs to see itself as a service industry, and organised players are more capable of bundling the two to meet this need. Additionally, organised jewellers sell ready-made items, doing away with buyers' need to wait.

IMPACT OF PROMOTIONAL CAMPAIGNS

Since 2000, organised jewellery retail has been on a consistent brand-building trajectory. Jewellery retailers now employ multifaceted marketing strategies engaging digital, social, and print media, coupled with television and radio promotions. Organised retailers have effectively employed the strategy to educate customers about designs, purity, transparency, and trust, to build their brands, allowing them to capture the rising incremental demand.

THE SHOPPING EXPERIENCE

Organised jewellery shopping nowadays entails ready-made ornaments, a vast product assortment that provides styles and options, and a superior showroom experience that meets the evolving consumer expectations. Its ability to deliver an exceptional shopping experience has skewed the market for jewellery in its favour.

COMPULSORY HALLMARKING

Under-cartage has been a problem in India's jewellery retail industry for a long time. It had given an unfair edge to several disorganised jewellers, who were not obligated to reveal purity requirements. Mandatory hallmarking, which went into force in 2021, imposes additional costs and procedure restrictions on unorganised participants to solve this issue. It will result in further business transfer from the unorganised to the organised segment of the jewellery industry.

CAPITALISING ON OUR INHERENT STRENGTHS

We were the pioneers in introducing a range of initiatives in the jewellery retail segment. However, at that point in time, we had faced a fair number of doubts and apprehensions. But today, as we look back, we feel proud to have been the "first movers," and realise that we were always future-ready.



We made BIS hallmarking of gold jewellery compulsory years before the regulatory mandate



We introduced price tags, detailing price components to aid transparency, years ago



We installed karatmeters in all our stores to verify purity of gold jewellery



We have always had a transparent exchange process which involves valuation and verification of purity in front of the customers



We introduced product certification with guarantee of purity, lifetime maintenance, exchange and buy back



We invested in digital marketing and online sales through our e-commerce business - Candere



We have constantly focussed on launching new sub-brands catering to various segments, styles



We have spent millions on customer education campaigns.



We have always focussed on after-sales service and staff training to drive customer satisfaction and win repeat business



We launched the first ever loyalty programme in jewellery retail long back



Integrating Processes, Leveraging Value Drivers

Our integrated processes aid in creating synergies to deliver customer trust, provide high-quality products and services, and create value for stakeholders responsibly and sustainably.



DESIGN

We have an in-house design team that develops new designs with a strategy and vision that align with current demand trends, while maintaining the regional variations.



PROCUREMENT OF RAW MATERIALS

We practice responsible sourcing; our gold inventory is directly sourced from various established banks and licenced agencies. We also buy back gold directly from our customers.



QUALITY CONTROL

We have stringent measures to ensure the purity and quality of products with compulsory BIS hallmarked jewellery.



SHOWROOMS

We have 124 showrooms in India and 30 in the Middle East, located in high visibility and high street areas. These showrooms display the best in-line products whose inventories are monitored centrally through our ERP system in real-time.



LOGISTICS & BARCODING

We have systems to ensure that each product reaches its correct location within the set timeframe as we deal with a costly inventory. To enable the quality control and better inventory management, we apply barcodes on every product and use an ERP system to track that product until it is sold.



CONTRACT MANUFACTURING

We work with contract manufacturers and local artisans who bring in the expertise and experience of manufacturing jewellery, which is highly preferred in the region. With their help, we improve our design capabilities and integrate the local touch, which the customers of that particular region prefer.



CUSTOMERS

Offering our customers the best product and service, beyond their expectations, is our mission, which inevitably leads to better value creation. We focus on improving the shopping experience and ensuring that good relationship is maintained. We provide certificates, which assure them of a lifetime gems and jewellery service.



GROWTH - OBJECTIVES & STRENGTHS

We believe the most important ingredient of expansion and growth is clearly defining our long-term objectives and aligning our strengths to those objectives. Once this is done, delivering value to all stakeholders is assured.



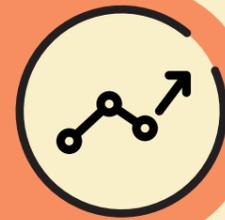
LONG-TERM OBJECTIVES

Leverage scalable business model to expand showroom network and diversify distribution channels



STRENGTHS

Strong brand, scalable business model, effective operational processes and proven track record of profitable expansion positions Kalyan well to capitalise on the market opportunity arising from continued shift in demand in favour of organised jewellery companies



PROGRESS IN FY22

6%
Share of organised jewellery

34%
Share of non-south states in India revenue

Widen product offerings to further increase consumer reach

Continue to increase focus on higher-margin studded jewellery and explore opportunities to expand range of sub-brands to introduce new branded jewellery lines, targeted at both, specific customer niches as well as the mass market

22%
Share of studded jewellery vs. 21.5% in FY21 (consolidated)

Leverage 'My Kalyan' network to deepen customer outreach and strengthen the distribution network in core markets

Expand 'My Kalyan' network in areas where Kalyan is currently underpenetrated, relative to the scale of the latent demand opportunity in those particular markets

~19%
Contribution to revenue from My Kalyan



Towards Environmental Stewardship

Over the years, we have worked towards carrying out our business activities with social responsibility that provides better opportunities for the communities at, or near our business areas for their upliftment.



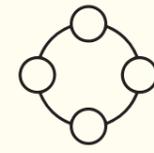
ENVIRONMENT

We understand how the world's changing environment can drastically affect millions of lives. As a business, we have taken it upon ourselves to move towards conducting a responsible business, where our operations have low to no impact on the environment, taking a step forward, towards a sustainable world.



OUR EMPLOYEES

Our employees are our human capital, and they're our most invaluable assets. The happiness and overall development of our employees are of utmost importance to us. We carry out various activities focussed on our employees' overall growth and satisfaction.



OUR COMMUNITY

As a responsible and ethical company, we are cognisant about giving back to society, and uplifting communities in and around our network of stores. This process includes connecting with these communities, and through our corporate social responsibility programmes, we put together systematic efforts to create positive impact on them. In the year under review, we spearheaded different initiatives pertaining to healthcare, education, and infrastructure development, among others, for the welfare of the surrounding communities.



HEALTHCARE

- Ventilators and other equipment for local hospitals
- Financial support for medical treatment and flood relief for the underprivileged in Kerala
- Flood relief through the Chief Minister's Distress Relief Fund (CMDRF) in Kerala



EDUCATION

- Education and skills training for children, women, elderly and differently-abled persons
- Tuition fees for underprivileged students in several states, including Kerala



HOUSING

- Bhoomigeetham is a flagship CSR project of Kalyan for housing
- Housing for individuals under Government of Kerala's Bhoomigeetham initiative
- Home loans for unemployed widows in several states, including Kerala
- Home for homeless and economically backward people
- 'Snehabhoomi Project' for the construction of houses for flood victims in Wayanad - Kerala



ARTISAN

- Working closely with Coimbatore Jewellers Association and Mumbai based Gems and Jewellery Export Promotion Council



Leading with Principles and Tenacity

We are committed to creating value for all stakeholders without compromising on good governance. We focus on fostering a culture where professionalism, honesty, integrity, and ethical behaviour are inculcated in every aspect of our business.

The corporate governance framework of our Company is based on an effective independent Board, separation of our Board's supervisory role from the executive management team and constitution of the committees thereof, each as required under applicable law.

Our Board comprises eleven directors, including six Independent Directors, three Executive Directors, and two Non-Executive Directors (one of whom is a Nominee Director). In compliance with the provisions of the Companies Act, at least two third of our directors, other than our Independent Directors, are liable to retire by rotation.

100%
Average Board meeting attendance

100%
Board committee meeting conducted in FY22

GOVERNANCE STRUCTURE



BOARD DEMOGRAPHICS

Our Board members hail from diverse backgrounds, and come with an eclectic mix of credentials, talents, and experiences, resulting in a well-rounded Board that is ideally positioned to lead our strategy, and monitor our operations in a continuously changing market.

59 YEARS
Median Director age

50%
Independent Directors

5 YEARS
Average tenure on Board of the company

5 YEARS
Term limit for Independent Directors

We have different committees in place who overlook on different aspects of business.

	NO. OF DIRECTORS	NON-EXECUTIVE AND NON-INDEPENDENT	INDEPENDENT	EXECUTIVE
Board of Directors	11	2	6	3
Audit Committee	3	1	2	-
Nomination and Remuneration Committee	3	1	2	-
Corporate Social Responsibility Committee	3	-	1	2
Risk Management Committee	3	1	1	1
Stakeholders Relationship Committee	3	-	1	2

OUR KEY CODES AND POLICIES

- Code of Conduct
- CSR Policy
- Dividend Distribution Policy
- Policy for Fair Disclosure
- Nomination and Remuneration Policy
- Policy for Determining Material Subsidiary
- Policy on Board Diversity
- Policy on Preservation and Archival of Document
- Policy on Related Party Transaction
- Risk Management Policy
- Whistle Blower Policy
- Succession Plan for Appointment of Board of Directors and Senior Management



INTERNAL PROCESS AND CONTROL

To manage business operations and support future growth, we have developed robust operational and control systems at the showroom and corporate levels. Given the high value of our jewellery, inventory management and internal audit processes are critical to our performance. We keep thorough inventory records from when raw materials are purchased, until they are sold in our showrooms, including bar-coding each piece. We have continually focused on increasing the finished goods' inventory and conducted daily showroom counts.

Strict Inventory Management & Monitoring Practices
We have developed strict inventory management and monitoring practices, which allow us to account for each piece of inventory and identify jewellery with a unique barcode. The unique barcode on every piece of jewellery is linked to the central ERP system for easy access. The data generated also helps us derive better insights.

Regular Inventory Checks
We conduct daily inventory checks at the closing time of business at each showroom. A monthly inventory weight verification is conducted by the assigned regional managers/business heads.

Big 4 Auditor
We get all our statutory reports audited by our auditor, Deloitte Haskins & Sells LLP, since 2015.

OUR MEASURES IN PLACE

Enterprise Resource Planning (ERP) System Implementation
We implemented an ERP system that enables us to track the real-time status of our inventory. The system has helped us improve our insights and has proven to be critically helpful during peak seasons, as it allows the management to respond quickly to replenish or reallocate inventory, based on shifting customer demand patterns.

Integrated Operations
We continuously upgrade our operations and integrate newer processes to allow smooth inventory movement between showrooms. This is vital in aligning our jewellery offerings with our customer preferences. This integration also enables us to operate more efficiently and accurately during peak seasons, when it becomes necessary to accommodate variations in seasonal buying patterns.



Guided by Proficiency and Experience



MR. VINOD RAI*
Chairman & Independent Director

- Former Comptroller and Auditor General of India
- Awarded Padma Bhushan, India's third highest civilian award
- Expert in Audit, Banking, Finance and Corporate Governance.



MR. T. S. KALYANARAMAN#
Managing Director

- ~46 years retail experience
- ~26 years in the jewellery industry
- With Kalyan since inception



MR. T.K. RAMESH
Whole-time Director

- Master's degree in commerce from the Karnataka State University
- ~21 years in the jewellery industry
- ~21 years with Kalyan



MR. AGNIHOTRA DAKSHINA MURTY CHAVALI
Independent Director

- ~31 years of experience in the banking sector
- Former Executive Director of Indian Overseas Bank and former Nominee Director of Bank of Baroda amongst others



MR. ANIL SADASIVAN NAIR
Independent Director

- ~20 years of experience in the field of advertising
- Former CEO & Managing Partner of Law & Kenneth Saatchi & Saatchi



MR. T.S. ANANTHARAMAN
Independent Director

- Several years of experience in banking, teaching management and accounting
- Former Chairman of The Catholic Syrian Bank



MR. T. K. SEETHARAM
Whole-time Director

- MBA from Bharathiar University, Coimbatore
- ~23 years in the jewellery industry
- ~23 years with Kalyan



MS. KISHORI JAYENDRA UDESHI
Independent Director

- Several years of experience in policy and banking sectors
- First woman Deputy Governor of RBI and Director of RBI to be nominated on the Board of State Bank of India



MR. SALIL NAIR
Non-Executive Director

- ~24 years of experience in the retail industry
- Former CEO of Shoppers Stop



MR. MAHALINGAM RAMASWAMY
Independent Director

- 36 years of experience in the banking sector
- Former Managing Director of State Bank of Travancore



MR. ANISH KUMAR SARAF
Non-Executive Director

- Highdell Nominee Director
- Managing Director at Warburg Pincus, India

COMMITTEES

Chairman Member

Audit Committee	Nomination & Remuneration Committee	Risk Management Committee	Stakeholders' Relationship Committee	Corporate Social Responsibility Committee
-----------------	-------------------------------------	---------------------------	--------------------------------------	---

* Appointed as Chairman and Independent Director w.e.f July 01, 2022 & is subject to shareholders approval.

Chairman & Managing Director till June 30, 2022



Powerhouse of Experts



MR. SANJAY RAGHURAMAN
Chief Executive Officer

- Qualified CA and CWA
- 9+ years with Kalyan, 15 years prior experience in retail, financial services & operations
- Previously worked with HDB Financial Services, Wipro and Clix Capital



MR. V. SWAMINATHAN
Chief Financial Officer

- Bachelor's in science from University of Madras, CA
- 5+ years with Kalyan
- 27 years' experience in finance, corporate planning & control



MR. ARUN SANKAR
Head of Technology

- Master of Technology (Computer Science) and engineering and a Master of Science (integrated) in Software Engineering
- 7+ years with Kalyan
- -14 years' experience in the technology sector



MR. RAJESH R
Head of Legal and Compliance

- Bachelor of law and enrolled with Bar Council of Kerala
- -3 year with Kalyan
- -14 years' experience in legal industry



MR. SANJAY MEHROTTRA
Head of Strategy

- Master's in Management Studies
- 4+ years with Kalyan
- -27 years' experience in Indian capital markets



MR. ABRAHAM GEORGE
Head of Treasury and Investor Relations

- MBA from ICFAI University and Bachelor's in Commerce
- 5+ years with Kalyan
- -17 years of experience in finance and capital markets



MR. JISHNU R. G.
Company Secretary and Compliance Officer

- Bachelor of Commerce and Company Secretary
- -4 years with Kalyan
- -9 years' experience in corporate compliance



Annexure - 1

Management Discussion and Analysis

Economic Review

According to the International Monetary Fund (IMF), after a 3.1% contraction in CY20, the global economy was projected to grow to 6.1% in CY21. With large-scale vaccination drives and the relaxation of pandemic-related restrictions, consumer spending picked up rapidly as a response to pent-up demand. However, the rebound was impacted by subsequent waves of the pandemic, prompting lockdowns that dampened both consumer spending and industrial activity. Significant capex investment by both the government and businesses helped stir the revival. Corporate investment picked up in response to robust sales and greater liquidity afforded by accommodative monetary policies by central banks across the globe. Global trade witnessed renewed export growth. However, the sudden increase in demand coupled with a disrupted supply chain led to an increase in commodity prices. As per IMF projections, the global economy will grow at 3.6% in CY22, due to the volatility in energy prices and rising inflationary pressures. Apart from supply chain disruptions, the onset of the Russia-Ukraine conflict drove up energy, food, and commodity prices, at an alarming pace. By the end of FY22, inflation reached multi-decadal highs in both advanced and emerging economies. The normalisation of demand and unwinding of fiscal and monetary support across the world will play a key role in curbing inflation.

Economic activity in the beginning of FY22 was subdued for India, due to the surge in COVID-19 infections during the second wave of the pandemic. However, the economy soon regained its momentum as lockdowns became localised and the Government extended fiscal support and low policy rates. The massive push towards widespread vaccination prevented the third wave from becoming a major crisis. The Government's focus on public spending provided ample liquidity, helping the economy to consistently grow. India's GDP growth expanded by 8.7% in FY22 and is expected to grow at 7.3% in FY23 - one of the highest growth rates witnessed among major economies. The RBI has increased interest rates in the last few months to control the impact of inflation and will likely increase again in the future, which may limit any substantial upside to current estimates.

Industry Review

INDIAN JEWELLERY MARKET

Overview

The Indian gems and jewellery market consists of gold, silver and diamond jewellery, along with other precious gems and pearls. India is the world's second largest consumer of gold, with -70% of the consumption being in the form of gold jewellery. Further, the Indian jewellery market can be divided into the categories of fine jewellery and costume jewellery, with 95% of the market comprising fine jewellery.

Breakup of jewellery based on type – Bridal, Daily, Fashion (%)

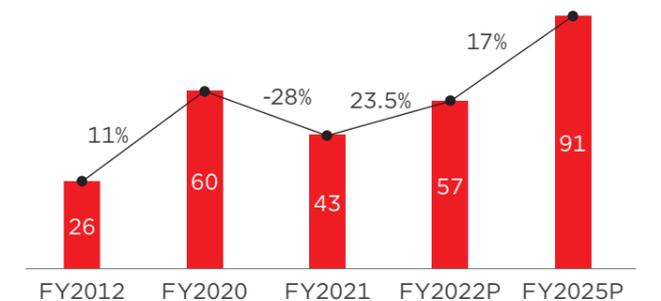


Source: Technopak

Market size

The Indian jewellery retail sector is estimated to be worth - \$57 billion in FY22 and it is projected to grow to \$91 billion by FY25.

Indian Domestic Jewellery Market Size (US\$ billion)



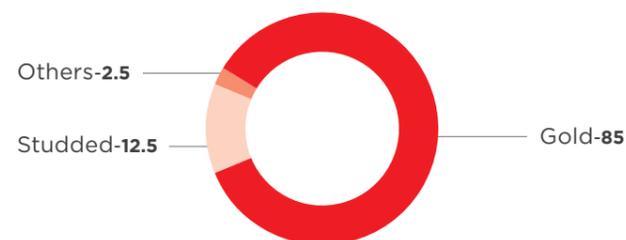
Source: Technopak Analysis, Secondary Research Numbers in percentage represents CAGR 1 US\$=₹75, year Indicates Fiscal

The organised retail share is ~40%, consisting of national and regional players, while the rest is dominated by the unorganised segment, comprising 500,000+ local goldsmiths and jewellers. During the COVID-19 pandemic, the organised sector exhibited greater resiliency than the unorganised sector and recovered much quicker driven by both supply side and demand side factors.

While India is traditionally a gold jewellery market, with a share of ~85%, the jewellery retail market is witnessing growing participation of studded jewellery. The prominence of gold jewellery is primarily due to cultural and religious factors, along with high degree of trust and reliability of gold. However, in certain regions, studded jewellery has a wider range of acceptance.



Indian fine jewellery market – Gold vs studded jewellery



Key drivers of growth

Jewellery in India is a large and attractive market with significant tailwinds. Following are the key drivers of growth in the sector.

Hyperlocal market

Indian jewellery demand is heterogenous and is determined by strong regional preferences, income levels and cultural notions of consumers. Southern states make up 40% of the Indian gold jewellery market while the Eastern states account for 15%. In the southern states, consumers prefer traditional gold jewellery while those in northern and western states are more receptive to studded jewellery.

Jewellery retail market break-up by region



Jewellery demand is highly seasonal with weddings, festivals and harvesting seasons in rural areas being the key drivers of growth. The seasonal nature of these events ensures that demand for jewellery in each region is linked to specific months and seasons.

The hyperlocal nature of jewellery demand, therefore, requires a nuanced understanding of varying consumer preferences in local markets, effective marketing to differing audiences, localised sourcing and product strategy, and significant working capital. For this reason, only a few local players have managed to become regional players and fewer yet have managed to expand nationally.

Our Response

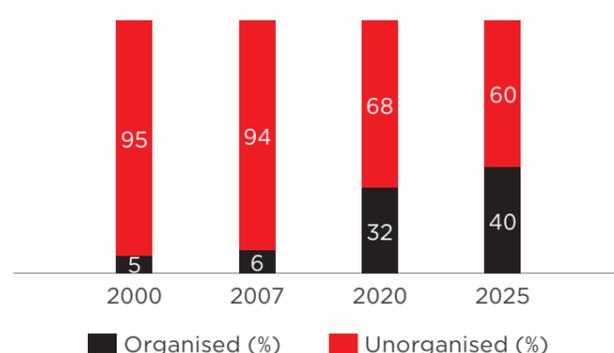
We plan to expand our footprint significantly with a mix of owned and franchise showrooms, over the next three years. The primary focus will be on metros, Tier-1, Tier-2 and Tier-3 markets in locations outside Southern India. As profit margins in non-south markets are greater

than in southern markets, this expansion will help us improve our overall profitability, leading to a significant expansion in the return profile of the Company.

Transition to organised retail

The share of organised retail in jewellery is significantly increasing, due to rising urban population and younger demographics. These consumers are increasingly becoming brand conscious, expecting price transparency and superior quality from their jewellery, aligned with their preferences in other branded product purchases. These demands, along with the assurance of purity and authenticity, is better provided by organised players. Sustained brand building by organised retailers over the last two decades has therefore enabled this shift towards organised retail. Further, the expectation of a wide range of ready-made products and after sales services has given more impetus to organised retailing.

Share of organised retail in jewellery retail



The pandemic has made safety and security a key decision-making factor in jewellery purchases. Customers now prefer buying from spacious and hygienic surroundings, that is offered by large showrooms.

The broader government actions, such as demonetisation and GST implementation, as well as industry specific directives including compulsory hallmarking of gold jewellery and mandatory PAN for transaction above ₹200,000 have also favoured organised retailers.

Our response

Over the last couple of years, we have already built a solid customer base comprising new and repeat customers, aided by our successful hyperlocal strategy. To know about more about hyperlocal strategy, read on pg 20

Rural policy push

50%+ of gold jewellery demand originates from the rural and semi-urban markets. Given rural India's higher cultural association with gold, Government intervention in reviving the rural economy through investments in infrastructure, agriculture and higher spending on livelihoods, will noticeably benefit jewellery demand. However, the share of organised retail in rural jewellery retail is low due to the high cost of retailing.

Share of rural India in jewellery retail market



Our response

We plan to open multiple stores on a franchisee basis, primarily in Tier-3 and 4 and opportunistically in Tier-1 and Tier 2 markets. Our franchisee will invest in inventory as well as the fixed assets and be responsible for most of the operating costs, while the store will be managed by KJIL staff. This will significantly expand our presence in semi-urban and rural areas present in the outskirts of these cities. We may also launch franchise stores in metro and Tier-1 cities. Further, our 865 'My Kalyan' centres, are majorly in SURU areas, provide marketing tools to address latent demand in some of these markets and facilitate neighbourhood jeweller proposition.

Rise in e-commerce

The online jewellery retail market was estimated to be worth \$1.4 billion in FY20, with a 2% penetration rate. In line with growth in online retailing, the online penetration of jewellery retail is expected to increase over time and reach 7% penetration rate and \$6 billion in value, by FY25. This growth is driven primarily by the affordable range of low carat gold and studded jewellery categories catering to urban markets. The sales of wedding-related products on this channel are low due to high ticket sizes and customer preference for an in-store experience. Nevertheless, given the high growth rate of online retailing, leading players have started to invest in digital marketing and online sales. As per estimates, by 2025 all fine jewellery will be digitally influenced.

Our response

Our online platform Candere.com has delivered strong growth since its acquisition in 2017. We plan to open the first offline store of Candere in the current year as a pilot, with the intention of gaining a sizeable share of phygital revenue.

PERFORMANCE IN FY22

As per ICRA Ratings, the jewellery retail sector grew at a robust 32.5% in FY22, on the back of strong demand recovery after a dismal year. The first quarter witnessed weak demand due to the second wave of the pandemic leading to the postponement of wedding-related purchases. Pent-up demand and healthy growth in festive and wedding-related purchases drove record sales in the following quarters. The year ended on a high note with limited impact of the third wave on the industry.

Outlook

The gold jewellery demand in India is expected to grow at a steady rate of 11% during FY23. This will supplement the strong growth witnessed in FY22 - 40% higher than the pre-COVID levels seen in FY20 (source: ICRA Ratings). The organised retailers are projected to grow at a faster rate of 14% with strategic store expansions and the increasing consumer preference for organised players witnessed in the recent past. This growth will likely be accompanied by higher operating margins, supported by growing share of studded jewellery and better operating leverage.

COMPANY OVERVIEW

Established in 1993 by Mr. T. S. Kalyanaraman, Kalyan Jewellers carries a rich legacy of 100+ years, successfully helmed by a business family with a strong heritage. The family began the business with the primary purpose of nation-building through fair and honest enterprise. Since our inception, we have focussed on trust and transparency within our operations. We are one of the pioneers who introduced a high degree of transparency and consumer-friendly measures within the industry, making our brand one of the most trusted in the segment.

Over the past decade, we have transitioned from a privately held regional player specialising in gold jewellery with a strong showroom network in the Southern states to a publicly listed pan-India hyperlocal jeweller with an extensive reach. Over the years, our team of professionals built a diversified product mix and vast distribution channels targeting a diverse set of customers. We are now leveraging our strong foundation and experience to strengthen our market position, through a calibrated showroom expansion across several markets in India. This has been supplemented with a wider product offering and the utilisation of analytics, to drive customer acquisition and engagement.

Our product basket includes a wide range of gold, studded and other jewellery products across diverse price points, catering to multiple use cases ranging from special occasions like weddings to daily wear. We have developed a hyperlocal business model that enables localisation at scale. Our grassroots 'My Kalyan' network is unique for its deep customer outreach along with strong distribution capabilities.

6%

Organised jewellery market share



SCOT ANALYSIS

Strengths

- **Significant market opportunity:** Leading brand in a large market with rapidly increasing organised share, driven by significant growth tailwinds
- **Brand equity:** Established brand built on core values of trust and transparency; a trusted brand synonymous with solving key pain points of the industry
- **National level player:** One of India's largest jewellery companies with a pan India network of showrooms
- **Hyperlocal strategy creating wide market addressability:** Hyperlocal strategy to cater to a wide range of geographies and customer segments
- **Wide range of product offerings:** Our diversified range of product offerings and sub brands target a diverse set of customers
- **Robust and effective internal control processes:** Our information technology and operations management systems support a growing organisation
- **Effective marketing and promotion strategy:** Our strategy is designed to reinforce a local touch to our pan India brand, while maintaining consistent brand messaging
- **Extensive grassroots MyKalyan network enabling deep distribution:** Our grassroots customer outreach network is a key facilitator in helping us being recognised as the neighbourhood jeweller in each market
- **Strong promoters and management leadership:** Our visionary promoters and strong management team have demonstrated a track record of creating consistent value
- **Strong governance framework:** We have a distinguished Board comprising Directors from diverse backgrounds, including an Independent Director as Chairman of the Company

Challenges

- Competitive nature of the industry
- Current macro-economic environment

Opportunities

- Growing market for organised jewellery retailing in India, expected to grow at a faster pace in the coming years
- Expansion into non-south states and higher share of studded jewellery to increase margin
- Increase presence in SURU areas which have low penetration of organised jewellery retailing
- Use omnichannel retailing to improve customer conversion rates and drive revenue growth
- Use of analytics for driving customer footfall and engagement

Threats

- Volatile gold prices impact consumer demand - short term impact on demand
- Shift in consumer preferences away from gold/ fine jewellery

OPERATIONAL PERFORMANCE

FY22 was marked by a strong performance across all geographies and product categories, with market share gains and improvement in operating margins, as compared to FY21 as well as pre-COVID levels. While the year started on a weak note with the second wave of the pandemic, the performance rebounded strongly post re-opening in the second quarter and delivered record sales in the third quarter on the back of pent up and festive demand. The third wave and the extreme volatility in gold prices, driven by the geopolitical situation in Ukraine, had limited impact on the fourth quarter performance, leading to a robust performance for the entire year. The revenue growth in the core India business in the second half of the year was 32% higher than the comparable period in pre-COVID times, while net profit growth shows a much stronger acceleration in profitability from pre-COVID levels, aided by higher operating leverage.

We continued to focus on ensuring the wellbeing of our staff and stakeholders and consistently engaged with our customers through various branding initiatives. We witnessed acceleration in business growth with increased footfalls, as customers preferred to shop at showrooms that followed safety precautions. We significantly benefitted from the rapid evolution in consumer preference for organised players as well as the Government's impetus towards formalising the sector with mandatory hallmarking norms. New customer addition from the unorganised sector continues to stay robust.

As the impact of the pandemic began to wane, we accelerated our expansion plans and added 18 new stores in India during the year, to capitalise on the demand opportunity. We are expanding primarily outside South India, resulting in an increase in non-south revenue as well as studded jewellery sales. Non-south revenue share was at 34% in FY22 compared to 31% in FY21, while studded revenue share was 23.6% in FY22 as compared to 22.7% in FY21. Higher share of revenue from the non-south markets, launch of a new sub-brand and traction for the new studded collection targeted at first time studded buyers, were the key drivers for the higher studded share.

Our operations in the Middle East showed significant improvement during the year, after an underwhelming performance in FY21. This was propelled by improving consumer sentiments on account of international events occurring in the region and the restoration of air connectivity with India. Post re-opening in the second quarter, revenue trended towards pre-COVID levels, along with improvement in the operating margin.

Candere.com, our online store, witnessed a YoY growth of 83% in revenue, from ₹821 million in FY21 to ₹1,412 million in FY22, achieving a monthly revenue rate of ₹1,800 million towards the end of the year. This was driven by our strong presence and user loyalty in leading online marketplaces as well as increased trust in online channels.

We witnessed a significant increase in profitability in FY22 as compared with pre-pandemic (FY20) levels. While the first quarter of FY22 was not relevant as COVID induced government lockdown significantly

impacted our business as part of the second wave, we achieved a consolidated net profit of ₹2,753 million in the second, third and fourth quarters of FY22. This represented a significant increase as compared to pre-pandemic profitability ₹1,423 million for the full year in FY20.

Our focus remains on strengthening our balance sheet as we fund our expansions through our internal accruals. The equity raised through IPO in March 2021 along with the strong cash flow generation has led to an improvement in net D/E ratio to 0.8x as on FY22, down from 1.3x pre-COVID.

FINANCIAL PERFORMANCE

Summary of Consolidated Profit and Loss ₹ million

	FY22	FY21	YoY change
Revenue	1,08,179	85,733	26%
Gross Profit	16,916	14,592	16%
Total Opex	8,771	8,649	1%
Advertisement and Promotion	2,324	1,460	59%
Other Opex	6,448	7,189	(10%)
EBITDA	8,145	5,943	37%
Depreciation	2,316	2,249	3%
EBIT	5,829	3,694	58%
Finance Cost	3,224	3,754	(14%)
Other Income	383	454	(16%)
Profit before Tax	2,989	394	659%
Profit After Tax	2,240	(61)	NA

Revenue from Operations

Revenue from operations increased by 26% YoY to ₹1,08,179 million in FY22. This increase was driven by a swift economic recovery and acceleration in business performance.

Cost of Sales

Cost of sales increased by 28% to ₹91,263 million as compared with the previous financial year, in line with the increase in revenue.

Employee Expenses

Employee expenses increased from ₹3,315 million in FY21, to ₹3,543 million in FY22. Due to the opening of new showrooms our employee head count increased from 7,611 as at March 31, 2021 to 8,386 as at March 31, 2022. A portion of our employee remuneration is in the nature of sales incentive and as the revenue increased, there was a commensurate increase in the employee incentives. Employee expenses as a percentage of revenue have decreased from 3.9% in FY21 to 3.3% in FY22.

Other Expenses

Other expenses include advertisement, sales promotion and other administrative expenses which stood at ₹5,229 million in FY22 against ₹5,334 million in the previous year FY21. As a percent of revenue, other expenses are at 4.8% of revenue, as compared to 6.2% in previous year. Other expenses in FY21 also include ₹901 million of one-time write-offs, losses relating to lease terminations and provisions for impairment of right of use assets largely relating to the impact of COVID in the Middle East business. Excluding the one time write offs, other expenses as a percentage of revenue reduced from 5.2% in previous year to 4.8% in current year.

EBITDA

EBITDA increased by 37% to ₹8,145 million on account of higher revenue and operating leverage led by same-store-sales growth.



Net Profit

Our net profit was ₹2,240 million as compared to a loss of ₹61 million in FY21, on account of higher revenue and operating margin as well as lower interest expense.

Summary of Consolidated Balance Sheet ₹ million

	FY22	FY21
Equity and liabilities		
Equity share capital	10,301	10,301
Other equity	21,070	17,960
Non-controlling interests	9	5
Non-current liabilities	6,253	6,666
Current liabilities	51,818	53,720
Total	89,451	88,651
Assets		
Non-current assets	1,802	2,031
Fixed assets	19,236	19,517
Current assets	68,414	67,103
Total	89,451	88,651

Key Ratios

	FY22	FY21
Gross Profit Margin	15.6%	17.0%
EBITDA Margin	7.5%	6.9%
EBIT Margin	5.4%	4.3%
Profit before Tax Margin	2.8%	0.5%
Profit After Tax Margin	2.1%	(0.1%)
Inventory turnover	1.64	1.42
Interest coverage ratio	2.53	1.58
Current ratio	1.32	1.25
Net debt to equity ratio*	0.82	0.81
Return on equity	7.5%	(0.2%)
Return of capital employed	15.5%	10.6%

Gross profit margin = Gross profit/Revenue from operations

EBITDA Margin = Earning before interest, tax, depreciation and amortisation (EBITDA)/Revenue from operations

EBIT Margin = Earning before interest and tax (EBIT)/Revenue from operations

Profit before tax margin = Profit before tax (PBT)/Revenue from operations

Profit after tax margin = Profit after tax (PAT)/Revenue from operations

Inventory turnover = (Cost of materials consumed+Changes in inventories of finished goods and work-in-progress)/Average Inventory

Interest coverage ratio = Earning before interest, tax, depreciation and amortisation (EBITDA)/Finance cost

Current ratio = Current Assets/Current Liabilities

Net debt to equity ratio = Net Debt (including GML)/Total Equity

Return on equity = Net Profit after tax/ Average Total Equity.

Return on capital employed = Earning before Interest and tax (EBIT) /(Total Equity + Non-current liabilities).

Outlook

We are in the process of rolling out aggressive expansion plans to capitalise on the industry opportunity in front of us, focusing mainly on markets outside the South Indian states. This will be carried out in a significantly more capital efficient manner, owing to the potential of our franchise approach to meaningfully increase the pace of expansion. We are also evaluating implementing the franchise route in the Middle East to increase our presence in the region. All our strategies have been undertaken to maximise our overall profitability, along with the return profile of our business. Our endeavours have been bolstered by the tailwinds in the organised sector. With the formalisation of the industry along with mandatory hallmarking prescribed by the Government, we are well-poised to capitalise on emerging opportunities and demands in the coming years.

Director's Report

To the Members of

Kalyan Jewellers India Limited

Your Directors take pleasure in submitting the 14th Annual Report of the business and operations of your Company and the audited financial statements for the financial year ended March 31, 2022.

FINANCIAL RESULTS

Particulars	₹ in Millions			
	Standalone		Consolidated	
	2021-22	2020-21	2021-22	2020-21
Total Income	90,985.36	73,783.77	108,562.27	86,186.74
Total Expenses	88,086.79	71,908.92	105,573.71	85,793.17
Profit before tax	2,898.57	1,874.85	2,988.56	393.57
Tax expense	756.85	492.53	748.26	454.30
Profit for the year	2,141.72	1,382.32	2,240.30	(60.73)

STANDALONE FINANCIAL RESULTS

During the Financial Year (FY) 2021-22, the Company has achieved a total income of ₹90,985.36 million as compared to ₹73,783.77 million in FY2020-21. The profit before tax for FY2021-22 stood at ₹2,898.57 million compared to ₹1,874.85 million achieved in FY2020-21. The profit after tax stood at ₹2,141.72 million for FY2021-22 as compared to ₹1,382.32 million for the previous year.

CONSOLIDATED FINANCIAL RESULTS

The Company's consolidated total income for FY 2021-22 was ₹1,08,562.27 million as compared to ₹86,186.74 million for the previous year. The consolidated total income of ₹1,08,562.27 million was the highest revenue in the history of the company so far despite disruptions to business due to COVID 2nd and 3rd waves during the year.

CHANGE IN THE NATURE OF BUSINESS, IF ANY

There was no change in the nature of business of the Company during the year under review.

DIVIDEND

The Directors wish to invest the profits back into the Company for further growth and expansion, and therefore, did not recommend any Equity dividend for the FY 2021-22. Pursuant to Regulation 43A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations"), the Dividend Distribution Policy duly approved by the Board is available on the website of the Company and can be accessed at <https://www.kalyanjewellers.net/images/investors-new/pdf/corporate-governance/policies/Dividend%20Distribution%20Policy.pdf>.

TRANSFER TO GENERAL RESERVE

No amount has been transferred to the General Reserve for the financial year 2021-22.

TRANSFER OF UNCLAIMED DIVIDEND TO THE IEPF

In accordance with the provisions of Sections 124 and 125 of the Act and Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), dividends of a company which remain unpaid or unclaimed for a period of seven years from the date of transfer to the Unpaid Dividend Account shall be transferred by the Company to the Investor Education and Protection Fund ("IEPF"). In terms of the foregoing provisions of the Act, there is no dividend which remains outstanding or remain to be paid & require to be transferred to the IEPF by the Company during the year ended March 31, 2022.

SHARE CAPITAL

During the year under review, the Company has not altered/modified its authorised share capital and has not issued any shares including equity shares with differential rights as to dividend, voting or otherwise. The Company has not issued any sweat equity shares to its directors or employees. The authorised capital of the Company stood at ₹20,005 million.

MANAGEMENT DISCUSSION & ANALYSIS REPORT

Pursuant to Regulation 34(2) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015, a Management Discussion and Analysis Report is given in **Annexure 1**.

CORPORATE GOVERNANCE

Pursuant to Regulation 34(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015, (SEBI (LODR) Regulations, 2015) a report on Corporate Governance along with a Certificate from the Company Secretary in Practice towards compliance of the provisions of



Corporate Governance, forms an integral part of this Annual Report and are given in **Annexure - 2 and Annexure - 3** respectively.

The Chief Executive Officer and the Chief Financial Officer have certified to the Board with regard to financial statements and other matters as required under Regulation 17(8) read with Schedule II to the SEBI (LODR) Regulations, 2015.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

In accordance with the requirements of Section 135 of the Act, the Company has constituted a Corporate Social Responsibility (CSR) Committee and also formulated a Corporate Social Responsibility Policy (CSR Policy) which is available on the website of the Company at <https://www.kalyanjewellers.net/images/investors-new/pdf/corporate-governance/policies/CSR%20Policy%20Version.pdf>. An Annual Report on CSR activities of the Company during the financial year 2021-22 as required to be given under Section 135 of the Act read with Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 has been provided as an **Annexure-4** to this Report.

MATERIAL CHANGES AND COMMITMENTS AFFECTING FINANCIAL POSITION OF THE COMPANY

There are no material changes and commitments that have occurred between end of the financial year of the Company to which the financial statements relate and the date of this report which may affect the financial position of the Company.

RISK MANAGEMENT

The Board of Directors at its meeting held on August 20, 2020 had constituted the Risk Management Committee. The details about the composition of Risk Management Committee and number of meetings held are given in the Corporate Governance Report. Further, Pursuant to Section 134(3)(n) of the Companies Act, 2013 and Regulation 17(9) of SEBI (LODR) Regulations, 2015, the Company has formulated and adopted a Risk Management Policy.

The Company has in place a mechanism to identify, assess, monitor and mitigate various risks to key business objectives. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis. Our internal control encompasses various managements systems, structures of organisation, standard and code of conduct which all put together help in managing the risks associated with the Company. In order to ensure the internal controls systems are meeting the required standards, it is reviewed at periodical intervals. If any weaknesses are identified in the process of review the same are addressed to strengthen the internal controls which are also revised at frequent intervals.

There are no risks which in the opinion of the Board threaten the existence of the Company. However, some of the risks which may pose challenges are set out in

the Management Discussion and Analysis which forms part of this Annual Report.

VIGIL MECHANISM/WHISTLE-BLOWER POLICY FOR DIRECTORS AND EMPLOYEES:

The Company has formulated a comprehensive Whistle-Blower Policy in line with the provisions of Section 177(9) and Section 177(10) of the Companies Act, 2013 with a view to enable the stakeholders, including Directors, individual employees to freely communicate their concerns about illegal or unethical practices and to report genuine concerns to the Audit Committee of the Company. The mechanism provides adequate safeguards against victimisation of Directors or employees who avail of the mechanism. The Vigil Mechanism has been placed in the website of the Company at <https://www.kalyanjewellers.net/images/investors-new/pdf/corporate-governance/policies/Whistle%20Blower%20Policy.pdf>.

DISCLOSURES AS PER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

Your Company has adopted a policy against sexual harassment in line with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules framed thereunder. The Company has constituted Internal Complaints Committee for redressal of complaints on sexual harassment. During the year, the Company had not received any complaint on sexual harassment and no complaint was pending as on March 31, 2022.

DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (31 OF 2016) DURING THE FINANCIAL YEAR.

There is no application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the financial year 2021-22.

SIGNIFICANT AND MATERIAL ORDERS

There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

CREDIT RATING

During the year under review, ICRA Limited, a credit rating agency registered with SEBI had issued a rating of A stable for the long term loan term facilities and A2+ for long-term/ short-term fund based loans.

ANNUAL RETURN

Pursuant to the amendments to Section 134(3)(a) and Section 92(3) of the Act read with Rule 12 of the Companies (Management and Administration) Rules, 2014, the Annual Return (Form MGT-7) for the financial year ended March 31, 2022, is available on the Company's website and can be accessed at <https://www.kalyanjewellers.net/images/investors-new/pdf/annual-report/annual-returns/Annual%20Return%202021%20-2022.pdf>.

RELATED PARTY TRANSACTIONS

All related party transactions which were entered during the Financial Year were in the ordinary course of business and on an arm's length basis. There were no materially significant related party transactions entered by the Company with the Promoters, Directors, Key Managerial Personnel or other persons which may have a potential conflict with the interests of the Company.

The details of the transactions with related parties during the year 2021-22 are provided in the accompanying financial statements. The details of transactions with Related Parties as required under Section 134(3)(h) of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014 are given in **Annexure - 5** in Form AOC - 2 and forms part of this Report, the Company has also adopted Policy on Materiality and dealing with Related Party Transactions and the same has been placed on the website of the Company at <https://www.kalyanjewellers.net/images/investors-new/pdf/corporate-governance/policies/Policy%20on%20Related%20Party%20Transactions%202022.pdf>.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

Details of loans, guarantees and investments covered under the provisions of Section 186 of the Act are given in the notes to the financial statements.

DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE-TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF DURING THE FINANCIAL YEAR

Not applicable during the financial year.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

- Conservation of Energy
In its endeavours towards conservation of energy your Company ensures optimal use of energy, avoid wastages and endeavors to conserve energy as far as possible.
- Technology Absorption
Your Company has not carried out any research and development activities during the year.
- Foreign Exchange Earnings and Outgo
During the year, your Company's foreign exchange earnings were ₹72.38 million and foreign exchange outgo was ₹61.66 million.

SUBSIDIARIES/ JOINT VENTURE/ ASSOCIATE COMPANY

The Company had the following subsidiaries as on March 31, 2022.

SL No	Name of the Subsidiaries/ Joint Venture/ Associate Company	Relationship
1	Enovate Lifestyles Private Limited	Direct Subsidiary
2	Kalyan Jewellers FZE, UAE	Direct Subsidiary
3	Kalyan Jewellers, INC., USA	Direct Subsidiary
4	Kalyan Jewellers LLC, UAE	Subsidiary
5	Kenouz Al Sharq Gold Ind. LLC, UAE	Subsidiary
6	Kalyan Jewellers LLC, Oman;	Subsidiary
7	Kalyan Jewellers For Golden Jewellery Company, W.L.L.,Kuwait	Subsidiary
8	Kalyan Jewellers LLC, Qatar	Subsidiary
9	Kalyan Jewellers Bahrain W.L.L,Bahrain.	Subsidiary

Pursuant to Section 129 (3) of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules, 2014, a statement containing salient features of the financial statements of the Company's Subsidiaries and Associate Company in Form No. AOC-1 is attached to this report as **Annexure - 6**. Further, pursuant to the provisions of Section 136 of the Act, the financial statements of the Company, consolidated financial statements along with relevant documents and separate audited financial statements in respect of subsidiaries, are available on the Company's website on <https://www.kalyanjewellers.net/investors/annual-report/subsidiary-annual-reports.php>.

The Policy for determining Material Subsidiaries, adopted by your Board, in conformity with Regulation 16 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), can be accessed on the Company's website at <https://www.kalyanjewellers.net/images/investors-new/pdf/corporate-governance/policies/Policy%20for%20Determining%20Material%20Subsidiary.pdf>.

BOARD MEETINGS

During the year under review, five Board meeting were held, details of which are provided in the Corporate Governance Report.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

The Board of Directors of the Company comprises of ten directors, of which three are Executive and seven are Non-Executive Directors, including five independent directors, one Non-Executive Director and one Nominee Director. The composition of the Board of Directors is in compliance with the provisions of Section 149 of the Companies Act, 2013. As per the provisions of the Companies Act, 2013, Mr. TS Kalyanaraman (DIN: 01021928), retires by rotation at the ensuing Annual General Meeting and being eligible seeks re-appointment. The Board recommends his re-appointment. There were no other changes in the composition of Directors and key managerial persons of the Company during the year.



The list of directors and key managerial persons of the Company are provided below:

Sl. No	Name of the Director	Designation
1	T. S. Kalyanaraman	Chairman & Managing Director
2	T. K. Seetharam	Whole-time Director
3	T. K. Ramesh	Whole-time Director
4	Anish Saraf	Non-Executive Nominee Director
5	M. Ramaswamy	Independent Director
6	A. D. M. Chavali	Independent Director
7	Kishori Udeshi	Independent Director
8	T. S. Anantharaman	Independent Director
9	Anil S. Nair	Independent Director
10	Salil Nair	Non-Executive Director
11	Sanjay Raghuraman	Chief Executive Officer
12	V Swaminathan	Chief Financial Officer
13	Jishnu RG	Company Secretary

The Company has received declarations of independence in accordance with the provisions of the Act as well as the LODR Regulations from all the Independent Directors. Further, all the Independent Directors have confirmed that they are in compliance with Rules 6(1) and 6(2) of the Companies (Appointment and Qualification of Directors) Rules, 2014, with respect to registration with the data bank of Independent Directors maintained by the Indian Institute of Corporate Affairs.

Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the Listing Regulations, Mr. V Ramkumar Practising Company Secretary, Coimbatore has certified that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India/Ministry of Corporate Affairs or any such statutory authority and the certificate forms part of this Annual Report and is given as **Annexure 7**.

MEETING OF INDEPENDENT DIRECTORS

In terms of requirements under Schedule IV of the Companies Act, 2013 and Regulation 25 (3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a separate meeting of the Independent Directors was held on February 07, 2022. The Independent Directors at the meeting, inter alia, reviewed the following.

- Performance of Non-Independent Directors and Board as a whole
- Performance of the Chairman of the Company, taking into account the views of Executive Directors and Non-Executive Directors.
- Assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.
- Assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

ADEQUACY OF INTERNAL CONTROLS AND COMPLIANCE WITH LAWS

The Company has in place adequate internal financial controls with reference to financial statements. During the year under review, such controls were tested and no reportable material weakness in the design or operation were observed.

FIXED DEPOSITS

During the year under review, the Company has not accepted any deposit from public within the meaning of Section 73 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014. The Company has no unclaimed/unpaid matured deposit or interest due thereon.

SECRETARIAL STANDARDS

The Company has complied with the applicable provisions of Secretarial Standards 1 and 2 issued by the Institute of Company Secretaries of India and notified by Ministry of Corporate Affairs.

AUDIT COMMITTEE AND OTHER BOARD COMMITTEES

The details pertaining to the composition of the Audit Committee and its role and details of other committees of the Company are included in the Corporate Governance Report, which is a part of this Annual Report.

DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS UNDER DIRECTORS (12) OF SECTION 143 OTHER THAN THOSE WHICH ARE REPORTABLE TO THE CENTRAL GOVERNMENT.

The Statutory Auditors of the Company have not reported any fraud as specified under the second proviso of Section 143(12) of the Act (including any statutory modification(s) or re-enactment(s) for the time being in force).

EMPLOYEE STOCK OPTION SCHEMES

The Company had implemented an employee stock option plan namely 'Kalyan Jewellers India Limited-Employee Stock Option Plan 2020' and an employee stock purchase scheme namely 'Kalyan Jewellers India Limited-Employee Stock Purchase Scheme 2020' vide members' special resolution dated 20.08.2020 prior to its initial public offer, with the objectives to motivate the key work force seeking their contribution to the corporate growth, to create an employee ownership culture, to attract new talents and to retain them for ensuring sustained growth. In terms of Regulation 12(1) of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 ("SEBI SBEB Regulations"), any fresh grant of Options or issue of Shares can be made only if the Employee Benefit Schemes are in compliance with the SEBI SBEB Regulations and are ratified by the members of the Company. Accordingly, the Employee Benefit Schemes were ratified by the members at the Annual General Meeting held on September 23, 2021.

Further, The Company has neither granted any employee stock option nor issued any Share under this schemes till date.

PERFORMANCE EVALUATION OF BOARD AND ITS COMMITTEES

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as per Guidance Note on Board Evaluation issued by SEBI on January 5, 2017, the Board has carried out annual performance evaluation of its own performance, the Directors individually as well as evaluation of the working of its Committees.

REMUNERATION POLICY

The Company has, on the recommendation of the Nomination & Remuneration Committee, framed and adopted a Nomination and Remuneration Policy in terms of the Section 178 of the Act. The policy, inter alia, lays down the principles relating to appointment, cessation, remuneration and evaluation of directors, key managerial personnel and senior management personnel of the Company. The Nomination & Remuneration Policy of the Company is available on the website of the Company at <https://www.kalyanjewellers.net/images/investors-new/pdf/corporate-governance/policies/Nomination%20&%20Remuneration%20Policy.pdf>.

NON-EXECUTIVE DIRECTORS' COMPENSATION AND DISCLOSURES:

None of the Independent / Non- Executive Directors have any pecuniary relationship or transactions with the Company which in the Judgment of the Board may affect the independence of the Directors.

FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS

The Company has adopted a familiarisation programme for Independent Directors with an objective of making the Independent Directors of the Company accustomed with the business and operations of the Company through various structured orientation programme. The familiarization programme also intends to update the Directors on a regular basis on any significant changes therein so as to be in a position to take well informed and timely decision.

The details of the familiarization programme undertaken have been uploaded on the Company's website and can be accessible at <https://www.kalyanjewellers.net/investors/corporate-governance/familiarization-programs.php>.

AUDITORS AND AUDITORS REPORTS

Statutory Auditors

The shareholders of the Company at the 11th Annual General Meeting (AGM) held on September 30, 2019, appointed M/s. Deloitte Haskins & Sells LLP, Chartered Accountants, (Firm Registration No 117366W / W-100018) 7th Floor, Times Square, Door No. 62, A. T. T. Colony Road, Coimbatore - 641 018 as the statutory auditors of the Company to hold office from the conclusion of 11th AGM till the conclusion of the 16th AGM of the Company.

Secretarial Auditors

The Board of Directors, pursuant to the provisions of Section 204 of the Companies Act, 2013, appointed of Mr. V Ramkumar FCS No: 8304, Certificate of Practice No: 3832, Company Secretary in Practice, as the Secretarial Auditor of the Company, to carry out the Secretarial Audit for the Financial Year 2021-22. Secretarial Audit Report, issued by the Secretarial Auditor in Form No. MR -3 forms part of this Report and is annexed herewith as **Annexure 8**.

Cost Auditors

Your Company is not required to maintain cost records as specified under Section 148 of the Act and not required to appoint Cost Auditors.

AUDITOR'S REPORT AND SECRETARIAL AUDITOR'S REPORT

There are no disqualifications, reservations, adverse remarks or disclaimers in the auditor's report and secretarial auditor's report.

INTERNAL AUDITORS

M/s. Balam & Nandakumar, Chartered Accountants, Thrissur performs the duties of Internal Auditors of the Company and their report is reviewed by the Audit Committee quarterly.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Act, the Board of Directors, to the best of its knowledge and ability, confirm that

- In the preparation of the annual accounts, the applicable accounting standards have been followed and there are no material departures;
- They have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- They have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- They have prepared the annual accounts on a going concern basis;
- They have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively;



- vi. They have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, the work performed by the internal, statutory and secretarial auditors and external consultants, including the audit of internal financial controls over financial reporting by the statutory auditors and the reviews performed by management and the relevant board committees, including the audit committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during FY2022.

PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

Particulars of employees covered by the provisions of Section 197 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is given as Annexure -9 to this Report. In accordance with the provisions of Section 197(12) of the Act and Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the names and particulars of remuneration of top ten employees who have drawn remuneration not less than the limits specified in the Rules are available with the Company and in terms of provisions of Section 136(1) of the Act. This report is being sent to the members without this detail and any member desirous of obtaining information may write to the Company and the same shall be provided through electronic mode till the date of the ensuing Annual General Meeting.

BUSINESS RESPONSIBILITY REPORT

As required under Regulation 34 of the Listing Regulations, the Business Responsibility Report is provided in **Annexure - 10** and forms part of the Annual Report.

CODE OF PRACTICES AND PROCEDURES FOR FAIR DISCLOSURE OF UNPUBLISHED PRICE SENSITIVE INFORMATION

The Board has formulated Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information ("Fair Disclosure Code") for fair disclosure of events and occurrences that could impact price discovery in the market for the Company's securities and to maintain the uniformity, transparency and fairness in dealings with all stakeholders and ensure adherence to applicable laws and regulations. The copy of the same is available on the website of the Company at <https://www.kalyanjewellers.net/images/investors-new/pdf/corporate-governance/policies/Kalyan%20Jewellers%20Policy%20for%20fair%20disclosure%20of%20UPSI.pdf>.

PREVENTION OF INSIDER TRADING

The Board has formulated code of conduct for regulating, monitoring and reporting of trading of shares by Insiders. This code lays down guidelines, procedures to be followed and disclosures to be made by the insiders while dealing with shares of the Company and cautioning them on consequences of non-compliance. The copy of the same is available on the website of the Company at <https://www.kalyanjewellers.net/images/investors-new/pdf/corporate-governance/policies/Code%20of%20Conduct%202022.pdf>.

GREEN INITIATIVES

In commitment to keep in line with the Green Initiatives and going beyond it, electronic copy of the Notice of 14th Annual General Meeting of the Company including the Annual Report for FY 2021-22 are being sent to all Members whose e-mail addresses are registered with the Company / Depository Participant(s).

ACKNOWLEDGEMENTS

Your Directors wish to place on record their appreciation of the support which the Company has received from its promoters, shareholders, lenders, business associates, vendors, customers, media the employees and other stakeholders of the Company.

On behalf of the Board of Directors

T. S. Kalyanaraman

Place: Thrissur

Chairman & Managing Director

Date: May 11, 2022

DIN: 01021928

Annexure - 2

Report on Corporate Governance

[Pursuant to Part C of Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

CORPORATE GOVERNANCE PHILOSOPHY

Kalyan Jewellers India Ltd., has always been committed to the system by which the business is conducted on the principle of good corporate governance. The culture of good corporate governance is followed at all stages in conducting the business. Your Company's Corporate Governance philosophy is based on transparency, accountability, values, and ethics, which forms an integral part of the Management's initiative in its ongoing pursuit towards achieving excellence, growth, and value creation. Your Company is committed to highest standards of Corporate Governance and disclosure practices to ensure that its affairs are managed in the best interest of all stakeholders. The governance philosophy of the Company is not limited to confirming of compliance of laws, but is a blend of both legal and management practices to embed the same in the decision making process. The Company always endeavours to align the practices in line with the changing business environment and confirms that the interest of all stakeholders are safeguarded could successfully take the various stakeholders in its journey and reach newer heights.

The Company is in compliance with the requirements stipulated under Regulation 17 to 27 read with Schedule V and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, hereinafter called "the Listing Regulations" as applicable, with regard to corporate governance and also the Guidance Note on Board Evaluation as prescribed by the Securities and Exchange Board of India (SEBI).

BOARD OF DIRECTORS AND GOVERNANCE FRAMEWORK

Composition of the Board and profile of the Directors
The present composition of the board is in compliance with the requirements of Regulation 17 (1) of the Listing Regulations. The Board of Directors (the Board) of the Company comprises of optimum mix of Executive and Non-Executive Directors, with fifty percent of the board as Independent Directors. The Board, as on March 31, 2022, comprises of ten Directors, which includes five Independent Directors, three Executive Directors, and two Non-Executive Directors (one of which is a Nominee Director). The Chairman of the Board of Directors of the Company is an Executive Director and a promoter.

In terms of the provisions of the Act, and the Listing Regulations, the Directors of the Company submit necessary disclosures regarding the positions held by them on the Board and/ or the Committees of other companies with changes therein, if any, on a periodical basis. On the basis of such disclosures, it is confirmed that as on 31st March, 2022, none of the Directors on

the Board holds Directorship position in more than 20 (twenty) companies [including 10 (ten) public limited companies and 7 (seven) listed companies]; holds Executive Director position and serves as an Independent Director in more than 3 (three) listed companies; and is a member of more than 10 (ten) Committees (Audit Committee and the Stakeholders Relationship Committee) and/or Chairperson of more than 5 (five) Committees (Audit Committee and the Stakeholders Relationship Committee) across all the Indian Public Limited Companies in which he/ she is a Director pursuant to Regulation 26 of the Listing Regulations.

The profiles of the directors are given below:

Mr. T. S. Kalyanaraman is the Chairman and Managing Director of the Company. He has been working with the Company since its inception and has been associated with the brand 'Kalyan Jewellers' since 1993. He completed his bachelor's in commerce from University of Calicut and has over 45 years of retail experience, of which over 26 years is in the jewellery industry.

Mr. T. K. Seetharam is a Promoter and a whole-time Director of the Company He has been working with the Company since its inception and has been associated with the brand 'Kalyan Jewellers' since 1998. He has qualified as a master of business administration from Bharathiar University, Coimbatore. He has also completed the 'Executive Programme in Leadership: The Effective Use of Power' course from Stanford University. He has approximately 23 years of experience in the jewellery industry.

Mr. T. K. Ramesh is a Promoter and a whole-time Director of the Company He has been working with the Company since its inception and has been associated with the brand 'Kalyan Jewellers' since 2000. He has completed his master's degree in commerce at Karnataka State University. He has approximately 21 years of experience in the jewellery industry.

Mr. Salil Nair is a Non-Executive Director of the Company and has been on the Board of Kalyan Jewellers India Ltd., since 2020. He has completed his master's degree in science at Meerut University. He has approximately 23 years of experience in the retail industry. He has previously acted as Chief Executive Officer of Shoppers Stop Limited.

Mr. Anish Kumar Saraf is a Non-Executive, Nominee Director nominated by Highdell and has been on the Board of Kalyan Jewellers India Ltd., since 2018. He is a qualified chartered accountant and holds a post graduate diploma in management from the Indian Institute of Management, Ahmedabad. He is associated with Warburg Pincus India Private Limited since 2006 where he currently holds the position of Managing Director.



Mr. A. D. M. Chavali is an Independent Director of the Company and has been on the Board of Kalyan Jewellers India Ltd. since 2016. He holds a master of science degree in mathematics from Andhra University. Mr. Chavali has over 30 years of experience in the banking sector and has served in various capacities in prestigious financial institutions, including, as a General Manager of Bank of Baroda and as an Executive Director of Indian Overseas Bank. He retired from Indian Overseas Bank as an Executive Director in the year 2014. Mr. Chavali has also acted as a nominee director of Bank of Baroda, Central Depository Services (India) Limited and The Clearing Corporation of India Limited. In January 2020, he was appointed as a member of the advisory board for Banking and Financial Frauds by the Central Vigilance Commission.

Mr. M. Ramaswamy is an Independent Director of the Company and has been on the Board of Kalyan Jewellers India Ltd. since 2016. He holds a master of arts degree in economics from University of Madras. Mr. Ramaswamy has over 35 years of experience in the banking sector and has served, in various prestigious financial institutions in several capacities, including as a General Manager of State Bank of Saurashtra and the State Bank of Hyderabad, as a Chief General Manager of State Bank of Bikaner and Jaipur and as the Managing Director in State Bank of Travancore. He retired as a Managing Director from State Bank of Travancore in 2008.

Mr. T. S. Anantharaman is an Independent Director of the Company. He has been on the Board of Kalyan Jewellers India Ltd., since 2018. He has been appointed as a director of Kalyan Jewellers FZE and Kalyan Jewellers LLC UAE, the material subsidiaries of the Company in terms of Regulation 24 of the SEBI Listing Regulations, with effect from August 3, 2020. Mr. T. S. Anantharaman holds a bachelor of commerce degree from University of Kerala. He was admitted as an associate member of the Chartered Management Institute, formerly known as the British Institute of Management on June 22, 1976 and as a fellow of the Institute of Chartered Accountants of India on July 31, 1974. He has several

years of experience in various sectors, such as banking and teaching management and accounting.

Ms. Kishori Udeshi is an Independent Director of the Company. She has been on the Board of Kalyan Jewellers India Ltd. since 2018. She holds a master's degree in arts with specialisation in economics from the Bombay University. She has several years of experience in policy and banking sectors. During the course of her career, Ms. Udeshi has held prestigious positions with various institutions and government bodies. She was the first woman Deputy Governor of the RBI and a director of the RBI to be nominated on the board of directors of the State Bank of India. As the Deputy Governor of the RBI, she was also on the board of directors of SEBI, NABARD, Exim Bank and has acted as the chairman of the Bharatiya Reserve Bank Note Mudran Private Limited. Ms. Udeshi was also appointed by the RBI to act as the Chairman of The Banking Codes and Standards Board of India. Ms. Udeshi has also acted as the chairman of the Deposit Insurance and Credit Guarantee Corporation. Presently, she serves as a member (as appointed by the Government of India) of the Financial Sector Legislative Reforms Commission.

Mr. Anil S. Nair is an Independent Director of the Company and has been on the Board of Kalyan Jewellers India Ltd., since 2020. He has completed his bachelor's degree in arts at the University of Kerala. He has over 19 years of experience in the field of advertising. During the course of his career, he has held various positions such as CEO & Managing Partner of Law & Kenneth Saatchi & Saatchi Pvt. Limited and Vice President (Branch Head, Mumbai) at Quadrant Communications Limited.

Details of the Directors and their associations with other companies

The number of other Directorships and Chairmanships/Membership of Committees of each Director in various Companies as of March 31, 2022 are given below. The directorships as mentioned below do not include directorships of private limited companies, foreign companies and companies registered under Section 8 of the Act.

In accordance with Regulation 26 of Listing Regulation, Memberships/Chairmanships of only Audit Committee and Stakeholders Relationship Committee in all public Companies have been considered. The number of Committee ship/Chairmanships of all Directors are within the respective limits prescribed under Companies Act, 2013 and Listing Regulations. None of the Directors is related to each other except as disclosed below.

Name	Category of Directors	Number of Directorships held in public Companies (including Kalyan Jewellers India Limited)	Number of Memberships/ Chairmanships in Board Committees (including Kalyan Jewellers India Limited)		Names of the other listed entities where the person is a director
			Member	Chairperson	
Mr.T.S.Kalyanaraman	Promoter, Executive Director	1	None	None	None
Mr. T. K. Seetharam	Promoter, Executive Director	1	1	None	None
Mr. T. K. Ramesh	Promoter, Executive Director	1	1	None	None
Mr. Salil Nair	Non-Executive Director	1	None	None	None

Name	Category of Directors	Number of Directorships held in public Companies (including Kalyan Jewellers India Limited)	Number of Memberships/ Chairmanships in Board Committees (including Kalyan Jewellers India Limited)		Names of the other listed entities where the person is a director
			Member	Chairperson	
Mr. Anish Saraf	Non-Executive Nominee Director	6	4	1	1. PVR Limited 2. Medplus Health Services Limited
Mr. A. D. M. Chavali	Non-Executive Independent Director	2	2	2	None
Mr. M. Ramaswamy	Non-Executive Independent Director	1	1	None	None
Mr.T.S.Anantharaman	Non-Executive Independent Director	3	1	1	None
Ms. Kishori Udeshi	Non-Executive Independent Director	8	4	2	1. Thomas Cook (India Limited) 2. Elantas Beck India Limited 3. Haldyn Glass Limited 4. Shriram Transport Finance Company Limited 5. ION Exchange (India) Limited 6. Car trade Tech Limited
Mr. Anil S. Nair	Non-Executive Independent Director	1	None	None	None

Notes:

- As on March 31, 2022, the Company has Ten Directors. Out of the Ten Directors, five (i.e. 50 percent) are Non-Executive and Independent. The composition of the Board is in conformity with Regulation 17 of the SEBI Listing Regulations read with Section 149 of the Act.
- Independent Directors are non-executive directors as defined under Regulation 16(1)(b) of the SEBI Listing Regulations read with Section 149(6) of the Act along with rules framed thereunder. Based on the declarations received from the Independent Directors, the Board of Directors has confirmed that they meet the criteria of independence as mentioned under Regulation 16(1)(b) of the SEBI Listing Regulations and that they are independent of the management. None of the Independent Directors serves as an independent director on more than seven listed entities. The terms and conditions for appointment of Independent Directors are uploaded on the website of the Company - www.kalyanjewellers.net.

Board qualifications, expertise and attributes

The eligibility of a person to be appointed as a Director of the Company is dependent on whether the person possesses the requisite skill sets identified by the Board and whether the person is a proven leader in a business that is relevant to the Company's business or is a proven academician in the field relevant to the Company's business. The Board has adequate mix of skills, expertise and competencies for running the business of the Company as detailed below:

Name Of Director	Business Strategy	Sales and Marketing	Financial Expertise	Operations	Corporate Governance
Mr.T.S.Kalyanaraman	✓	✓		✓	✓
Mr. T. K. Seetharam	✓	✓	✓	✓	✓
Mr. T. K. Ramesh	✓	✓		✓	✓
Mr. Salil Nair	✓	✓		✓	✓
Mr. Anish Saraf	✓		✓		✓
Mr. A. D. M. Chavali	✓		✓		✓
Mr. M. Ramaswamy	✓		✓		✓
Mr.T.S.Anantharaman	✓		✓	✓	✓
Ms. Kishori Udeshi	✓		✓		✓
Mr. Anil S. Nair	✓	✓		✓	✓



Board Meeting

The Board of Directors met 5 (Five) times during the year under review and the gap between two meetings did not exceed one hundred and twenty days. The said meetings were held on:

Sl. No.	Date of Board Meeting	No of Directors Present
1	May 27, 2021	10
2	August 10, 2021	09
3	November 20, 2021	10
4	January 14, 2022	10
5	February 02, 2022	10

The Board of Directors periodically reviews reports regarding operations, capital expenditure proposals, statutory compliance and other required information as enumerated in Part A of Schedule II of the Listing regulations and as required under relevant provisions of the Companies Act, 2013.

Attendance of individual Directors at the Board Meetings and last Annual General Meeting

Following are the details of the Directors' attendance at board meetings held during the year under review and at the last Annual General Meeting.

Sl. No.	Name of the Director	Attendance at	
		Board Meeting	AGM Held on September 23, 2021
1	Mr.T.S.Kalyanaraman	5	Yes
2	Mr. T. K. Seetharam	5	Yes
3	Mr. T. K. Ramesh	5	Yes
4	Mr. Salil Nair	5	Yes
5	Mr. Anish Kumar Saraf	5	Yes
6	Mr. A. D. M. Chavali	5	Yes
7	Mr. M. Ramaswamy	5	Yes
8	Mr.T.S.Anantharaman	5	Yes
9	Ms. Kishori Udeshi	4	Yes
10	Mr. Anil S. Nair	5	No

The Company provides the facility to its Directors to attend the meetings through Video Conferencing (VC) or Other Audio-Visual Means (OAVM). All statutory and other matters of significant importance including information as mentioned in Part A of Schedule II to the Listing Regulations are tabled before the Board, to enable it to take appropriate decisions in both strategic and regulatory matters. The Board reviews compliances of all laws, rules, regulations on a quarterly basis. At the Board Meeting, members have full freedom to express their opinion and decisions are taken after detailed deliberations.

Number of Shares and Convertible instruments held by Non-Executive Directors

Mr. Salil Nair, Non-Executive Director of the Company was holding No.12500 equity shares of the Company as

on March 31, 2022. There are no convertible instruments issued by the Company.

Disclosure of Relationship between directors inter – se

Mr. T. K. Seetharam & Mr. T. K. Ramesh Whole-time Directors of the Company are the son of Mr. T. S. Kalyanaraman Chairman and Managing Director of the Company. None of the other Directors are related to any Board Member.

Meeting of the Independent Directors

During the year under review, 1 (one) meeting of the Independent Directors of the Company as per the requirements of Schedule IV of the Companies Act, 2013 and Regulation 25 (3) of the SEBI (LODR), Regulations, 2015 was held on February 07, 2022. The Independent Directors inter-alia, reviewed the performance of Non-Independent Directors, Board as a whole and Chairman of the Company, taking into account the views of Executive Directors and Non-Executive Directors. During the year, no Independent director has resigned before the expiry of his/her tenure.

Familiarisation programme

The Company has a familiarisation programme for Independent Directors with regard to their role, rights, responsibilities in the Company, nature of the Industry, the business models of the Company etc.. and the details of the same are available on the website of the Company at <https://www.kalyanjewellers.net/investors/corporate-governance/familiarization-programs.php>.

COMMITTEES OF THE BOARD

Your Company's Board of Directors had constituted the following Mandatory Committees to comply the requirements under the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 viz.:

(i) Audit Committee; (ii) Nomination and Remuneration Committee; (iii) Stakeholders' Relationship Committee (iv) Corporate Social Responsibility Committee; and (v) Risk Management Committee.

Audit Committee

The role and terms of reference of the Audit Committee cover the areas mentioned under Regulation 18 (3) of Listing Regulations and Section 177 of the Companies Act, 2013, besides other terms as may be referred to by the Board of Directors from time to time.

The Company's Audit Committee consists of three Directors, of which two are Non-Executive Independent Directors. All the members of the Audit Committee have adequate knowledge in the areas of finance and accounting.

The composition of and attendance at Audit Committee meetings are given below

Sl. No.	Name of the member	Category	No. of Audit Committee Meetings held	No. of Audit Committee Meetings attended
1	Mr. A. D. M. Chavali	Chairman	8	8
2	Mr. M. Ramaswamy	Member	8	8
3	Mr. Anish Saraf	Member	8	8

Mr. Jishnu R. G. Company Secretary, is the Secretary of the Committee. Mr. T. K. Seetharam and Mr. T. K. Ramesh - Whole-time Directors of the Company are permanent invitees. The Chief Financial Officer, The Chief Executive Officer, Head of Internal Audit, Statutory Auditors and other Executives, as considered appropriate, also attend the meetings by invitation.

Nomination and Remuneration Committee

The role and terms of reference of the Nomination and Remuneration Committee cover the areas mentioned under Regulation 19 (4) of SEBI LODR Regulations, 2015 and Section 178 of the Companies Act, 2013 read with Rules framed thereunder.

The composition of and attendance of Nomination and Remuneration Committee meetings are given below:

Sl. No.	Name of the Member	No. of Nomination and Remuneration Committee Meetings held	No. of Committee Meetings attended	No. of Committee Meetings attended
1	Mr. M. Ramaswamy	Chairman	2	2
2	Mr. ADM Chavali	Member	2	2
3	Mr. Anish Saraf	Member	2	2

Mr. Jishnu R. G., Company Secretary, is the Secretary of the Committee.

The meetings of the Nomination and Remuneration Committee were held on the following dates:

Sl. No.	Dates of Meeting
1	July 29, 2021
2	March 04, 2022

Performance evaluation criteria for Independent Directors:

In terms of Section 178 of the Act and Regulation 19 read with Schedule II to the SEBI LODR Regulations, 2015, the Nomination and Remuneration Committee has laid down the criteria for performance evaluation of the Board as a whole, its Committees and individual Directors. Based thereon, the evaluation was carried out by the Board. The criteria for performance evaluation forms part of the Nomination and Remuneration Policy of the Company, which is placed on the Company's website at <https://www.kalyanjewellers.net/images/investors-new/pdf/corporate-governance/policies/Nomination%20&%20Remuneration%20Policy.pdf>.

The meetings of the Audit Committee were held on the following dates during the FY 2021-22:

Sl. No.	Dates of Meeting
1	May 06, 2021
2	May 27, 2021
3	August 09, 2021
4	August 10, 2021
5	November 09, 2021
6	November 10, 2021
7	February 03, 2022
8	March 30, 2022

The Audit Committee met 8 times during the financial year 2021-22 and the gap between two meetings did not exceed one hundred and twenty days. There has been no instance, where the Board has not accepted any recommendation of Audit Committee.

Remuneration to Non-Executive Directors for the financial Year 2021-22

The Non-Executive Directors of the Company are paid remuneration by way of sitting fees and Commission. The Company pays sitting fees of ₹100,000/- (Rupees One lakh only) per meeting for attending the Board Meetings.

The travel expenses for attending meetings of the Board of Directors or a Committee thereof, for site visits and other related expenses are borne by the Company, from time to time.

In addition to the sitting fees, Commission, as approved by the Shareholders of the Company will also be paid to the Non Executive Directors.

The criteria of making payment to Non-Executive Directors are uploaded on the website of the Company and are accessible at <https://www.kalyanjewellers.net/images/investors-new/pdf/corporate-governance/policies/Criteria-for-making-payment-to-the-Non-Executive-Directors.pdf>.

Details of remuneration paid/payable to the Non-Executive Directors for the financial year 2021-22 are as follows:



SL No	Name	Designation	Total Sitting fees FY 2021-22 in million
1	Mr. M. Ramaswamy	Non-Executive Independent Director	0.5
2	Mr. ADM Chavali	Non-Executive Independent Director	0.5
3	Ms. Kishori Udeshi	Non-Executive Independent Director	0.4
4	Mr. Anil Nair	Non-Executive Independent Director	0.5
5	Mr. T. S. Anantharaman	Non-Executive Independent Director	0.5
6	Mr. Salil Nair	Non-Executive Director	0.5
7	Mr. Anish Saraf	Non-Executive Nominee Director	Nil

Details of remuneration paid to the Executive Directors for the financial year 2021-22 are as follows:

The remuneration paid/payable to the Executive Directors are in accordance with the approval of the Board and shareholders and as per the Remuneration Policy of the Company:

Particulars	Details of remuneration (in ₹ million)		
	Mr. T.S. Kalyanaraman Chairman and Managing Director	Mr. T.K. Seetharam Whole-time Director	Mr. T.K. Ramesh Whole-time Director
Basic Salary	60.6	60.6	60.6
Perquisites and others	Nil	Nil	Nil
Commission	Nil	Nil	Nil
ESOP	Nil	Nil	Nil
Incentive	Nil	Nil	Nil
Total	60.6	60.6	60.6

Service Contracts, Severance Fees and Notice Period

The tenure of the office of Managing Director and Whole Time Directors is 5 (five) years from respective dates of their appointment and the notice period for terminating the service contract of Managing Director and Whole-time Director is based on Company's HR Policy. Further, there is no separate provision for payment of severance fees. None of the Executive Directors had been granted any Employee Stock Options of the Company.

As required under the Listing Regulations, the Company has taken a Directors and Officers Liability Insurance (D&O) on behalf of all Directors including Independent Directors of the Company.

Stakeholders' Relationship Committee

In compliance with Section 178(5) of the Companies Act, 2013 and Regulation 20 read with Part D of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Committee has been formed to specifically focus on the services to shareholders/investors.

The Committee comprises of 3 Directors. The Chairman of the Committee is a Non-Executive Independent Director. The composition of the Committee as on March 31, 2022 is as follows:

Sl. No.	Members of Shareholders Relationship Committee	Category
1	Mr. T. S. Anantharaman (Chairman)	Non-Executive Independent
2	Mr. T. K. Seetharam	Executive Director
3	Mr. T. K. Ramesh	Executive Director

The Company Secretary acts as the Secretary to the Committee.

The meetings of the Shareholders Relationship Committee were held on the following dates:

Sl. No.	Dates of Meeting
1	July 11, 2021

All the above three members were attended the stakeholder's relationship meeting held on July 11, 2021.

49 investor complaints were received during the financial year ended March 31, 2022. All the complaints were redressed and no complaints were pending at the year end.

Risk Management Committee

The Company has listed its securities on BSE Limited and National Stock Exchange of India on March 26, 2021. As required under Regulation 21 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Risk Management Committee has been constituted with majority of Board of Directors and one Independent Director as its members. The Committee was constituted on August 20, 2020. The Risk Management Committee monitors, reviews the risk management plan of the Company and performs such other functions as mandated by the Board of Directors.

The composition of the Risk Management Committee meetings is given below:

Sl. No.	Members of Risk Management Committee	Category
1	Mr. Salil Nair (Chairman)	Non-Executive, Director
2	Mr. Anil S. Nair	Non-Executive, Independent
3	Mr. T. K. Seetharam	Executive Director

The meetings of the Risk Management Committee were held on the following dates:

Sl. No.	Dates of Meeting
1	July 20, 2021
2	January 03, 2022

All the above three members were attended the Risk Management Committee meetings held on July 20, 2021 and January 03, 2022.

Corporate Social Responsibility (CSR) Committee

The CSR Committee of the Board of Directors as on March 31, 2022 consists of following members:

Sl. No.	Members of CSR Committee	Category
1	Mr. T. S. Kalyanaraman (Chairman)	Executive Director
2	Mr. M. Ramaswamy	Non - Executive Director
3	Mr. T. K. Seetharam	Executive Director

The Company Secretary acts as the Secretary to the Committee. The following table presents the details of attendance of CSR Committee meeting for the financial year ended March 31, 2022.

Sl. No.	Members of CSR Committee	No. of Committee Meetings held	No. of Committee Meetings attended
1	Mr. T. S. Kalyanaraman	5	5
2	Mr. M. Ramaswamy	5	5
3	Mr. T. K. Seetharam	5	5

Mr. Jishnu R. G., Company Secretary, is the Secretary of the Committee.

The meetings of the CSR Committee were held on the following dates:

Sl. No.	Dates of Meeting
1	May 19, 2021
2	July 28, 2021
3	November 02, 2021
4	February 02, 2022
5	March 14, 2022

Subsidiary Companies

The Company has material unlisted subsidiaries (Kalyan Jewellers FZE & Kalyan Jewellers LLC) as defined under Regulation 16 of the Listing Regulations. Accordingly, the corporate governance requirements as applicable with respect to material unlisted subsidiary has been complied with.

The Company's Audit Committee reviews the Consolidated Financial Statements of the Company as

well as the Financial Statements of the Subsidiaries, including the investments made by the Subsidiaries. The Minutes of the Board Meetings, along with a report of the significant transactions and arrangements of the unlisted subsidiaries of the Company, as applicable, are placed before the Board of Directors of the Company.

Details of the Annual General Meeting

(AGM) of the Company held during the preceding three years are tabulated below:

General Body Meetings

Financial year	Date	Time	Location
2018-19	30/09/2019	11.00 a.m.	TC-32/204/2, Sitaram Mill Road, Punkunnam, Thrissur, Kerala - 680 002
2019-20	17/08/2020	11.00 a.m.	TC-32/204/2, Sitaram Mill Road, Punkunnam, Thrissur, Kerala - 680 002
2020-21	23/09/2021	10.00 a. m.	Meeting held through Video Conferencing ("VC")/ other Audio-Visual Means("OAVM")

Details of Special Resolutions passed in the previous three Annual General Meetings.

The following table illustrate the various special resolutions passed in the previous three Annual General Meeting of the Company.

Date of Annual General Meeting	Details of Special Resolutions passed if any;
September 23, 2021	<ul style="list-style-type: none"> Ratification of the Company ESOP/ ESPS Schemes of the Company Retention of right to appoint nominee Director
August 17, 2020	<ul style="list-style-type: none"> Increase in authorised capital of the Company Amendment to the Memorandum of Association of the Company for Increase in Authorised Share Capital. Approval for Initial Public Offer Increase in aggregate limit of Non-Resident Indian or Overseas Citizen of India. Increase in borrowing limits Payment of Commission to Non-Executive Independent Directors Revision of remuneration of Managing Director
September 30, 2019.	<ul style="list-style-type: none"> Approval for Payment of Commission to Non-Executive Directors. Acceptance of Deposits from Public

No Extra Ordinary General Meetings were held during the year 2021-22.

Postal Ballot

No Postal Ballot was conducted during the year.

**MEANS OF COMMUNICATION****(a) Financial Results**

The equity shares of the Company were listed on BSE Limited and National Stock Exchange of India Limited on March 26, 2021. Post listing of equity shares, quarterly and annual financial results were published in the leading English newspapers "Economic Times" and Malayalam newspaper "Janmabhoomi/Deepika". The said results are promptly furnished to the Stock Exchanges for display on their respective websites and are also displayed on the Company's website.

(b) Annual Report

Pursuant to the MCA circulars and SEBI Circulars, the Annual Report for FY 2021-22 containing the Notice of AGM was sent through e-mails to all those Members whose e-mail IDs were registered with the Company/ Depository Participants.

(c) Press Release/ Analyst Call

The official media releases and presentations made to Institutional Investors / Analysts and audio recording of Analyst Calls, and transcripts are posted on the Company's website

Date, Time and Venue of the Annual General Meeting	September 2022 through Video Conferencing (VC)/Other Audio Visual Means (OAVM)
Result for Quarter ending	
March 31, 2023	On or before May 30, 2023
Dividend payment date	No Dividend declared for the year

Name and address of the stock exchange at which the shares of the Company are listed and details of annual listing fees paid

Shares of the Company are quoted on the National Stock Exchange of India Limited (NSE) and the BSE Ltd., since March 26, 2021.

Address of the Stock Exchanges are as follows:

BSE Limited Phiroze Jeejeebhoy Towers, Dalal street Mumbai - 400001	National Stock exchange of India Limited Exchange Plaza, 5 th Floor, Plot No. C/1 G Block, Bandra-Kurla Complex, Bandra - East, Mumbai - 400 051
--	---

Company's Equity Shares are traded in Group "A" category in BSE Limited.

Your Company has paid the annual listing fee to both the exchanges. The Company has also paid the custodial fees to the NSDL and CDSL as per the SEBI Circular IR/MRD/DP/05/2011 dated April 27, 2011 for the year 2021-22.

Details of Stock code

The stock codes of the Company at the Stock Exchanges are as follows:

BSE Ltd.: Scrip code: 543278

The National Stock Exchange of India Limited Symbol: KALYANKJIL

Equity ISIN: INE303R01014

GENERAL SHAREHOLDER INFORMATION

Date, Time and Venue of the Annual General Meeting	September 2022 through Video Conferencing (VC)/Other Audio Visual Means (OAVM)
Financial year April 1, to March 31,	Will be published on or before (tentative and subject to change):
Result for Quarter ending June 30, 2022	On or before August 14, 2022
Result for Quarter ending September 30, 2022	On or before November 14, 2022
Result for Quarter ending December 31, 2022	On or before February 14, 2023

Stock market price data- high, low during each month in last financial year

Month	BSE Ltd			National Stock Exchange of India Ltd		
	High	Low	No of shares Traded	High	Low	No of shares Traded
Apr-21	74.85	59.80	49,77,433	75.00	59.75	4,50,47,851
May-21	73.00	56.30	92,17,770	72.70	56.30	7,66,56,407
Jun-21	89.70	66.50	1,32,90,646	89.75	67.00	9,86,89,455
Jul-21	81.20	70.45	70,22,823	79.60	70.30	3,06,56,520
Aug-21	75.70	61.10	1,27,71,416	75.70	61.00	4,17,23,147
Sep-21	74.25	64.50	41,66,181	74.40	64.50	3,00,40,674
Oct-21	81.80	70.40	94,93,122	81.85	70.20	5,70,36,640
Nov-21	83.55	64.50	53,47,580	83.60	64.45	3,54,50,036
Dec-21	72.55	64.70	34,34,417	72.55	64.70	1,61,80,915
Jan-22	75.90	63.40	40,02,747	75.90	63.40	2,37,09,423
Feb-22	71.50	55.80	43,09,312	71.50	55.65	23,96,188
Mar-22	63.75	58.00	47,00,801	64.00	57.70	1,96,94,507

There was no suspension from trading in equity shares of the Company during the year 2021-22.

Registrar and Transfer Agent

Link Intime India Private Limited

Surya 35, Mayflower Avenue, Behind Senthil Nagar

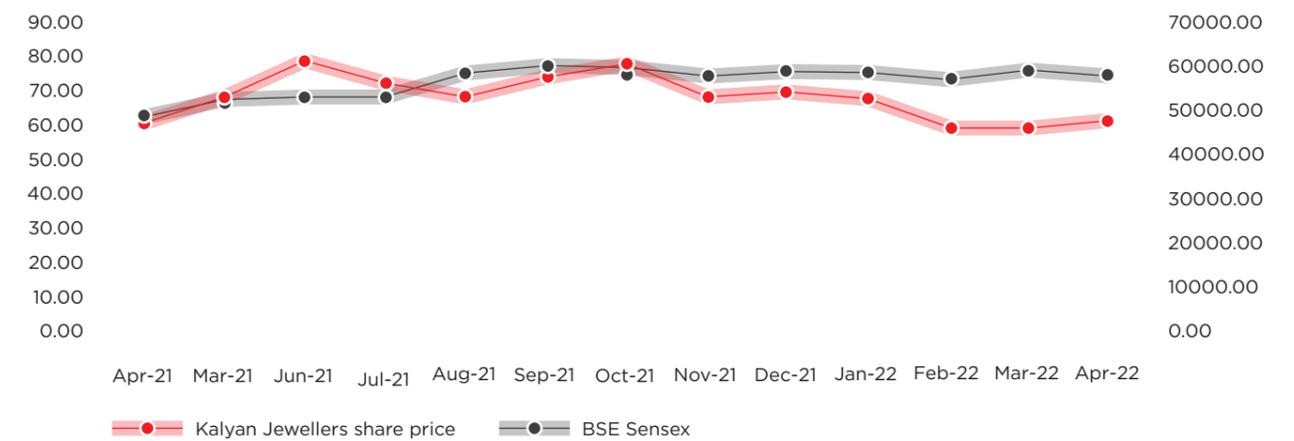
Sowripalayam Road,

Coimbatore - 641 028. Tel: 0422-2314792

E-mail ID: coimbatore@linkintime.co.in

Share transfer system

In terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, securities of listed companies can only be transferred in dematerialised form with effect from April 1, 2019. In view of the same, the entire share capital of the Company is in dematerialised form. The shares can be transferred by shareholders through their Depository Participants.

Stock market price data- high, low during each month in last financial year:**Distribution of shareholding as on March 31, 2022:**

Sr. No	Share Range		Number of Shareholders	% of Total Shareholders	No. of shares held	% of shareholding
	From	To				
1	1	500	257,707	93.8399	36,376,359	3.53
2	501	1,000	9,484	3.4534	7,348,758	0.71
3	1,001	2,000	4,101	1.4933	6,116,437	0.59
4	2,001	3,000	1,167	0.4249	2,977,761	0.29
5	3,001	4,000	525	0.1912	1,871,109	0.18
6	4,001	5,000	430	0.1566	2,026,315	0.20
7	5,001	10,000	684	0.2491	5,040,299	0.49
8	10001 and above		526	0.1915	968,296,019	94.00
Total			274,624	100.0000	1,030,053,057	100.00

Category-wise Shareholders as on March 31, 2022

Category	No of Shares Held	% of shareholding
Body Corporates	9,081,907	0.88
Promoters and Relatives	623,602,398	60.54
Non -Resident	2,180,518	0.21
FII / Foreign Company	302,911,977	29.41
Insurance Companies	317,700	0.03
Mutual Funds	15,722,939	1.53
Public and Others	76,235,618	7.40
Total	1,030,053,057	100

**Dematerialisation of shares and liquidity**

99.9% of total equity capital is held in dematerialised form with NSDL and CDSL as on March 31, 2022.

Outstanding global depository receipts or American depository receipts or warrants or any convertible instruments, conversion date and likely impact on equity shares as on March 31, 2022: Nil**Commodity Price Risk or Foreign Exchange Risk and Hedging Activities:**

The Company procures gold both through Gold Metal Loan facility from banks and other domestic open market purchases. The Company is exposed to price fluctuations on account of gold prices. The Group's intention is to utilise a combination of gold metal loan together with hedging instruments like Futures/Options on domestic as well as international commodity exchanges, to eventually maintain at most times a majoritarily hedged position with respect to the Company's gold inventory as well as to manage the cash flow related risks associated with the Gold Metal Loan caused by Gold Metal price fluctuations, while at the same time affording flexibility to the management team to manage liquidity and other operational constraints. The metal loan also exposes the Group to risk of increase in Gold prices in both India and overseas and underlying foreign currency fluctuations in India. On case to case basis, the Group uses hedging instruments such as forward/option contracts to book forward gold rates and in certain cases, also its cash flows in functional currency in which the components of the Group operate. The other disclosures regarding commodity risks are detailed in the notes forming part of the financial statements of the Company.

Location of the Corporate Office

TC-32/204/2,
Sitaram Mill Road, Punnamm
Thrissur, Kerala - 680 002
Corporate Identity Number: L36911KL2009PLC024641
Registration Number: 024641

Address for investor correspondence for queries on shares

Mrs. S Dhanalakshmi
Branch Head - Coimbatore Branch
Link Intime India Pvt. Ltd.
Phone: +91 422 2314792, 2315792
E-mail: - dhanalakshmi.s@linkintime.co.in

Investor Grievance Contact Details

Mr. Jishnu R. G.
Company Secretary and Compliance Officer
E-mail: - cs@kalyanjewellers.net
Exclusive E-mail ID for purpose of registering Investor complaints is: compliance@kalyanjewellers.net

List of credit rating obtained by the Company with revision during the Financial year.

During the year under review, ICRA Limited, a credit rating agency registered with SEBI had assigned the loan term facilities as A/Stable and A2+ for long-term/short-term fund based loans.

OTHER DISCLOSURES

- No penalty or strictures have been imposed on the Company by any Stock Exchange or Securities and Exchange Board of India or any Statutory Authority on any matter related to capital markets during the last three years.
- There were no materially significant related party transactions that would have potential conflict with the interests of the Company at large. Details of related party transactions are given in the financial statements of the Annual Report
- A Whistle-Blower Policy is adopted by the Company, the whistle blower mechanism is in vogue and no personnel has been denied access to the Audit Committee.
- Pursuant to the SEBI circular no. CIR/CFD/CMD1/27/2019 dated February 8, 2019, the Company has obtained an Annual Secretarial Compliance Report from Mr. V Ramkumar Practising Company Secretary, Coimbatore, confirming compliance of SEBI Regulations / Circulars / Guidelines issued thereunder and applicable to the Company. There are no observations or adverse remarks in the said report. The report is available on the website of the Company at www.kalyanjewellers.net.
- The Company has not raised any funds through preferential allotment or qualified institutional placement as specified under Regulation 32 (7A) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- During the year under review, the recommendations made by the different Committees have been accepted and there were no instances where the Board of Directors had not accepted any recommendation of the Committees.
- Details of information on appointment and re-appointment of Directors forms part of the Notice convening the 14th Annual General Meeting.
- The Company has paid a sum of ₹8.00 million as fees on standalone basis to the Statutory auditors as audit fee.
- All the requirements of corporate governance report of sub-paragraphs (2) to (10) Para C of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 has been duly complied with.
- The Company has fulfilled the discretionary requirements relating to the financial statements and the same are unqualified.

Adoption of discretionary requirements specified in Part E of Schedule II of the Listing Regulations

Sr No	Requirements specified in Part E of Schedule II	Action by the Company
1	The Board: A non-executive chairperson may be entitled to maintain a Chairperson's office at the listed entity's expense and also allowed reimbursement of expenses incurred in performance of his duties.	Not Applicable as the Chairman is an Executive Director.
2	Shareholder Rights: A half-yearly declaration of financial performance including summary of the significant events in last six-months, may be sent to each household of shareholders	The Company's quarterly and half yearly results are published in the newspapers and also uploaded on its website: www.kalyanjewellers.net and in Stock Exchange websites namely www.connect2nse.com and listing.bseindia.com . Therefore, no individual communications are sent to the shareholders in this regard
3	Modified opinion(s) in audit report The last entity may move towards a regime of financial statements with unmodified audit opinion.	Company has submitted a declaration with the stock exchanges that the Statutory Auditors of the Company have issued Audit Report on Audited Financial Results for the year ended 31 st March 2022 with unmodified opinion.
4	Separate posts of Chairperson and the Managing Director or the Chief Executive Officer The listed entity may appoint separate persons to the post of the Chairperson and the Managing Director or the Chief Executive Officer, such that the Chairperson shall - (a) be a non-executive director; and (b) not be related to the Managing Director or the Chief Executive Officer as per the definition of the term "relative" defined under the Companies Act, 2013	Separation of Chairperson and Managing Director is not mandatory as per SEBI (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2022
5	Reporting of Internal Auditor: The Internal auditor may report directly to the Audit Committee.	The Internal auditor report directly to the Audit Committee.

The Company is fully compliant with the Corporate Governance requirements as specified in Regulation 17 to 27 and clauses (b) to (i) of Sub-Regulation (2) of Regulation 46 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

For Kalyan Jewellers India Limited

Place: Thrissur
Date: May 11, 2022

T. S. Kalyanaraman
Chairman and Managing Director
DIN 01021928

DECLARATION BY THE CEO ON CODE OF CONDUCT AS REQUIRED BY SCHEDULE V OF SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

I, Sanjay Raghuraman, Chief Executive Officer of the Company hereby declare that all the members of Board of Directors and Senior Management Personnel have affirmed compliance with Code of Conduct, as applicable to them, in respect of the financial year 2021-22.

Place: Thrissur
Date: May 11, 2022

Sanjay Raghuraman
Chief Executive Officer

**CEO /CFO CERTIFICATION IN RESPECT OF FINANCIAL STATEMENTS AND CASH FLOW STATEMENT**

(Pursuant to Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the financial year ended March 31, 2022

To,
The Board of Directors
Kalyan Jewellers (I) Limited

We have reviewed the Financial Statements and the Cash Flow Statement for the financial year ended March 31, 2022 and we hereby certify and confirm to the best of our knowledge and belief the following:

- a. The Financial Statements and Cash Flow statement do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
- b. The Financial Statements and the Cash Flow Statement together present a true and fair view of the affairs of the Company and are in compliance with existing accounting standards, applicable laws and regulations;
- c. There are no transactions entered in to by the Company during the year ended March 31, 2022 which are fraudulent, illegal or violative of Company's Code of Conduct;
- d. We accept responsibility for establishing and maintaining internal controls for Financial Reporting and we have evaluated the effectiveness of these internal control systems of the Company pertaining to financial reporting. Deficiencies noted, if any, are discussed with the Auditors and Audit Committee, as appropriate, and suitable actions are taken to rectify the same;
- e. There have been no significant changes in the above-mentioned internal controls over financial reporting during the financial year 2021-22;
- f. That there have been no significant changes in the accounting policies during the financial year 2021-22.
- g. We have not noticed any significant fraud particularly those involving the, management or an employee having a significant role in the Company's internal control system over Financial Reporting.

Place: Thrissur
Date: May 11, 2022

V Swaminathan
Chief Financial Officer

Sanjay Raghuraman
Chief Executive Officer

Annexure - 3**Certificate on Corporate Governance**

For the year ended 31.03.2022

To the Members of
KALYAN JEWELLERS INDIA LIMITED

I have examined the compliance conditions of Corporate Governance by **KALYAN JEWELLERS INDIA LIMITED** ("the Company"), for the financial year ended 31st March, 2022 as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in Listing Regulations.

My examination was limited to a review of the procedures and implementations thereof adopted by the Company for ensuring compliance with the conditions of Corporate Governance as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. It is neither an audit nor an expression of opinion on the financial statements of the Company.

Based on my examination of the relevant records and according to the information and explanations provided to me and the representations by the Management, I certify that the Company has complied with the conditions of Corporate Governance as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the financial year ended 31st March, 2022.

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

Place: Thrissur
Date: May 11, 2022

Name: V RAMKUMAR
Company Secretary in Practice
FCS No.: 8304 / CoP No: 3832
Peer Review No: 732/2020
UDIN: F008304D000300519



Annexure - 4

Annual Report on Corporate Social Responsibility (CSR) Activities

[Pursuant to the Companies (Corporate Social Responsibility) Rules, 2014]

1. BRIEF OUTLINE ON CSR POLICY OF THE COMPANY

Kalyan Jewellers India Limited has been an early adopter of CSR initiatives. Over the past 25 years, Kalyan Jewellers has created a space for itself in the society not just as a retail brand, but also as a company that 'cares'. Kalyan Jewellers Corporate Social Responsibility endeavours aim to make a difference in the communities in which Kalyan has business presence. The CSR activities carried out by the Company are in accordance with the CSR Policy, as formulated by the CSR Committee and approved by the Board. The Company's contribution to social sector development includes pioneering interventions in the fields of education, health, financial literacy, rural development, eradication of poverty, environment conservation and the like. The CSR policy acts as a self-regulating mechanism for the company's CSR activities by ensuring adherence to laws, ethical standards, and best practice.

2. COMPOSITION OF THE CSR COMMITTEE

Sl. No	Name of the Director	Position	Category of Directors	No. of meetings of CSR committee held during the year	No. of meetings of CSR committee attended during the year
1	T. S. Kalyanaraman	Chairman	Managing Director	5	5
2	M. Ramaswamy	Member	Independent Director	5	5
3	T. K. Seetharam	Member	Whole-time Director	5	5

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the Company.

Composition of the CSR Committee:

<https://www.kalyanjewellers.net/investors/investors-contact/board-of-directors-and-committees.php>.

CSR policy:

<https://www.kalyanjewellers.net/images/investors-new/pdf/corporate-governance/policies/CSR%20Policy%20Version.pdf>.

Board Approved CSR Projects:

[https://www.kalyanjewellers.net/images/investors-new/pdf/shareholder-information/corporate-social-responsibility/Corporate%20Social%20Responsibility%20\(CSR\)%20Projects%20approved%20by%20the%20Board.pdf](https://www.kalyanjewellers.net/images/investors-new/pdf/shareholder-information/corporate-social-responsibility/Corporate%20Social%20Responsibility%20(CSR)%20Projects%20approved%20by%20the%20Board.pdf).

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable -

Not Applicable

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any:

Sl. No	Financial Year	Amount available for set-off from preceding financial years	Amount required to be set-off for the financial year, if any
1	2020-2021	₹ 3.71 million	₹ 3.71 million

6. Average net profits of the Company for last three financial years: ₹ 1,640.97 million.

7. (a) Two percent of average net profit of the Company as per Section 135(5): ₹32.82 million

(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: Nil

(c) Amount required to be set off for the financial year, if any: ₹3.71 million

(d) Total CSR obligation for the financial year (7a+7b+7c): ₹ 29.11 million

8. (a) CSR amount spent or unspent for the financial year:

Total Amount spent for the financial year	Amount unspent in million				
	Total Amount transferred to Unspent CSR Account as per Section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5)		
	Amount	Date of Transfer	Name of the Fund	Amount	Date of Transfer
₹ 12.733 Million	₹ 18.00 million**	25.04.2022	Nil	Nil	Nil

** The Company has identified an ongoing Project for which ₹ 18.00 million was allocated during the year. The entire amount was transferred to the implementing Agency Kalyan Jewellers Foundation as on 30.03.2022

(b) Details of CSR amount spent against ongoing projects for the financial year:

₹ in Millions										
Sr. No	Name of the Project	Item from the list of activities in schedule VII to the Act	Local Area (Yes/No)	Location of the Project 1. District 2. State	Project Duration	Amount Allocated to the Project in million	Amount spent in the current financial year	Amount transferred to unspent CSR Account for the project as per Section 135(6) in millions	Mode of implementation -Direct (Yes/No)	Mode of implementation - Through implementing agency Name & CSR registration number
1.	Hospital/ Medical Infrastructure Project	Promoting health care including preventive health care	Yes	Thrissur Kerala	3 years	18.00	Nil	18.00	No	Kalyan Jewellers Foundation -CSR00017898

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

₹ in Millions							
Sr. No	Name of the Project	Item from the list of activities in schedule VII to the Act	Local Area (Yes/No)	Location of the Project 1. District 2. State	Amount spent in the current financial year	Mode of implementation -Direct (Yes/No)	Mode of implementation - Through implementing agency Name & CSR registration number
1.	COVID Pandemic Relief Activities	Disaster management including relief, rehabilitation and reconstructive activities	Yes	All over Kerala, Tamilnadu & Maharashtra	3.547	Yes	Nil
2.	Medical support activities to Hospitals	Promoting health care including preventive health care	Yes	Thrissur, Palakkad & Calicut - Kerala, Coimbatore - Tamilnadu	3.303	Yes	Nil
3.	Education support activities	Promotion of education	Yes	Thrissur, Palakkad, Malappuram, Trivandrum -Kerala	1.191	Yes	Nil
4.	Education support activities	Promotion of education	Yes	Thrissur -Kerala	1	No	Care and Share International Foundation - CSR00010335.
5.	Poverty eradication activities	Eradicating hunger, poverty and malnutrition	Yes	All over Kerala	1.324	Yes	Nil
6.	Poverty eradication activities	Eradicating hunger, poverty and malnutrition	Yes	Thrissur -Kerala	0.50	No	Thrichur Archdiocese Buon Natale Trust - CSR00019179
7.	Maintenance and repairs of Houses	Rural development projects & rehabilitation and reconstruction activities	Yes	Thrissur, Ernakulam, & all over Kerala, Coimbatore	1.868	Yes	Nil
Total					12.733		



(d) Amount spent in Administrative Overheads: Nil

(e) Amount spent on Impact Assessment, if applicable: Nil

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): ₹ 12.733 million

(g) Excess amount for set off, if any: Nil

Sl. No.	Particulars	Amount in million
1	Two percent of average net profit of the Company as per Section 135(5)	32.82
2	Total amount spent for the Financial Year	12.73
3	Excess amount spent for the financial year [(ii)-(i)]	0
4	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	0
5	Amount available for set off in succeeding financial years	1.63

9. (a) Details of Unspent CSR amount for the preceding three financial years: Nil

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): Nil

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year: Nil

11. Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per Section 135(5):

During financial year 2021-2022, the Company has spent ₹ 12.73 million on various projects and transferred ₹ 18.00 million to the Unspent CSR Account for an ongoing CSR Project. The transfer of CSR expenditure to unspent account was on account of delay in implementation of projects and project duration extending beyond one financial year as per their original schedule of implementation. The unspent amount has been transferred to the Unspent CSR Account and the same will be spent in accordance with the CSR Rules on the Ongoing project

Place: Thrissur
Date: May 11, 2022

T. S. Kalyanaraman
Chairman & Managing Director
DIN: 01021928

TK Seetharam
Whole-time Director
DIN: 01021898

Annexure - 5

Form No AOC 2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014

Form for disclosure of particulars of contracts / arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto:

1. Details of contracts or arrangements or transactions not at arm's length basis:

Kalyan Jewellers India Limited (the "Company") has not entered into any contract / arrangement / transaction with its related parties which are not in ordinary course of business or at arm's length during the financial year 2021-22. The Company has laid down policies and processes/procedures so as to ensure compliance to the subject section in the Companies Act, 2013 and the corresponding Rules. In addition, the process goes through internal and external checking, followed by quarterly reporting to the Audit Committee

- (a) Name(s) of the related party and nature of relationship: Not Applicable
- (b) Nature of contracts / arrangements / transactions: Not Applicable
- (c) Duration of the contracts / arrangements / transactions: Not Applicable
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any: Not Applicable
- (e) Justification for entering into such contracts or arrangements or transactions: Not Applicable
- (f) Date(s) of approval by the Board: Not Applicable
- (g) Amount paid as advances, if any: Not Applicable
- (h) Date on which the special resolution was passed in general meeting as required under first proviso to Section 188: Not Applicable

2. Details of material contracts or arrangement or transactions at arm's length basis:

- (a) Name(s) of the related party and nature of relationship: Not Applicable
- (b) Nature of contracts / arrangements / transactions: Not Applicable
- (c) Duration of the contracts / arrangements / transactions: Not Applicable
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any: Not Applicable
- (e) Date(s) of approval by the Board, if any: Not Applicable
- (f) Amount paid as advances, if any: Not Applicable

On behalf of the Board of Directors

Place: Thrissur
Date: May 11, 2022

T. S. Kalyanaraman
Chairman & Managing Director
DIN: 01021928



Annexure 6

Form AOC 1

(Pursuant to first proviso to sub-section (3) of Section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/ associate companies/ joint venture

PART A - SUBSIDIARIES

1	Name of the Subsidiary	Kenouz Al Sharq Gold Ind LL	Kalyan Jewellers FZE, UAE	Kalyan Jewellers LLC, UAE	Kalyan Jewellers For Golden Jewelry Company, W.L.L., Kuwait	Kalyan Jewelers LLC, Qatar	Kalyan Jewellers LLC, Oman	Enovate Lifestyles Private Limited	Kalyan Jewelers, INC., USA
2	Reporting period	March 31, 2022	March 31, 2022	March 31, 2022	March 31, 2022	March 31, 2022	March 31, 2022	March 31, 2022	March 31, 2022
3	Reporting currency	AED	AED	AED	KWD	QAR	RO	INR	USD
4	Share capital	300,000	385,000,000	300,000	50,000	200,000	250,000	3,492,580	1
5	Reserves & surplus	520,032	(54,449,763)	383,783,174	197,257	91,071,427	1,658,081	191,891,702	3,094.84
6	Total assets	47,459,486	841,123,394	883,010,295	7,654,110	222,195,532	11,921,031	444,297,558	3,095.84
7	Total Liabilities	46,639,454	510,573,157	498,927,121	7,406,853	130,924,105	10,012,950	248,584,556	-
8	Investments	-	366,311,940	162,786,392	-	-	-	-	-
9	Turnover	206,374,856	72,827,665	662,405,501	10,222,396	173,469,323	8,073,418	1,412,116,233	-
10	Profit/ (loss) before taxation	731,553	(15,859,612)	612,025	66,479	10,537,873	(233,984)	(18,512,360)	(600.00)
11	Profit/(loss) after taxation	731,553	(15,859,612)	612,025	66,479	10,537,873	(201,639)	(16,160,252)	(600.00)
12	Percentage (%) of Shareholding	49	100	100	49	49	70	85	100

- Names of subsidiaries which are yet to commence operations - Kalyan Jewellers Bahrain W.L.L., Bahrain.
- Names of subsidiaries which have been liquidated or sold during the year - Not Applicable

PART "B": ASSOCIATE AND JOINT VENTURE - NIL

On behalf of the Board of Directors

T. S. Kalyanaraman
Chairman & Managing Director
DIN: 01021928

Place: Thrissur
Date: May 11, 2022

Annexure - 7

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

Kalyan Jewellers India Limited

TC-32/204/2 Sitaram Mill Road /Premji Road

Punkunnam, THRISSUR-680002

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of KALYAN JEWELLERS INDIA LIMITED having CIN:L36911KL2009PLC024641 and having registered office at : TC-32/204/2 Sitaram Mill Road /Premji Road, Punkunnam, Thrissur -680002, Kerala (hereinafter referred to as '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 ended on 31st March, 2022 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority :

Sr No.	Name of Director	DIN	Date of Appointment in Company
1	Anish Kumar Saraf	00322784	23/11/2018
2	Agnihotra Dakshina Murty Chavali	00374673	28/03/2016
3	Trikkur Anantharaman Seetharaman	00480136	15/12/2018
4	Ramesh Trikkur Kalyanaraman	01021868	29/01/2009
5	Seetharam Trikkur Kalyanaraman	01021898	29/01/2009
6	Seetharama Iyer Thrikur Kalyanaraman	01021928	29/01/2009
7	Kishori Jayendra Udeshi	01344073	17/01/2018
8	Salil Nair	01955091	29/05/2020
9	Mahalingam Ramaswamy	07479866	28/03/2016
10	Anil Sadasivan Nair	08327721	29/05/2020

Ensuring the eligibility of 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 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.

Place: Coimbatore
Date: May 11, 2022

V RAMKUMAR
Company Secretary in Practice
FCS No.: 8304 / CoP No:3832
Peer Review No: 732/2020
UDIN: F008304D000300411



Annexure - 8

Secretarial Audit Report**For The Financial Year Ended 31st March 2022**

[Pursuant to section 204(1) of the Companies Act, 2013 and rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To:
The Members
Kalyan Jewellers India Limited
CIN: L36911KL2009PLC024641
TC-32/204/2, Sitaram Mill Road
Punkunnam, Thrissur—680002
Kerala State

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **KALYAN JEWELLERS INDIA LIMITED** (hereinafter called the “Company”). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing my opinion thereon.

Based on my verification of the Company’s books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the period covered by my audit, that is to say-1st April 2021 to 31st March 2022 (hereinafter referred to as ‘Audit Period’) complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31 March 2022 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’) to the extent it was applicable during the Audit Period:
 - (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;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (upto 9th August 2021) and SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 (with effect from 9th August 2021);
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations 2018;
 - (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
- (vi) The following Laws / specific Act(s) and Rules made thereunder specifically applicable to the Company namely:
 1. Bureau of Indian Standards (BIS) (Hallmarking)
 2. The Legal Metrology Act, 2009

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India; and
- (ii) The Listing Agreements entered into by the Company with Stock Exchanges and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

During the audit period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above. I further report that the compliance of applicable financial laws including Direct and Indirect Tax Laws by the Company has not been reviewed in this Audit since the same has been subject to review by the Statutory Auditors and other designated professionals.

I further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof on test check basis, the Company has complied with the Industry specific laws as applicable to the Company.

I further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. No change(s) in the composition of the Board of Directors took place during the period under review.

Adequate notice of meetings of the Board of Directors were given to all directors and agenda and detailed notes on agenda in respect of such meetings were sent at least seven days in advance, other than those held at shorter notice, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through and recorded as part of the Minutes of the Meetings. I did not find any dissenting directors’ views in the minutes.

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

I further report that during the Audit Period:

- **Special Resolution For Ratification Of Kalyan Jewellers India Limited- Employee Stock Option Plan 2020:** At the Annual General Meeting held on 23.09.2021, special resolution according consent of the Company for ratification of the ‘Kalyan Jewellers India Limited- Employee Stock Option Plan 2020’ (“ESOP 2020”/ “Plan”) as aligned with the provisions of the SEBI the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, which was originally approved by the members of the Company vide Special Resolution dated 20.08.2020 prior to initial public offer of shares of the Company was passed.
- **Special Resolution For Ratification Of Kalyan Jewellers India Limited - Employee Stock Purchase Scheme 2020 :** At the Annual General Meeting held on 23.09.2021, special resolution according consent of the Company for ratification of the ‘Kalyan Jewellers India Limited-Employee Stock Purchase Scheme 2020’ (“ESPS 2020”/ “Scheme”) as aligned with the provisions of the SEBI the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, which was originally approved by the members of the Company vide Special Resolution dated 20.08.2020 prior to the initial public offer of the equity shares of the Company was passed.
- **Special Resolution To Continue Right of Highdell Investment Limited Under Artciles of Association :** The Company has passed a special resolution at the Annual General Meeting held on 23.09.2021 to enable Highdell Investment Limited continue to have right to nominate one director on the Board of Directors of the Company as provided in Article 119 of the Articles of Association of the Company so long as it continues to hold atleast five percent of the Equity share capital of the Company on a fully diluted basis.
- **Subscription of Non-Convertible Redeemable Preference Shares of Enovate Lifestyles Private Limited:** The Company has subscribed to 939985 Non-Convertible Preference Shares of ₹10/- each at a premium of ₹ 190/- per share [Total ₹ 200/- per share] in its subsidiary Company Enovate Lifestyles Private Limited (CIN: U74900MH2010PTC211692).

V RAMKUMAR

Company Secretary in Practice

FCS No: 8304 CoP No: 3832

Place: Coimbatore

Peer Review No: 732/2020

Date: May 11, 2022

UDIN: F008304D000411



Secretarial Audit Report

For the financial year ended 31.03.2022

[Pursuant to section 204(1) of the Companies Act, 2013 and rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To:

The Members
Kalyan Jewellers India Limited
CIN: L36911KL2009PLC024641
TC-32/204/2, Sitaram Mill Road
Punkunnam, Thrissur—680002
Kerala State

MY REPORT OF EVEN DATE IS TO BE READ ALONG WITH THIS LETTER.

- 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.
- 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 to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
- I have not verified the correctness and appropriateness of financial records and books of accounts of the company.
- Where ever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
- The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
- The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

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

Place: Coimbatore
Date: May 11, 2022

V RAMKUMAR
Company Secretary in Practice
FCS No: 8304, CoP No: 3832
Peer Review No: 732/2020
UDIN: F008304D000411

Annexure - 9

Information required under Section 197 of the Act Read with Rule 5(1) of the Companies Appointment and Remuneration of Managerial Personnel Rules 2014

- Ratio of the remuneration of each director to the median remuneration of the employees of the Company for the FY 2021-2022 and the percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the FY 2021-2022:

Name of the Director and Key Managerial Personnel	Designation	Ratio to median remuneration of the employees	% increase in remuneration
TS Kalyanaraman	Managing Director		
TK Seetharam	Whole Time Director	246	(50%) #
TK Ramesh	Whole Time Director		
Salil Nair	Non-Executive Director	4.05	-
ADM Chavali	Independent Director	4.05	-
M Ramaswamy	Independent Director	4.05	-
TS Anantharaman	Independent Director	4.05	-
Kishori Udeshi	Independent Director	4.05	-
Anil S Nair	Independent Director	4.05	-
Anish Saraf	Non-Executive Nominee Director	Nil	NA
Sanjay Raghuraman	Chief Executive Officer	-	25% @
V Swaminathan	Chief Financial Officer	-	3% @
Jishnu RG	Company Secretary	-	16% @

- The percentage increase in the median remuneration of employees in the financial year 2021-2022: 5%
- The number of permanent employees on the rolls of the Company as on March 31, 2022: 7803
- Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration: The percentage increase in the salaries of employees other than Managerial Personnel in Financial Year 2021-2022 was 5%. The increments given to employees are based on their potential, performance, and contribution, which are benchmarked against applicable Industry norms.
- Affirmation that the remuneration is as per the remuneration policy of the company: It is affirmed that the remuneration paid is as per the Remuneration Policy, applicable for Directors, Key Managerial Personnel and other employees, adopted by the Company.

Notes -

The promoter Executive Directors have voluntarily waived 50% of their approved remuneration for the year 2021-22 considering the impact of COVID 19 pandemic.

@ Remuneration also includes onetime bonus paid

On behalf of the Board of Directors

Place: Thrissur
Date: May 11, 2022

T. S. Kalyanaraman
Chairman & Managing Director
DIN: 01021928



Annexure - 10

Business Responsibility Report 2021-2022

(The sections are as per regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1. Corporate Identity Number (CIN) of the Company:	L36911KL2009PLC024641			
2. Name of the Company:	Kalyan Jewellers India Limited			
3. Registered address	Corporate Office, TC-32/204/2 - Sitaram Mill Road / Premji Road, Punkunnam, Thrissur, Kerala- 680002 India.			
4. Website	www.kalyanjewellers.net			
5. E-mail id	compliance@kalyanjewellers.net			
6. Financial Year reported	01 st April 2021 to 31 st March 2022			
7. Sectors the Company is engaged in	Jewellery NIC Code - 3211			
8. Key products/services the Company manufactures/provides	Manufacturing and sale of jewellery goods			
9. Number of locations where business activity is undertaken	a. Number of International Locations - 30. b. Number of National Locations - 124.			
10. Markets served by the Company	Local	State	National	International
	✓	✓	✓	✓

SECTION B: FINANCIAL DETAILS OF THE COMPANY

1. Paid up capital	10,300.53 million
2. Total Turnover	90,560.87 million
3. Total Profit After Taxes	2,141.72 million
4. Total CSR spending as percentage of Profit after Tax	2%
5. List of activities in which spends have been incurred.	Education, Healthcare and rural development projects as per Schedule VII of the Companies Act 2013.

SECTION C: OTHER DETAILS

- Does the company have any subsidiary Company/ Companies? Yes.
- Do the Subsidiary Company/companies participate in the BR initiatives of the parent company: No
- Does any other entity/entities (e.g. suppliers, distributors etc.) that the company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? (less than 30%, 30-60%, more than 60%): No

SECTION D: BR INFORMATION**1. Details of Director/Director responsible for BR**

- Details of Director/Directors responsible for implementation of the BR policy/policies T. S. Kalyanaraman - Chairman & Managing Director - DIN: 01021928
- Details of the BR head
T K Seetharam, Whole time Director - DIN: 01021898
Email id - paedp@kalyanjewellers.net

2. Principle wise (as per National Voluntary Guidelines) BR policy/policies

The National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business released by the Ministry of Corporate Affairs has adopted nine areas of Business Responsibility. These briefly as follows.

Principle 1: Ethics, Transparency and Accountability [P1]

Principle 2: Product Life Cycle Sustainability [P2]

Principle 3: Employees' Well-being [P3]

Principle 4: Stakeholder Engagement [P4]

Principle 5: Human Rights [P5]

Principle 6: Environment [P6]

Principle 7: Policy Advocacy [P7]

Principle 8: Inclusive Growth [P8]

Principle 9: Customer Value [P9]

Our mission is to create distinctive, long-term value for all our stakeholders by embracing operation-wide sustainable practices.

a) Details of compliance (Reply in Y/N)

No	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have policy/policies for the nine principles?	Y	Y	Y	Y	Y	Y	Y	Y	Y
2	Has the policy been formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3	Does the policy conform to any national/international standards? If Yes, specify.	Y	Y	Y	Y	Y	Y	Y	Y	Y
4	Has the policy been approved by the Board? If yes, has it been signed by MD/owner/CEO/appropriate Board Director	The Policy covers all the requirements as envisaged under the applicable laws.								
5	Does the Company have a specified committee of the Board/Director/Official to oversee the implementation of the policy?	Where required by the applicable statutes, policies are approved by the Board and/or the appropriate Committee. Other internal policies are approved by the Executive Committee of the Board								
6	Indicate the link for the policy to be viewed online	Y	Y	Y	Y	Y	Y	Y	Y	Y
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	For information of the relevant stakeholders and employees, most of the policies are uploaded on the website of the Company.								
8	Does the Company have in-house structure to implement the policy/policies?	Yes, where ever applicable.								
9	Does the Company have a grievance redressal mechanism related to the policy or policies to address the stakeholders' grievances related to the policy/policies?	The relevant policies / practices are generally embedded in the day to day business operations of the Company and are implemented at management levels or through implementing agencies.								
10	Has the Company carried out independent audit/evaluation of the working of this policy by an internal or external agency?	Yes, where ever applicable.								
		The management of the Company internally keeps on reviewing the implementation of the policies / practices								



3. Governance related to BR

- Indicate the frequency with which the Board of Directors, Committee of the Board or CEO meet to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year:

The Board of Directors of the Company, annually reviews the various initiatives forming part of the BR performance of the Company. The CSR Committee reviews the implementation of the projects/ programmes/activities once in about 6 months. The Chairman & Managing Director and the Vice Chairman & Managing Director deliberate on issues relating to the BR when the respective functional review is done (1-6 months).

- Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?

The Company publishes the information on BR which forms part of the Annual Report of the Company. The Annual Report is uploaded on the website of the Company - <https://www.kalyanjewellers.net/investors/annual-report/annual-reports.php>.

SECTION E: PRINCIPLE-WISE PERFORMANCE

Principle 1

- Does the policy related to ethics, bribery and corruption cover only the company? Yes/No. Does it extend to the group/JV/Suppliers/Contractors/NGO's others?

No. The Company has laid down a Code of Conduct for its operations. This covers issues, inter alia, related to ethics etc. It extends to all dealings between the Company and its stakeholders.

- How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details in about 50 words or so?

During the financial year 2021-2022, 43 complaints were received from the shareholders, which have been attended to. The Stakeholders' Relationship Committee at its meeting reviews the complaints and the status of their resolution.

Principle 2

List of products or services whose design has incorporated social or environmental concerns, risks and opportunities.

The Company is into single product category, i.e. jewellery, which incorporate principles of Environmental Management Systems (EMS) as part of their operations.

For each product, provide the following details in respect of resource usage (energy water, raw material, etc):

- Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain
- Reduction during usage by consumers (energy, water) has been achieved since the previous year.

As a retailer, our efforts has always been to optimize resources to ensure long term gains for the Company. Within each showroom, central air conditioning is maintained at an optimal temperature of 24 degrees, thus reducing greenhouse emissions and contributing to energy saving. Smart LED lighting has replaced the so-called energy-saving fluorescent lights, to maximize lifespan even on 10-hour days, while also contributing to energy efficiency, reduced overheads and heat emissions. We recognize that there is a need to do more in these areas, and our team is working on putting together comprehensive and adaptable solutions with this regard.

Does the company have procedures in place for sustainable sourcing including transportation? If yes provide details of what percentage has been sourced sustainably:

Our raw materials are sourced in one of two ways - either as bullion from approved nationalized banks or in the form of old gold bought from customers - which in turn reduces bullion import/buying dependency of the company and also encourages reuse and recycling of available gold. About 28% of our raw material sourcing needs are currently being met by this old gold exchange scheme.

We have outsourced design, production and transportation to reputed jewellery manufacturers and/or MSMEs that follow ethical business practices.

Principle 3

- Please indicate the total number of employees.**
7803 as on March 31, 2022
- Please indicate the total number of employees hired on temporary/contractual and casual basis.**
None
- Please indicate the number of permanent women employees**
640 as on March 31, 2022

4. Please indicate the number of permanent employees with disabilities

None

5. Do you have an employee association that is recognized by the management?

Nil

6. What percentage of your permanent employees are members of this recognized employee association?

NA

7. Please indicate the number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending as on the end of the financial year.

Nil

8. What percentage of your under mentioned employees were given safety and skill upgradation training in the last year?

- Permanent employees
- Permanent women employees
- Casual/temporary/contractual employees
- Employees with disabilities.

100% of the permanent employees including permanent woman employees were given safety training. All employees who join the Company are covered under safety and occupational health training.

Principle 4

1. Has the company mapped its internal and external stakeholders?

Yes

2. Out of the above has the company identified the disadvantaged, vulnerable and marginalized stakeholders?

Yes

3. Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders? If so, provide details in about 50 words

Kalyan Jewellers India Limited has been an early adopter of CSR initiatives. Over the past 25 years, Kalyan Jewellers has created a space for itself in the society not just as a retail brand, but also as a company that 'cares'. In keeping with its tradition of serving the communities in which it operates, Kalyan Jewellers has contributed to Corporate Social Responsibility through projects that fall under

four main categories, which include Infrastructure & Housing, Disaster Relief, Health and Education. These broad spectrums were identified to ensure that need appropriate interventions were carried out within specific communities.

As a strong proponent of the idea, pay it forward, Kalyan Jewellers has partnered with the Kerala Government on the Bhoomigeetham Project, and ensured that the State's vision for housing as well as rural development and sanitation are met. The same commitment was extended at a national level and a partnership forged with the internationally recognised organisations and government entities. Working in tandem with the Centre's Housing for All & Swachh Bharat Abhiyan, he to ensure that over 900 families in Odisha, Telangana and Andhra Pradesh were directly benefited from this initiative.

Principle 5

1. Does the policy of the company on human rights cover only the company or extend to the Group/JV partners/Suppliers/Contractors/NGO's others?

The Company's policy on human rights as detailed in the Code of Conduct extends to JVs, Suppliers, Contractors and others.

2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management?

No complaints with respect to human rights were received during the year.

Principle 6

1. Does the policy relate to Principle 6 cover only the company or extends to the Group/JV/Suppliers/Contractors/NGO's/others?

No, the policy extends to suppliers, contractors, NGO's and others

2. Does the company have strategies/initiatives to address global environmental issues such as climate change, global warming, etc. Y/N? If yes give hyper link for webpage etc.

Not applicable

3. Does the company identify and assess potential environmental risks?

Not applicable

4. Does the company have any project related to clean development mechanism? If so provide details thereof, in about 50 words or so. Also if yes, whether any environment compliance report is filed:

Not applicable



5. **Has the Company undertaken any other initiatives on – Clean technology, energy efficiency, renewable energy etc. If Yes please give hyper link for web page:**

No

6. **Are the Emissions/Waste generated by the company within the permissible limits given by the CPCB/ SPCB for the financial year being reported?**

Not applicable

7. **Number of show cause/legal notices received from CPCB/SPCB which are pending (i.e., not resolved to satisfaction) as on end of financial year:**

There were no show cause/legal notices received from CPCB/SPCB as on March 31 2022.

Principle 7

1. **Is your company a member of any trade and chamber or association? If Yes, name only the major ones that your business deals with**

- The Gem & Jewellery Export Promotion Council (GJEPC)
- Federation of Indian Chambers of Commerce & Industry (FICCI)
- The Associated Chambers of Commerce and Industry in India (ASSOCHAM)
- Confederation of Indian Industry (CII)

2. **Have you advocated/lobbied through the above associations for the advertisement or improvement of public good? Yes/No If yes specify the broad areas**

No

Principle 8

1. **Does the company have specified programs/ initiatives/projects in pursuit of the policy related to principle 8? If Yes, details thereof**

Yes. The Company's initiatives and projects support inclusive growth. Please refer to CSR Report forming part of Annual Report 2021-2022.

2. **Are the programs/projects undertaken through in-house team/own foundation/external NGO/ government structures and any other organization:**

Please refer to the CSR Report which is annexed to the Board's Report forming part of Annual Report 2021-2022

3. **Have you done any impact assessment of your initiative?**

Yes

4. **What is your company's direct contribution to community development projects – Amount in INR and the details of the projects undertaken**

During the financial year 2021-22, the Company spent ₹30.09/- million towards CSR initiatives. Details of the projects are available in the Annual CSR report forming part of Annual Report 2021-2022.

5. **Have you taken steps to ensure this community development initiative is successfully adopted by the community? Please explain in 50 words or so.**

Yes, each projects of the Company have its own outcome which were acknowledged by the communities especially the flag ship projects of the Company – Bhoomigeetham, Ammayum Kunjum etc.. For more details, please refer CSR Annexure of the Board's Report.

Principle 9

1. **What percentage of the customer complaints/ consumer cases are pending as on end of the financial year?**

Around 5% of customer complaints are pending as at the end of the financial year.

2. **Does the company display product information on the product label, over and above what is mandated by local laws?**

The Company deals in retail jewellery and the Company mentioned / displayed product information on the product label as mandated by local laws. Some of the products contains information over and above what is mandated as per local laws.

3. **Is there any case filed by any stakeholder against the company regarding the unfair trade practices, irresponsible advertising, and/or anti-competitive behavior during the last five years and pending as on end of financial year? If so, provide the details thereof in about 50 words or so:**

None as on March 31, 2022

4. **Did the company carry out any consumer survey/ consumer satisfaction trends?**

Yes.

On behalf of the Board of Directors

T. S. Kalyanaraman

Place: Thrissur

Chairman & Managing Director

Date: May 11, 2022

DIN: 01021928

Independent Auditor's Report

To The Members of **Kalyan Jewellers India Limited**

REPORT ON THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

Opinion

We have audited the accompanying standalone financial statements of **Kalyan Jewellers India Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2022, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and 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 standalone 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 March 31, 2022, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters 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 matters to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor's Response
1	<p>Existence of inventory:</p> <p>Refer Note 10 "Inventories" to the Standalone Financial Statements. The Company's inventories primarily comprises jewellery of gold, diamonds, gemstones etc. ("inventory")</p> <p>We have considered existence of inventory to be a key audit matter for our audit due to:</p> <ol style="list-style-type: none"> 1. the high value and nature of inventory involved 2. inventory being held at various locations across the country and third-party job workers which could lead to a significant risk of loss of inventory. 	<p>Our principal audit procedures performed, among other procedures, included the following:</p> <ul style="list-style-type: none"> • obtained an understanding of the management's process for safeguarding and monitoring of inventories including the appropriateness of the Company's procedures for conducting, reconciling and recording physical verification of inventories. • evaluated the design and implementation of relevant controls and carried out the testing of operating effectiveness of controls over conducting, reconciling and recording physical verification of inventories. • tested the operating effectiveness of controls around the IT systems for recording of inward and outward movements of inventory on occurrence of each transaction. • Reviewed the reports submitted by the internal auditor and physical verification reports submitted by the control owners to evaluate the physical verification process carried out during the year on sample basis. • For a sample of locations, we performed the following procedures: <ul style="list-style-type: none"> – attended physical verification of stocks conducted by the Company at / closer to the year end. – Tested and agreed the inventory as per physical verification with the book records, including roll back procedures wherever required. – Verified the purity (caratage) of the jewellery and performed testing of the calibration certificate of the karat meter used for such verification. – Performed surprise inventory counts at select locations on sample basis • On a sample basis, verified submissions relating to quantity of inventory made by the Company to various third parties such as banks, insurance companies etc. and obtained the reconciliation of the same with the books. • For samples selected using statistical sampling, we obtained independent confirmations of inventories held by third parties job workers.



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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's report, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone 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.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone 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.

Auditor's Responsibility for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone 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 standalone financial statements.

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

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

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit to the extent applicable that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account.
 - d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.
 - e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

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

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of 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, as amended in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements;
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- iv. (a) The Management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds which are material either individually or in the aggregate have been advanced or loaned or invested either from borrowed funds or share premium or any other sources or kind of funds by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (b) The Management has represented, that, to the best of its knowledge and belief, as disclosed in the notes to accounts, no funds which are material either individually or in the aggregate have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or



on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

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

v. The Company has not declared or paid any dividend during the year and has not proposed final dividend for the year.

2. As required by the Companies (Auditor’s Report) Order, 2016 (“the Order”) issued by the Central Government in terms of Section 143(11) of the Act, we give in “Annexure B” a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm’s Registration No. 117366W/W-100018)

Ananthi Amarnath
Partner
(Membership No. 209252)
(UDIN: 22209252AITRBY5692)

Place: Chennai
Date: May 11, 2022

Annexure “A” to the Independent Auditor’s Report

(Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)

REPORT ON THE INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 (“THE ACT”)

We have audited the internal financial controls over financial reporting of **Kalyan Jewellers India Limited** (“the Company”) as of March 31, 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

MANAGEMENT’S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

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

AUDITOR’S RESPONSIBILITY

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit

opinion on the Company’s internal financial controls system over financial reporting.

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

OPINION

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

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm’s Registration No. 117366W/W-100018)

Ananthi Amarnath
Partner
(Membership No. 209252)
(UDIN: 22209252AITRBY5692)

Place: Chennai
Date: May 11, 2022



Annexure “B” to the Independent Auditor’s Report

(Referred to in paragraph 2 under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

i. (a) (i) The Company has generally maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment, investment properties, capital work-in-progress and relevant details of right of use assets.

(ii) The Company has maintained proper records showing full particulars of intangible assets

(b) The Company has a programme of verification of property, plant and equipment, capital work-in-progress, investment properties and right of use assets so to cover all the items once every three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, certain Property, Plant and Equipment were due for verification during the year and were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and the records examined by us and based on the examination of the registered sale deed provided to us, we report that, the title deeds of all the immovable properties, other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company disclosed in the financial statements included in property, plant and equipment, capital work-in-progress and investment property.

Immovable properties of land and buildings whose title deeds have been pledged as security for loans, guarantees, etc., are held in the name of the Company based on the confirmations directly received by us from lenders / custodians.

(d) The Company has not revalued any of its property, plant and equipment (including Right of Use assets), and intangible assets during the year.

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

ii. (a) The inventories except for (stocks held with third parties), were physically verified during the year by the Management at reasonable intervals. In our opinion and based on information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. For stocks held with third parties at the year end, written confirmations have been obtained. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories, when compared with the books of account.

(b) According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of ₹ 5 crore, in aggregate, at points of time during the year, from banks or financial institutions on the basis of security of identified current assets. In our opinion and according to the information and explanations given to us, the quarterly returns or statements filed by the Company with such banks or financial institutions are in agreement with the unaudited books of account of the Company of the respective quarters.

iii. (a) The Company has provided loans or advances in the nature of loans during the year and details of which are given below.

Particulars	₹ in million	
	Loans	Guarantees
A. Aggregate amount granted / provided during the year:		
- Subsidiaries	509.00	-
B. Balance outstanding as at balance sheet date in respect of above cases:		
- Subsidiaries	1,064.33	-

The Company has not provided any guarantee or security to any other entity during the year.

(b) The terms and conditions of the grant of all the above-mentioned loans and guarantees, during the year are, in our opinion, *prima facie*, not prejudicial to the Company’s interest.

(c) The Company has granted loans or provided advances in the nature of loan are payable on demand. During the year, the Company has not demanded such loan or advances in the nature of loan. Having regard to the fact that the repayment of principal or payment of interest has not been demanded by the Company, in our opinion, the repayments of principal amounts and receipts of interest are regular.

(d) According to information and explanations given to us and based on the audit procedures performed, in respect of above-mentioned loans and advances in the nature of loans provided by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.

(e) None of the loans granted by the Company have fallen due during the year.

(f) The Company has granted Loans which are repayable on demand, details of which are given below:

Particulars	₹ in million	
	All Parties	Related parties
Loans to subsidiaries	509.00	509.00
Total	509.00	509.00

iv. The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees and securities provided, as applicable.

v. The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause (v) of the Order is not applicable.

vi. The maintenance of cost records has not been specified by the Central Government under Section 148(1) of the Act, for the business activities carried out by the Company. Thus reporting under clause (vi) of the Order is not applicable.

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

(a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees’ State Insurance, Income Tax, Goods and Service Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.

There were no undisputed amounts payable in respect of Provident Fund, Employees’ State Insurance, Income Tax, Goods and Service Tax, Cess and other material statutory dues in arrears as at March 31, 2022 for a period of more than six months from the date they became payable.

(b) Details of dues of Service Tax and Sales Tax which have not been deposited as on March 31, 2022 on account of disputes are given below:

Name of the Statute	Nature of the Dues	Amount involved (₹ in Mio)	Period to which the Amount Relates	Forum where Dispute is Pending
Kerala Value Added Tax Act, 2003	Kerala VAT dues	1850.71	2012-13 to 2017-18	Deputy/Assistant Commissioner (Appeals)/Appellate Tribunal/ High Court
Maharashtra Value Added Tax, 2006	Maharashtra VAT dues	92.06	2015-16 & 2016-17	Deputy Commissioner / Assessing Authority Maharashtra
Orissa Value Added Tax, 2004	Orissa VAT dues	2.52	April 2015 - September 2016	Deputy commissioner of sales tax, Bhubaneswar
The Finance Act, 1994	Service tax dues	22.00	2013-14 to 2017 -18	Assistant Commissioner CESTAT
Income Tax Act, 1961	Income taxes	249.24	2015-16 & 2016-17	Assistant Commissioner of Income Tax
Andhra Pradesh VAT Act of 2005	Andhra VAT dues	7.13	2018-19	Assistant Commissioner of sales tax, Andhra Pradesh



- viii. There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.
- ix. (a) In our opinion, the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) The Company has not taken any term loan during the year and there are no unutilised term loans at the beginning of the year and hence, reporting under clause (ix)(c) of the Order is not applicable.
- (d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, *prima facie* not been used during the year for long-term purposes by the Company
- (e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.
- (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries.
- x. (a) The Company has not issued any of its securities (including debt instruments) during the year and hence reporting under clause (x)(a) of the Order is not applicable.
- (b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause (x)(b) of the Order is not applicable to the Company.
- xi. (a) To the best of our knowledge, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) To the best of our knowledge, no report under sub-section 12 of Section 143 of the Companies Act has been filed in Form ADT 4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
- (c) As represented to us by the Management there were no whistle blower complaints received by the Company during the year and up to the date of this report.
- xii. The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- xiii. In our opinion, the Company is in compliance with Sections 177 and 188 of the Companies Act where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements etc. as required by the applicable accounting standards.
- xiv. (a) In our opinion, the Company has an adequate internal audit system commensurate with the size and the nature of its business
- (b) We have considered, the internal audit reports issued to the Company during the year and covering the period from April 1, 2021 to December 31, 2021 and the draft of the internal audit reports were issued after the balance sheet date for the period from January 1, 2022 to March 31, 2022, for the period under audit.
- xv. In our opinion, during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and, hence, provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi. The Company is not required to be registered under Section 45 IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause (xvi)(a),(b) and (c) of the Order is not applicable.
- xvii. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors of the Company during the year.
- xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the

balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

- xx. The Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there are no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account in

compliance with the provision of sub-section 6 of Section 135 of the said Act. Accordingly, reporting under clause (xx) of the Order is not applicable for the year.

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Ananthi Amarnath
Partner
(Membership No. 209252)
(UDIN: 22209252AITRBY5692)

Place: Chennai
Date: May 11, 2022



Standalone Balance Sheet

as at March 31, 2022

(Amounts in ₹ million, except for shares data or as otherwise stated)

Particulars	Note No.	As at March 31, 2022	As at March 31, 2021
Assets			
Non-current assets			
Property, plant and equipment	3A	8,520.28	8,287.26
Capital work-in-progress	3B	14.94	526.53
Right-of-use assets	4	4,835.30	5,337.72
Investment property	5	611.36	611.36
Intangible assets	3C	45.27	72.71
Intangible assets under development	3D	3.97	3.80
Financial assets			
Investments	6	7,675.96	7,548.49
Loans	7	1,126.65	-
Other financial assets	8	666.15	923.13
Deferred tax assets (net)	29	395.02	415.82
Non-current tax assets (net)	22B	47.85	-
Other non-current assets	9	560.00	581.63
Total non-current assets		24,502.75	24,308.45
Current assets			
Inventories	10	47,456.50	43,881.32
Financial assets			
Trade receivables	11	44.63	39.91
Cash and cash equivalents	12	870.35	3,082.05
Bank balances other than cash and cash equivalents	12	3,748.23	5,912.95
Loans	7	-	624.09
Other financial assets	8	343.89	496.11
Other current assets	9	592.90	779.47
Total current assets		53,056.50	54,815.90
Total assets		77,559.25	79,124.35
Equity and liabilities			
Equity			
Equity share capital	13	10,300.53	10,300.53
Other equity	14	22,335.04	19,953.95
Total equity		32,635.57	30,254.48
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	15	-	161.54
Lease liabilities	16	5,481.54	6,044.09
Provisions	17	270.22	276.30
Total non-current liabilities		5,751.76	6,481.93
Current liabilities			
Financial liabilities			
Borrowings	15	13,809.24	15,275.47
Metal gold loan	18	10,042.37	10,030.01
Lease liabilities	16	764.30	674.35
Trade payables	19	-	-
Total outstanding dues of micro and small enterprises		-	-
Total outstanding dues of creditors other than micro and small enterprises		4,952.55	5,580.51
Other financial liabilities	20	188.26	684.96
Provisions	17	142.49	94.45
Other current liabilities	21	9,272.71	9,390.76
Current tax liabilities (net)	22A	-	657.43
Total current liabilities		39,171.92	42,387.94
Total equity and liabilities		77,559.25	79,124.35

Summary of significant accounting policies (refer note 2)
See accompanying notes forming part of the standalone financial statements

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants
(Firm's registration No. 117366W/W-100018)

Ananthi Amarnath
Partner
(Membership No. 209252)

T.S. Kalyanaraman
Managing Director
DIN: 01021928

Sanjay Raghuraman
Chief Executive Officer

T.K. Ramesh
Director
DIN: 01021868

V. Swaminathan
Chief Financial Officer

T.K. Seetharam
Director
DIN: 01021898

Jishnu R.G.
Company Secretary

Place: Chennai
Date: May 11, 2022

Place: Thrissur
Date: May 11, 2022

For and on behalf of Board of Directors

Standalone Statement of Profit and Loss

for the year ended March 31, 2022

(Amounts in ₹ million, except for shares data or as otherwise stated)

Particulars	Note No.	For the year ended March 31, 2022	For the year ended March 31, 2021
Income			
Revenue from operations	23	90,560.87	73,255.09
Other income	24	424.49	528.68
I Total income		90,985.36	73,783.77
Expense			
Cost of materials consumed	25	81,465.30	66,073.64
Changes in inventories of finished goods and work-in-progress	25	(4,772.77)	(5,232.19)
Employee benefits expense	26	2,973.64	2,868.30
Finance costs	27	2,636.04	3,160.68
Depreciation and amortisation expense	3E	1,805.23	1,740.23
Other expenses	28	3,979.35	3,298.26
II Total expenses		88,086.79	71,908.92
III Profit before tax (I - II)		2,898.57	1,874.85
IV Tax expense	29		
Current tax		812.94	759.07
Deferred tax		(56.09)	(266.54)
Total tax expense		756.85	492.53
V Profit for the year (III - IV)		2,141.72	1,382.32
VI Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurement of employee defined benefit plans		33.14	(15.57)
Income tax on above		(8.33)	3.92
Items that will be reclassified to profit or loss			
Effective portion of gain and loss on designated portion of hedging instruments in a cash flow hedge		272.35	(274.29)
Income tax on above		(68.56)	69.04
Total comprehensive income for the year (V + VI)		2,370.32	1,165.42
Earnings per equity share of face value of ₹ 10/-			
Basic	31	2.08	1.63
Diluted	31	2.08	1.44

Summary of significant accounting policies (refer note 2)
See accompanying notes forming part of the standalone financial statements

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants
(Firm's registration No. 117366W/W-100018)

Ananthi Amarnath
Partner
(Membership No. 209252)

T.S. Kalyanaraman
Managing Director
DIN: 01021928

T.K. Ramesh
Director
DIN: 01021868

T.K. Seetharam
Director
DIN: 01021898

Sanjay Raghuraman
Chief Executive Officer

V. Swaminathan
Chief Financial Officer

Jishnu R.G.
Company Secretary

Place: Chennai
Date: May 11, 2022

Place: Thrissur
Date: May 11, 2022



Standalone Statement of Cash Flows

for the year ended March 31, 2022

(Amounts in ₹ million, except for shares data or as otherwise stated)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
A Cash flow from operating activities		
Profit after tax	2,141.72	1,382.32
Adjustments for		
Depreciation of property, plant and equipment and amortisation of intangible assets	916.97	914.18
Amortisation on right-of-use assets	888.26	826.05
Provision for income tax	812.94	759.07
Deferred tax expense/ (credit)	(56.09)	(266.54)
Net loss/ (gain) on disposal of property, plant and equipment	(3.28)	(1.00)
Property, plant and equipment written off	136.73	175.38
Credit impaired trade and other advances written off	55.07	28.39
Provision for expected credit loss	2.25	-
Provision for doubtful insurance claims	38.04	-
Interest income	(273.56)	(296.97)
Net unrealised exchange loss/(gain)	(7.93)	4.34
Unrealised loss/ (gain) on derivative financial instruments	(164.17)	203.11
Gain on lease termination	(160.90)	(33.40)
Gain on lease modification	(27.16)	(66.31)
Liabilities no longer required written back	(24.92)	-
Interest expense	2,488.68	3,066.00
Operating profit before working capital changes	6,762.65	6,694.62
Adjustments for:		
(Increase)/decrease in inventories	(3,575.18)	(7,164.39)
(Increase)/decrease in trade receivables	(6.97)	(19.19)
(Increase)/decrease in loans and other current financial assets	47.06	(541.90)
(Increase)/decrease in other current assets	93.46	(346.13)
(Increase)/decrease in other non-current financial assets	(17.91)	(49.25)
(Increase)/decrease in other non-current assets	(5.06)	(2.79)
Increase/(decrease) in metal gold loan	12.36	4,008.46
Increase/(decrease) in trade payables	(603.04)	2,588.32
Increase/(decrease) in non-current and current provisions	75.10	48.69
Increase/(decrease) in other financial liabilities	(60.12)	58.28
Increase/(decrease) in other current liabilities	(118.05)	448.89
Cash generated from operations	2,604.30	5,723.61
Net income tax paid	1,518.22	(564.47)
Net cash flow from / (used in) operating activities [A]	1,086.08	5,159.14
B Cash flow from investing activities		
Payments for property, plant and equipment, intangibles (including capital work-in-progress and capital advances)	(757.18)	(475.19)
Proceeds from sale of property, plant and equipment and intangibles	4.53	2.99
Bank balances not considered as cash and cash equivalents	2,479.27	(2,790.66)
Investment in subsidiaries	(127.47)	(120.24)
Loans given to subsidiaries	(494.52)	-
Interest received	335.07	283.75
Net cash flow from / (used in) investing activities [B]	1,439.70	(3,099.35)

Standalone Statement of Cash Flows

for the year ended March 31, 2022

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
C Cash flow from financing activities		
Proceeds from long-term borrowings	-	1,578.36
Repayment of long-term borrowings	(1,550.12)	(656.72)
Proceeds from/ repayment of short-term borrowings (net)	(77.65)	(4,984.02)
Proceeds from issue of equity shares (net of share issue expenses)	-	7,564.72
Payment towards lease liabilities	(1,400.02)	(1,344.20)
Finance costs on borrowings	(1,709.69)	(2,383.21)
Net cash from / (used in) financing activities [C]	(4,737.48)	(225.07)
Net increase / (decrease) in Cash and cash equivalents [A+B+C]	2,211.70	1,834.72
Cash and cash equivalents at the beginning of the year (refer note 12)	3,082.05	1,247.33
Cash and cash equivalents at the end of the year (refer note 12)	870.35	3,082.05

Changes in liabilities arising from financing activities:

Particulars	As at April 1, 2021	Cash flows	Non-cash changes		As at March 31, 2022
			Fair value changes	Others	
Non-current borrowings (including current maturities)	1,733.81	(1,550.12)	-	-	183.69
Current borrowings	13,703.20	(77.65)	-	-	13,625.55
Lease liabilities	6,718.44	(1,400.02)	-	927.42	6,245.84
Total	22,155.45	(3,027.79)	-	927.42	20,055.08

Particulars	As at April 1, 2021	Cash flows	Non-cash changes		As at March 31, 2022
			Fair value changes	Others	
Non-current borrowings (including current maturities)	812.17	921.64	-	-	1,733.81
Current borrowings	18,687.22	(4,984.02)	-	-	13,703.20
Lease liabilities	7,120.55	(1,344.20)	-	942.09	6,718.44
Total	26,619.94	(5,406.58)	-	942.09	22,155.45

Summary of significant accounting policies (refer note 2)

See accompanying notes forming part of the standalone financial statements

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants
(Firm's registration No. 117366W/W-100018)

For and on behalf of Board of Directors

Ananthi Amarnath
Partner
(Membership No. 209252)

T.S. Kalyanaraman
Managing Director
DIN: 01021928

T.K. Ramesh
Director
DIN: 01021868

T.K. Seetharam
Director
DIN: 01021898

Sanjay Raghuraman
Chief Executive Officer

V. Swaminathan
Chief Financial Officer

Jishnu R.G.
Company Secretary

Place: Chennai
Date: May 11, 2022

Place: Thrissur
Date: May 11, 2022



Standalone Statement of Changes in Equity

for the year ended March 31, 2022

(Amounts in ₹ million, except for shares data or as otherwise stated)

A EQUITY SHARES WITH VOTING RIGHTS

Particulars	As at			
	March 31, 2022		March 31, 2021	
	No. of shares	₹	No. of shares	₹
Balance at the beginning of the year	1,030,053,057	10,300.53	839,241,600	8,392.42
Changes in Equity Share Capital due to prior period errors	-	-	-	-
Restated balance at the beginning of the year	1,030,053,057	10,300.53	839,241,600	8,392.42
Transactions during the year	-	-	190,811,457	1,908.11
Closing balance	1,030,053,057	10,300.53	1,030,053,057	10,300.53

B 0.001% COMPULSORILY CONVERTIBLE PREFERENCE SHARES OF ₹ 10 EACH

Particulars	As at			
	March 31, 2022		March 31, 2021	
	No. of shares	₹	No. of shares	₹
Opening balance	-	-	119,047,619	1,190.48
Changes in preference share capital due to prior period errors	-	-	-	-
Restated balance at the beginning of the year	-	-	119,047,619	1,190.48
Transactions during the year	-	-	(119,047,619)	(1,190.48)
Closing balance	-	-	-	-

C OTHER EQUITY

Particulars	Reserves & Surplus		Other Comprehensive Income		Total equity
	Securities premium	Retained earning	Fair value change of hedging instruments in cash flow hedge	Employee defined benefit plan	
Balance as at March 31, 2020	9,208.10	2,861.90	-	(79.20)	11,990.80
Changes in other equity due to changes in accounting policy or prior period errors	-	-	-	-	-
Restated balance at the beginning of the year	9,208.10	2,861.90	-	(79.20)	11,990.80
Profit for the year (net of taxes)	-	1,382.32	-	-	1,382.32
Add: Premium arising on shares issued	6,797.73	-	-	-	6,797.73
Other Comprehensive Income for the year (net of taxes)	-	-	(205.25)	(11.65)	(216.90)
Balance as at March 31, 2021	16,005.83	4,244.22	(205.25)	(90.85)	19,953.95
Changes in other equity due to changes in accounting policy or prior period errors	-	-	-	-	-
Restated balance at the beginning of the year	16,005.83	4,244.22	(205.25)	(90.85)	19,953.95
Profit for the year (net of taxes)	-	2,141.72	-	-	2,141.72
Add: Share issue expenses adjustment against premium arising on shares issued (refer note 13 (vii))	10.77	-	-	-	10.77
Other Comprehensive Income for the year (net of taxes)	-	-	203.79	24.81	228.60
Balance as at March 31, 2022	16,016.60	6,385.94	(1.46)	(66.04)	22,335.04

Summary of significant accounting policies (refer note 2)
See accompanying notes forming part of the standalone financial statements

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants
(Firm's registration No. 117366W/W-100018)

Ananthi Amarnath
Partner
(Membership No. 209252)

T.S. Kalyanaraman
Managing Director
DIN: 01021928

Sanjay Raghuraman
Chief Executive Officer

Place: Chennai
Date: May 11, 2022

Place: Thrissur
Date: May 11, 2022

For and on behalf of Board of Directors

T.K. Ramesh
Director
DIN: 01021868

V. Swaminathan
Chief Financial Officer

T.K. Seetharam
Director
DIN: 01021898

Jishnu R.G.
Company Secretary

Notes

Forming part of the Standalone Financial Statements for the year ended March 31, 2022

1. GENERAL INFORMATION

Kalyan Jewellers India Limited ('Kalyan' or 'the Company') is a closely held public limited company incorporated in India. Kalyan is one of the leading jewellery chains in India headquartered in the city of Thrissur in Kerala. The Company was formed in year 2009 by conversion of erstwhile business entities of M/s. Kalyan Jewellers. As of March 31, 2022, the Company has 124 stores located across India. The company also has operations in Middle East through a wholly owned subsidiary and step down subsidiaries.

The company was converted into a public limited company effective from June 15, 2016

2. SIGNIFICANT ACCOUNTING POLICIES

(i) Statement of Compliance

These standalone financial statements of the Company have been prepared in accordance with Indian Accounting Standard (Ind AS) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values, the provisions of the Companies Act, 2013 ('the 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 relevant amendment rules issued thereafter.

The Company has consistently applied accounting policies to all years. Comparative Financial information has been regrouped, wherever necessary, to correspond to the figures of the current year.

(ii) Basis of preparation and presentation

The standalone financial statements have been prepared on accrual basis under the historical cost convention except for the certain financial instruments that are measured at fair values as required by relevant Ind AS:

- certain financial assets and liabilities (including derivative instruments)
- defined employee benefit plans - plan assets are measured at fair value

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

(iii) Use of estimates and judgement

The preparation of standalone financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amount of assets and liabilities, revenues and expenses and disclosure of contingent liabilities. Such estimates and assumptions are based on management's evaluation of relevant facts and circumstances as on the date of standalone financial statements. The actual outcome may diverge from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Useful lives of property, plant and equipment:

The Company reviews the useful life of property, plant and equipment at the end of each reporting period. This re-assessment may result in change in depreciation expense in future periods.

Fair value of financial assets and liabilities and investments:

The Company measures certain financial assets and liabilities on fair value basis at each balance sheet date or at the time they are assessed for impairment. Fair value measurement that are based on significant unobservable inputs (Level 3) requires estimates of operating margin, discount rate, future growth rate, terminal values, etc. based on management's best estimate about future developments.

(iv) Functional and presentation currency

Items included in the standalone financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates (i.e. the "functional currency"). The standalone financial statements are presented in Indian Rupee, the national currency of India, which is the functional currency of the Company.

(v) Revenue Recognition

Revenue is recognised upon transfer of control of promised goods or services to customers in an amount that reflects the consideration the Company expects to receive in exchange for those goods or services.



Notes

Forming part of the Standalone Financial Statements for the year ended March 31, 2022

- a) Sale of goods: Revenue from the sale of products is recognised at the point in time when control is transferred to the customer.

Revenue is measured based on the transaction price, which is the consideration, net of customer incentives, discounts, variable considerations, payments made to customers, other similar charges, as specified in the contract with the customer. Additionally, revenue excludes taxes collected from customers, which are subsequently remitted to governmental authorities.

- b) Interest income: Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset of that asset's net carrying amount on initial recognition.

(vi) Leases

The Company's lease asset classes consist of leases for buildings. The Company, at the inception of a contract, assesses whether the contract is a lease or not lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a time in exchange for a consideration. This policy has been applied to contracts existing and entered into on or after April 1, 2019.

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the Company's incremental borrowing rate. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's

estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Company has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Company recognises the lease payments associated with these leases as an expense over the lease term.

(vii) Foreign currencies

Transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the date of the transaction. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in the statement of profit and loss in the period in which they arise except for exchange differences on transactions designated as fair value hedge, if any.

(viii) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale are added to the cost of those assets, until such time the assets are substantially ready for their intended use or sale. All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

(ix) Employee benefits

The Company participates in various employee benefit plans. Post-employment benefits are classified as either defined contribution plans or defined benefit plans. Under a defined contribution plan, the Company's only obligation is to pay a fixed amount with no obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits. The related actuarial and investment risks fall on the employee. The expenditure for defined contribution plans is recognised as expense during the period when the employee provides service. Under a defined benefit plan, it is the

Notes

Forming part of the Standalone Financial Statements for the year ended March 31, 2022

Company's obligation to provide agreed benefits to the employees. The related actuarial risks fall on the Company. The present value of the defined benefit obligations is calculated using the projected unit credit method.

Short-term employee benefits

All short-term employee benefits such as salaries, wages, bonus, and other benefits which fall within 12 months of the period in which the employee renders related services which entitles them to avail such benefits and non-accumulating compensated absences are recognised on an undiscounted basis and charged to the statement of profit and loss.

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

Defined contribution plan

The Company's contribution to provident fund and employee state insurance scheme are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees.

Defined benefit plan

In accordance with the Payment of Gratuity Act, 1972, the Company provides for a lump sum payment to eligible employees, at retirement or termination of employment based on the last drawn salary and years of employment with the Company. The gratuity fund is unfunded. The Company's obligation in respect of the gratuity plan, which is a defined benefit plan, is provided for based on actuarial valuation using the projected unit credit method. Actuarial gains or losses are recognised in other comprehensive income. Further, the profit or loss does not include an expected return on plan assets. Instead net interest recognised in profit or loss is calculated by applying the discount rate used to measure the defined benefit obligation to the net defined benefit liability or asset. The actual return on the plan assets above or below the discount rate is recognised as part of re-measurement of net defined liability or asset through other comprehensive income.

Remeasurement, comprising actuarial gains and losses is reflected immediately in the balance sheet with charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected in retained

earnings and is not reclassified to the statement of profit and loss.

(x) Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

- a) Current tax: Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws.

- b) Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is highly probable that future economic benefit associated with it will flow to the Company.

- c) Deferred tax: Deferred tax is recognized using the balance sheet approach. Deferred tax assets and liabilities are recognised on temporary differences between the carrying amounts of assets and liabilities in the standalone financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences.

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

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be utilised.

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

The measurement of deferred tax liabilities and assets reflects the tax consequences



Notes

Forming part of the Standalone Financial Statements for the year ended March 31, 2022

that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

(xi) Property, Plant and Equipment

Land and buildings held for use in the production or supply of goods or services, or for administrative purposes, are stated at cost less accumulated depreciation and accumulated impairment losses. Freehold land is not depreciated.

Property, plant and equipment are carried at cost less accumulated depreciation and impairment losses, if any. The cost of property, plant and equipment comprises its purchase price/acquisition cost, net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses and interest on borrowings attributable to acquisition of qualifying property, plant and equipment up to the date the asset is ready for its intended use.

Machinery spares which can be used only in connection with an item of Property, plant and equipment and whose use is expected to be irregular are capitalised and depreciated over the useful life of the principal item of the relevant assets. Subsequent expenditure on property, plant and equipment after its purchase / completion is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

Depreciation on Property, plant and equipment (other than freehold land) has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of Aeroplanes/Helicopters (30 years with an estimated residual value of 5%), in whose case the life of the assets has been assessed as under based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc.

The estimated useful life of the tangible assets and the useful life are reviewed at the end of each financial year and the depreciation period is revised to reflect the changed pattern, if any.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from continued use of the asset. Any gain or loss

arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the statement of profit and loss.

(xii) Investment Property

Investment properties are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes). Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured in accordance with Ind AS 16's requirements for cost model.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognised.

(xiii) Intangible Assets

Intangible assets are stated at cost less accumulated amortisation and impairment. Intangible assets are amortised over their respective estimated useful lives on a straight-line basis, from the date that they are available for use. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition and other economic factors (such as the stability of the industry and known technological advances) and the level of maintenance expenditures required to obtain the expected future cash flows from the asset.

Estimated useful lives of the intangible assets is 5 years. The estimated useful life of the intangible assets and the amortisation period are reviewed at the end of each financial year and the amortisation period is revised to reflect the changed pattern, if any.

(xiv) Impairment of tangible and intangible assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Notes

Forming part of the Standalone Financial Statements for the year ended March 31, 2022

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

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss. When an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

(xv) Inventories

Inventories [other than quantities of gold for which the price is yet to be determined with the suppliers (Unfixed gold)] are stated at the lower of cost and net realisable value. In respect of gold, cost is determined on first-in-first-out basis, for silver cost is determined on annual weighted average basis and in respect of studded jewellery is determined on specific identification basis.

Unfixed gold is valued at the gold prices prevailing on the period closing date.

Cost comprises all costs of purchase including duties and taxes (other than those subsequently recoverable by the Company), freight inwards and other expenditure directly attributable to acquisition. Work-in-progress and finished goods include appropriate proportion of overheads and, where applicable, excise duty. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

(xvi) Provisions and contingencies

Provisions: A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When

a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of time value of money is material).

Contingent liabilities: Contingent liabilities are not recognised but are disclosed in notes to accounts.

(xvii) Investment in subsidiaries

Investments representing investments in subsidiaries are measured at cost.

(xviii) Financial instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments.

Financial assets and liabilities are initially recognised at fair value. Transaction costs that are directly attributable to financial assets and liabilities [other than financial assets and liabilities measured at fair value through profit and loss (FVTPL)] are added to or deducted from the fair value of the financial assets or liabilities, as appropriate on initial recognition. Transaction costs directly attributable to acquisition of financial assets or liabilities measured at FVTPL are recognised immediately in the statement of profit and loss.

a) Non-derivative Financial assets: All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

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

Financial assets at amortised cost

A financial asset is measured at amortised cost if both of the following conditions are met:

- the financial asset is held within a business model whose objective is to hold financial assets 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.



Notes

Forming part of the Standalone Financial Statements for the year ended March 31, 2022

Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is that which exactly discounts estimated future cash receipts through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets. Interest income is recognised in profit or loss and is included in the "Other income" line item.

b) Derecognition of financial assets: A financial asset is derecognised only when the Company

- has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

When the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. When the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

c) Foreign exchange gains and losses: The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period.

For foreign currency denominated financial assets measured at amortised cost and FVTPL, the exchange differences are recognised in statement of profit and loss.

d) Financial liabilities: All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

Financial liabilities at FVTPL

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

Financial liabilities subsequently measured at amortised cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Foreign exchange gains and losses

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments and are recognised in the statement of profit and loss.

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. For financial liabilities that are measured as at FVTPL, the foreign exchange component forms part of the fair value gains or losses and is recognised in the statement of profit and loss.

Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's

Notes

Forming part of the Standalone Financial Statements for the year ended March 31, 2022

obligations are discharged, cancelled or have expired.

An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability.

(xix) Hedge accounting

The Company designates certain hedging instruments as fair value hedges. At the inception of the hedge relationship, the entity documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Company documents whether the hedging instrument is highly effective in offsetting changes in fair values of the hedged item attributable to the hedged risk.

Fair value hedges

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in statement of profit and loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedging relationship and the nature of the hedged item.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. The fair value adjustment to the carrying amount of the hedged item arising from the hedged risk is amortised to profit or loss from that date.

Cash flow hedges

Derivative financial instruments to manage risks associated with gold and foreign currency price fluctuations relating to certain existing liabilities, highly probable forecasted transactions, foreign currency fluctuations relating to certain firm commitments fall under the category of cash flow hedges. The Group has designated derivative financial instruments taken for gold and foreign currency price fluctuations as cash flow hedges relating to certain existing liabilities and highly probable forecast transactions.

Hedging instruments are initially measured at fair value, and are re-measured at subsequent

reporting dates. Changes in the fair value of these derivatives that are designated and effective as hedges of future cash flows are recognised in other comprehensive income and accumulated under the heading hedging reserve and the ineffective portion is recognised immediately in the statement of profit and loss. For forecasted transactions, any cumulative gain or loss on the hedging instrument recognised in hedging reserve is retained until the forecast transaction occurs upon which it is recognised in the statement of profit and loss.

If a hedged transaction is no longer expected to occur, the net cumulative gain or loss accumulated in hedging reserve is recognised immediately to the statement of profit and loss. The Group has designated derivative financial instruments taken for gold price fluctuations as cash flow hedges relating to highly probable forecasted transactions under the previous GAAP.

(xx) Segment reporting

Operating segments are reported in the manner consistent with the internal reporting to the chief operating decision maker (CODM). The Company is reported at an overall level, and hence there are no separate reportable segments as per Ind AS 108.

(xxi) Cash and cash equivalents

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition) and highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

For the purposes of the cash flow statement, cash and cash equivalents include cash on hand, in banks and demand deposits with banks, net of outstanding bank overdrafts that are repayable on demand, book overdraft and are considered part of the Company's cash management system.

(xxii) Earnings per share (EPS)

Basic earnings per share are computed using the weighted average number of equity shares outstanding during the period.

Diluted EPS is computed by dividing the profit or loss attributable to ordinary equity holders by the weighted average number of equity shares considered for deriving basic EPS and also weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. Dilutive



Notes

Forming part of the Standalone Financial Statements for the year ended March 31, 2022

potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for bonus shares, as appropriate

(xxiii) Operating Cycle

Based on the nature of products / activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

(xxiv) Recent IND AS and other statutory/ legal announcements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. MCA brought out amendments to

Schedule III of the Act which prescribes the format of financial statements vide its notification dated March 24, 2021 and is applicable for financials years commencing on or after April 1, 2021 and accordingly the Company has given effect to these amendments to disclosures in the current set of financial statements.

The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the Company towards Provident Fund and Gratuity. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on November 13, 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Company and its Indian subsidiaries will assess the impact and its evaluation once the subject rules are notified and will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

Notes

Forming part of the Standalone Financial Statements for the year ended March 31, 2022

(Amounts in ₹ million, except for shares data or as otherwise stated)

3A PROPERTY, PLANT AND EQUIPMENT - OWNED

Description of Assets	Freehold Land	Helipad	Buildings	Plant & machinery	Office equipment	Computers	Furniture and fixtures	Aeroplanes /helicopters	Vehicles	Total
I. At cost or deemed cost										
Balance as at March 31, 2020	1,842.93	31.82	996.05	47.03	906.02	111.56	5,878.98	2,700.53	383.26	12,898.18
Additions	7.15	-	3.85	0.69	29.92	11.16	177.78	-	16.43	246.98
Transfer from investment property	10.93	-	-	-	-	-	-	-	-	10.93
Disposals	-	-	-	(0.51)	(20.80)	(1.88)	(426.13)	-	(8.86)	(458.18)
Balance as at March 31, 2021	1,861.01	31.82	999.90	47.21	915.14	120.84	5,630.63	2,700.53	390.83	12,697.91
Additions	12.17	-	76.48	0.62	114.84	11.99	1,008.97	-	28.45	1,253.52
Disposals	-	-	-	-	(2.42)	-	(288.97)	-	(13.16)	(304.55)
Balance as at March 31, 2022	1,873.18	31.82	1,076.38	47.83	1,027.56	132.83	6,350.63	2,700.53	406.12	13,646.88
II. Accumulated depreciation										
Balance as at March 31, 2020	-	6.80	132.51	13.44	691.96	102.42	2,132.13	451.61	230.87	3,761.74
Charge for the year	-	1.05	33.83	3.37	88.90	6.04	609.06	89.61	51.98	883.84
Disposals	-	-	-	(0.08)	(18.15)	(1.70)	(208.14)	-	(6.86)	(234.93)
Balance as at March 31, 2021	-	7.85	166.34	16.73	762.71	106.76	2,533.05	541.22	275.99	4,410.65
Charge for the year	-	1.05	35.79	3.41	79.07	8.69	617.70	89.61	50.21	885.53
Disposals	-	-	-	-	(2.33)	-	(155.35)	-	(11.90)	(169.58)
Balance as at March 31, 2022	-	8.90	202.13	20.14	839.45	115.45	2,995.40	630.83	314.30	5,126.60
Carrying value (I-II)										
Balance as at March 31, 2022	1,873.18	22.92	874.25	27.69	188.11	17.38	3,355.23	2,069.70	91.82	8,520.28
Balance as at March 31, 2021	1,861.01	23.97	833.56	30.48	152.43	14.08	3,097.58	2,159.31	114.84	8,287.26

3B AGEING OF CAPITAL WORK-IN-PROGRESS

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Balance as at March 31, 2022					
Projects in progress	14.94	-	-	-	14.94
Projects temporarily suspended	-	-	-	-	-
Total	14.94	-	-	-	14.94
Balance as at March 31, 2021					
Projects in progress	115.04	253.53	157.96	-	526.53
Projects temporarily suspended	-	-	-	-	-
Total	115.04	253.53	157.96	-	526.53

Notes:

- There are no projects under capital work-in-progress whose completion is overdue or has exceeded its cost compared to its original plan as at March 31, 2022 and March 31, 2021.
- The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets during the current year and previous year.
- There are no immovable properties whose title deeds are not held in the name of the Company as at March 31, 2022 and March 31, 2021.



Notes

Forming part of the Standalone Financial Statements for the year ended March 31, 2022

(Amounts in ₹ million, except for shares data or as otherwise stated)

3C INTANGIBLE ASSETS

Description of Assets	Software
I. At cost or deemed cost	
Balance as at March 31, 2020	214.77
Additions	21.62
Disposals	-
Balance as at March 31, 2021	236.39
Additions	4.00
Disposals	-
Balance as at March 31, 2022	240.39
II. Accumulated amortisation	
Balance as at March 31, 2020	133.34
Charge for the year	30.34
Disposals	-
Balance as at March 31, 2021	163.68
Charge for the year	31.44
Disposals	-
Balance as at March 31, 2022	195.12
Carrying value (I-II)	
Balance as at March 31, 2022	45.27
Balance as at March 31, 2021	72.71

3D AGEING OF INTANGIBLES UNDER DEVELOPMENT

Particulars	Amount in Intangibles under Development for a Period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Balance as at March 31, 2022					
Projects in progress	-	3.97	-	-	3.97
Projects temporarily suspended	-	-	-	-	-
Total	-	3.97	-	-	3.97
Balance as at March 31, 2021					
Projects in progress	3.80	-	-	-	3.80
Projects temporarily suspended	-	-	-	-	-
Total	3.80	-	-	-	3.80

Note: There are no intangibles under development whose completion is overdue or has exceeded its cost compared to its original plan as at March 31, 2022 and March 31, 2021.

3E DEPRECIATION AND AMORTISATION EXPENSE

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Depreciation of property, plant and equipment	885.53	883.84
Amortisation of intangible assets	31.44	30.34
Amortisation of right-of-use assets	888.26	826.05
Total	1,805.23	1,740.23

Notes

Forming part of the Standalone Financial Statements for the year ended March 31, 2022

(Amounts in ₹ million, except for shares data or as otherwise stated)

4 RIGHT-OF-USE ASSETS

Particulars	As at March 31, 2022	As at March 31, 2021
Right-of-use assets (ROU) at the beginning of the year as per IND AS 116	5,337.72	5,837.34
Add: Addition during the year on account of new leases	718.30	683.09
Less: Impact on lease modification	(51.82)	(321.16)
Less: Impact on lease termination	(280.64)	(35.50)
Less: Amortised during the year	(888.26)	(826.05)
37. Closing balance	4,835.30	5,337.72

5 INVESTMENT PROPERTY

Particulars	As at March 31, 2022	As at March 31, 2021
Cost or deemed cost		
Opening balance	611.36	622.29
Transfer to property, plant and equipment	-	(10.93)
(i) Closing balance	611.36	611.36

(i) The Company's investment properties consist only of free hold land and therefore no depreciation is chargeable. The Company's investment properties consist of six properties in the nature of free hold land in India. As at March 31, 2022 and March 31, 2021, the fair value of the properties is ₹ 1,886.80 million and ₹ 1,886.80 million respectively. These are based on valuations performed by independent valuers for the purposes of bank financing at the time availing/renewing such financing facility. These valuers are registered valuers as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017. The fair value hierarchy is at level 2, which is derived using the market comparable approach based on recent market prices without any significant adjustments being made to the market observable data. (Refer note 35b for note on fair value hierarchy).

6 INVESTMENTS

Particulars	As at March 31, 2022	As at March 31, 2021
Investment in equity instruments (unquoted, carried at cost)		
In wholly owned subsidiary companies		
Kalyan Jewellers FZE	7,212.99	7,212.99
(385 shares (March 31, 21: 385 shares) of 1,000,000 AED each fully paid up)		
(i) Kalyan Jewellers Inc.	0.00	0.00
(1,000 shares (March 31, 21: 1000) of 0.001 USD each fully paid up)		
In subsidiaries		
Enovate Lifestyles Private Limited	335.50	335.50
(324,810 shares of ₹ 10 each fully paid up (March 31, 2021: 269,770 shares of ₹ 10 each, of which 109,770 shares fully paid up and 160,000 shares partly paid up of ₹ 8.80 each))		
Deemed equity investment: Enovate Lifestyles Private Limited (refer note 7)	127.47	-
Total	7,675.96	7,548.49
Aggregate amount of quoted investments and market value thereof	-	-
Aggregate amount of unquoted investments	7,548.49	7,548.49
Aggregate amount of impairment in value of investments	-	-



Notes

Forming part of the Standalone Financial Statements for the year ended March 31, 2022

(Amounts in ₹ million, except for shares data or as otherwise stated)

- (i) The value of investment in Kalyan Jewellers, Inc., USA is ₹ 31.10 only on account of the standalone financial statements being rounded off to the nearest INR million, the above item is presented as '0.00' million.
- (ii) The Company has complied with the number of layers prescribed under clause (87) of Section 2 of the Companies Act, 2013 read with Companies (Restriction on number of Layers) Rules, 2017 during the current year and previous year.

7 LOANS

(Unsecured and considered good, unless otherwise specified)

Particulars	As at March 31, 2022	As at March 31, 2021
Non-current		
Measured at amortised cost		
Investment in redeemable preference shares of subsidiary - considered good (0.94 million redeemable preference shares of ₹ 200 each which are redeemable at part at the end of 10 years from the issue date. The amount disclosed is net of deemed equity investment of ₹ 127.47 accounted interms of IND AS 32 and the same is disclosed under note 6 - Investments)	62.32	-
Loans to subsidiaries (refer note 34)		
- considered good	1,064.33	-
- which have significant increase in credit risk	-	-
- credit impaired	-	-
	1,126.65	-
Loans to subsidiaries that are repayable on demand or without repayment terms out of the above:	1,064.33	-
Percentage to the total loans	94.47%	-
Current		
Measured at amortised cost		
Loans to subsidiaries (refer note 34)		
- considered good	-	624.09
- which have significant increase in credit risk	-	-
- credit impaired	10.40	10.40
Less: Provision for impairment of doubtful loans	(10.40)	(10.40)
Total	-	624.09
Loans to subsidiaries that are repayable on demand or without repayment terms out of the above:	-	624.09
Percentage to the total loans	0.00%	100.00%

- (i) There are no loans or advances in the nature of loans granted to promoters, directors, KMPs and the related parties other than those disclosed in this note.
- (ii) The Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other persons or entities, including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries other than the loan given during the previous year to its subsidiary Kalyan Jewellers FZE, UAE (intermediary) which has in turn advanced the funds to another subsidiary Kalyan Jewellers LLC, UAE (ultimate beneficiary) where the same was utilised for working capital purpose as under:

Notes

Forming part of the Standalone Financial Statements for the year ended March 31, 2022

(Amounts in ₹ million, except for shares data or as otherwise stated)

Disclosure for year ended March 31, 2021:

Particulars	Date of loan	Amount	Ultimate beneficiary	Purpose of the loan
Loan to Kalyan Jewellers FZE, UAE	April 23, 2020	150.41	Kalyan Jewellers LLC, UAE	Working capital
Loan to Kalyan Jewellers FZE, UAE	September 26, 2020	270.75	Kalyan Jewellers LLC, UAE	Working capital
Loan to Kalyan Jewellers FZE, UAE	October 15, 2020	100.28	Kalyan Jewellers LLC, UAE	Working capital
Loan to Kalyan Jewellers FZE, UAE	December 9, 2020	200.55	Kalyan Jewellers LLC, UAE	Working capital
Total		721.99		

The relevant provisions of the Foreign Exchange Management Act, 1999 (42 of 1999) and the Companies Act has been complied with for the above transactions and the transactions are not violative of the Prevention of Money-Laundering Act, 2002 (15 of 2003).

8 OTHER FINANCIAL ASSETS

(Unsecured and considered good, unless otherwise specified)

Particulars	As at March 31, 2022	As at March 31, 2021
Non-current		
Measured at amortised cost		
Security deposits	644.57	587.00
Earmarked deposits with remaining maturity period greater than 12 months	21.58	336.13
Total	666.15	923.13
Current		
Measured at amortised cost unless otherwise specified		
Interest accrued but not due on loans and deposits		
- Loan to subsidiaries (refer note 34)	50.21	156.78
- fixed deposits with banks	9.45	8.39
Security deposits	284.23	330.94
Total	343.89	496.11

9 OTHER ASSETS

(Unsecured and considered good, unless otherwise specified)

Particulars	As at March 31, 2022	As at March 31, 2021
Non-current		
Capital advance	7.95	34.64
Balances with revenue authorities - amounts paid under protest		
- Income tax and others	57.38	52.32
- Kerala VAT	494.67	494.67
Total	560.00	581.63
Current		
Balances with revenue authorities	184.57	170.91
Prepaid expenses	91.68	58.87
Advance to suppliers	230.42	418.56
Other assets		
- considered good	86.23	131.13
- considered doubtful	38.04	-
Less: Provision for doubtful assets	(38.04)	
Total	592.90	779.47



Notes

Forming part of the Standalone Financial Statements for the year ended March 31, 2022

(Amounts in ₹ million, except for shares data or as otherwise stated)

10 INVENTORIES

(lower of cost and net realisable value)

Particulars	As at March 31, 2022	As at March 31, 2021
Raw materials	4,898.76	6,096.35
Work-in-progress	9,199.87	8,646.51
Finished goods	33,357.87	29,138.46
Total	47,456.50	43,881.32

Note (i) - The cost of inventories recognised as expense during the year ended is ₹ 76,692.53 (March 31, 2021: ₹ 60,841.45)

Note (ii) - The mode of valuation has been stated in Note 2 (xv)

11 TRADE RECEIVABLES

Particulars	As at March 31, 2022	As at March 31, 2021
Unsecured		
Trade receivables - considered good	44.63	39.91
Trade receivables which have significant increase in credit risk	8.42	6.17
Trade Receivables - credit impaired	-	-
	53.05	46.08
Less: Provision for expected credit losses	(8.42)	(6.17)
Total	44.63	39.91

(i) The Company generally operates on a cash and carry model, and hence the expected credit loss allowance for trade receivables is insignificant. The concentration of credit risk is also limited due to the fact that the customer base is large and unrelated.

(ii) Trade receivables ageing schedule

As at March 31, 2022:

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed						
Receivables considered good	44.61	0.02	-	-	-	44.63
Receivables which have significant increase in credit risk	3.75	0.47	0.04	1.10	3.06	8.42
Receivables - credit impaired	-	-	-	-	-	-
Disputed						
Receivables considered good	-	-	-	-	-	-
Receivables which have significant increase in credit risk	-	-	-	-	-	-
Receivables - credit impaired	-	-	-	-	-	-
Total	48.36	0.49	0.04	1.10	3.06	53.05

Notes

Forming part of the Standalone Financial Statements for the year ended March 31, 2022

(Amounts in ₹ million, except for shares data or as otherwise stated)

As at March 31, 2021:

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed						
Receivables considered good	39.91	-	-	-	-	39.91
Receivables which have significant increase in credit risk	1.57	0.13	1.40	0.96	2.11	6.17
Receivables - credit impaired	-	-	-	-	-	-
Disputed						
Receivables considered good	-	-	-	-	-	-
Receivables which have significant increase in credit risk	-	-	-	-	-	-
Receivables - credit impaired	-	-	-	-	-	-
Total	41.48	0.13	1.40	0.96	2.11	46.08

12 CASH AND CASH EQUIVALENTS

Particulars	As at March 31, 2022	As at March 31, 2021
Cash and cash equivalents		
Cash in hand	216.56	191.17
Balances with banks		
Current accounts	537.15	761.34
Funds in transit	116.64	129.54
Fixed deposits	-	2,000.00
Total cash and cash equivalents as per Ind AS 7	870.35	3,082.05
Bank Balances other than cash and cash equivalents above		
Fixed deposits held as margin money against borrowings and guarantees (maturity of less than 12 months from the balance sheet date)	3,277.88	4,733.12
Balances with banks held as margin money	470.35	1,179.83
Total	3,748.23	5,912.95

The deposits maintained by the Company with banks comprise time deposits, (excluding the fixed deposits held as margin money) which can be withdrawn by the Company at any point without prior notice or penalty on the principal.

13 EQUITY

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of shares	₹	No. of shares	₹
Authorised				
Equity shares of ₹ 10 each with voting rights	1,800,500,000	18,005.00	1,800,500,000	18,005.00
0.001% Compulsorily convertible preference shares of ₹ 10 each	200,000,000	2,000.00	200,000,000	2,000.00
Issued, subscribed and fully paid up				
Equity shares of ₹ 10 each with voting rights	1,030,053,057	10,300.53	1,030,053,057	10,300.53
0.001% Compulsorily convertible preference shares of ₹ 10 each	-	-	-	-
Total	1,030,053,057	10,300.53	1,030,053,057	10,300.53



Notes

Forming part of the Standalone Financial Statements for the year ended March 31, 2022

(Amounts in ₹ million, except for shares data or as otherwise stated)

(i) Pursuant to a confirmation order dated August 7, 2019 under Section 233 of the Companies Act, the Regional Director, Ministry of Corporate Affairs, Chennai had confirmed the scheme of amalgamation between Kalyan Jewellers Mini Stores Private Limited and Kalyan Jewellers India Limited and consequent to that the authorised capital of the Company is increased to ₹ 14,005 divided into 1,200,500,000 equity shares of ₹ 10 each and 200,000,000 Compulsorily convertible preference shares of ₹ 10 each. During the previous year the authorised share capital was further increased to ₹ 20,005 divided into 1,800,500,000 equity shares of ₹ 10 each and 200,000,000 compulsorily convertible preference shares of ₹ 10 each pursuant in connection with Initial Public Offering.

(ii) Rights, preferences and restrictions attached to shares

The Company has one classes of equity shares. The ordinary equity shares are entitled to receive dividend as declared from time to time after payment of dividend to preference shareholders. The voting rights of an equity shareholder on a poll (not on show of hands) are in proportion to shareholders' share of the paid-up equity capital of the Company. Voting rights cannot be exercised in respect of shares on which any call or other sums presently payable have not been paid. Failure to pay any amount called up on shares may lead to forfeiture of the shares.

On winding up of the Company, the holders of equity shares will be entitled to receive the residual assets of the Company, remaining after distribution of all preferential amounts in proportion to the number of equity shares held.

(iii) Reconciliation of the shares outstanding at the beginning and at the end of the year

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of shares	₹	No. of shares	₹
Equity shares with voting rights				
Opening balance	1,030,053,057.00	10,300.53	839,241,600.00	8,392.42
Add: Transactions during the year (Refer note (vi and vii) below)	-	-	190,811,457.00	1,908.11
Closing balance	1,030,053,057.00	10,300.53	1,030,053,057.00	10,300.53
0.001% Compulsorily convertible preference shares of ₹ 10 each				
Opening balance	-	-	119,047,619.00	1,190.48
Add: Transactions during the year (Refer note (vi) below)	-	-	(119,047,619.00)	(1,190.48)
Closing balance	-	-	-	-

(iv) Shareholders holding more than 5% shares in the Company

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of shares held	%	No. of shares held	%
Equity shares with voting rights				
T.S. Kalyanaraman	215,689,376	20.94%	215,644,676	20.94%
T.K. Seetharam	186,064,242	18.06%	186,019,542	18.06%
T.K. Ramesh	186,064,242	18.06%	186,019,542	18.06%
Highdell Investment Ltd.	271,539,787	26.36%	271,539,787	26.36%

Notes

Forming part of the Standalone Financial Statements for the year ended March 31, 2022

(Amounts in ₹ million, except for shares data or as otherwise stated)

(v) Shares held by promoters at the end of the year

Name of the Promoter	As at March 31, 2022		
	No. of shares	% of total shares	% of change during the year
T.S. Kalyanaraman	215,689,376	20.94%	0.02%
T.K. Seetharam	186,064,242	18.06%	0.02%
T.K. Ramesh	186,064,242	18.06%	0.02%

Name of the Promoter	As at March 31, 2021		
	No. of shares	% of total shares	% of change during the year
T.S. Kalyanaraman	215,644,676	20.94%	(1.12%)
T.K. Seetharam	186,019,542	18.06%	34.48%
T.K. Ramesh	186,019,542	18.06%	34.48%

(vi) Pursuant to the Subscription and Share Purchase Agreement dated March 31, 2017, entered into between the Company, its Promoters, Investor and Other Sellers as defined in the agreement, the Company had issued 0.001% 119,047,619 Compulsorily Convertible Preference Shares (CCPS) of ₹ 10/- each at a premium of ₹ 32/- each to Highdell Investment Ltd. ("Investor"), the proceeds of which was used for purposes of funding the growth and expansion of the Company, meeting the working/capital expenditure and for the general corporate purposes. The preference shares were Compulsorily Convertible into equity shares based on various conversion and exit options at an agreed internal rate of return as per the terms of agreement. CCPS have been fully converted into 98,857,435 equity shares of ₹ 10 each on March 4, 2021 at an aggregate premium of ₹ 201.90 million and the corresponding credit has been accounted under securities premium reserve.

(vii) The Company completed the Initial Public Offer ('IPO') its equity shares during the previous year in March 2021 and listed its shares on Bombay Stock Exchange and National Stock Exchange on March 26, 2021. Pursuant to IPO, the Company had allotted 91,724,137 fresh equity shares of ₹ 10 each to public and 229,885 fresh equity shares of ₹ 10 each to employees of the Company at a premium of ₹ 77 per equity share and ₹ 69 per equity share respectively on March 24, 2021. The total share premium arising on IPO amounting to ₹ 7,078.62 million had been accounted under securities premium reserve and the IPO related expenses amounting to ₹ 472.03 million, being company's share of total IPO expense, post all subsequent settlements (₹ 10.77 million), had been adjusted against the premium amount as above.

As part of the IPO, there was also offloading of shares through Offer For Sale ('OFS') by Mr. T.S. Kalyanaraman ('promoter') and Highdell Investment Ltd. ('investor') totalling to ₹ 1,250 million and ₹ 2,500 million respectively. The IPO expense attributable to OFS after all subsequent settlements is ₹ 227.67 million which was recovered by the Company from Promoter and Investor. As at March 31, 2021 the balance of ₹ 49.36 million was refundable as part of OFS to promoter and investor and the same has been disclosed under Note 19 - Other Financial Liabilities as 'Dues to promoter and investor' which has been paid during the year ended March 31, 2022.

14 OTHER EQUITY

Terms of Repayment	As at March 31, 2022	As at March 31, 2021
(i) Securities premium reserve	16,016.60	16,005.83
(ii) Retained earnings	6,385.94	4,244.22
(iii) Other comprehensive income	(67.50)	(296.10)
Total	22,335.04	19,953.95



Notes

Forming part of the Standalone Financial Statements for the year ended March 31, 2022

(Amounts in ₹ million, except for shares data or as otherwise stated)

Particulars	As at March 31, 2022	As at March 31, 2021
(i) Securities premium reserve		
Balance at beginning of the year	16,005.83	9,208.10
Add: Premium arising on shares issued during the year (Refer note 13 (vi) and (vii))	-	7,280.53
Add/ (Less): Expenses relating to IPO netted off against the above (Refer note 13 (vii))	10.77	(482.80)
Balance at the end of the year	16,016.60	16,005.83
(ii) Retained earnings		
Balance at beginning of the year	4,244.22	2,861.90
Profit attributable to owners of the Company	2,141.72	1,382.32
Balance at the end of the year	6,385.94	4,244.22
(iii) Other comprehensive income		
Balance at beginning of the year	(296.10)	(79.20)
Remeasurement of defined benefit obligations (net of tax)	24.81	(11.65)
Effective portion of gain and loss on designated portion of hedging instruments in a cash flow hedge (net of tax)	203.79	(205.25)
Balance at the end of the year	(67.50)	(296.10)

(iv) Nature and purpose of other reserve

Securities premium: Securities premium is used to record the premium received on issue of shares. It is utilised in accordance with the provisions of the Companies Act, 2013.

Retained earnings / Surplus: Retained earnings are the profits / loss that the Company has earned / incurred till date, less any transfers to other reserves, dividends or other distributions paid to its equity shareholders.

Items of other comprehensive income consists of effective portion of gain and loss on designated portion of hedging instruments in a cash flow hedge and remeasurement of net defined benefit liability/asset.

15 BORROWINGS

Particulars	As at March 31, 2022	As at March 31, 2021
Non-current		
(i) Terms loans from banks - secured	183.69	1,733.81
Less: Current maturities of long-term debt	(183.69)	(1,572.27)
Total	-	161.54
Current		
(ii) Loans repayable on demand from banks - secured	13,625.55	13,703.20
Current maturities of long-term debt	183.69	1,572.27
Total	13,809.24	15,275.47

(i) Details of terms of repayment of long-term borrowings (non-current) and interest thereon are as follows:

Terms of Repayment	As at March 31, 2022	As at March 31, 2021
Term loan I		
Repayable in 46 monthly instalments commencing from June 2017 and ending in September 2021 amounting to ₹ 62.50 per quarter. Interest is charged at 11% as of the year end. Prepayment charges: No prepayment charges as per sanction order. Penal charges: 2% above the normal rate of interest.	-	178.39

Notes

Forming part of the Standalone Financial Statements for the year ended March 31, 2022

(Amounts in ₹ million, except for shares data or as otherwise stated)

Terms of Repayment	As at March 31, 2022	As at March 31, 2021
Corporate term loan I		
Repayable in 48 Monthly Instalments of ₹ 41.60 each commencing from April 2017 and ending in September 2021. Interest is charged at 11% as of the year end. Prepayment charges: No prepayment charges as per sanction order. Penal charges: 2% above the normal rate of interest.	-	226.10
COVID term loan I		
Repayable in 18 Monthly Instalments of ₹ 45.55 each commencing from December 2020 and ending in May 2022. Interest charged at 7%. Prepayment charges: No prepayment charges as per sanction order. Penal charges: No penal charges as per sanction order.	89.77	637.78
COVID term loan II		
Repayable in 18 Monthly Instalments of ₹ 12.50 each commencing from January 2021 and ending in May 2022. Interest charged at 7.65%. Prepayment charges: No prepayment charges as per sanction order. Penal charges: No penal charges as per sanction order.	93.92	462.34
COVID term loan III		
Repayable in 12 Monthly Instalments of ₹ 20.83 each commencing from March 2021 and ending in March 2022. Interest charged at 9.25%. Prepayment charges: No prepayment charges as per sanction order. Penal charges: No penal charges as per sanction order.	-	229.20

Details of securities provided to long-term borrowings

Term loan I - (a) First *pari passu* charge on the current assets of the Company along with other working capital lenders. (b) First charge over the entire movable fixed assets of the Company. (c) Exclusive first charge over the aircrafts owned by the Company. (c) Personal guarantees by Promoter Directors - Mr. T.S. Kalyanaraman, Mr. T.K. Seetharam, Mr. T.K. Ramesh and their relatives - Mrs. N.V. Ramadevi, Mrs. Maya Seetharam, Mrs. Deepa Ramesh & Mrs. T.K. Radhika.

Corporate term loan I - (a) First *pari passu* charge on the current assets of the Company along with other working capital lenders. (b) First charge over the entire movable fixed assets of the Company. (c) Exclusive first charge over the aircrafts owned by the Company. Personal guarantees by Promoter Directors - Mr. T.S. Kalyanaraman, Mr. T.K. Seetharam, Mr. T.K. Ramesh and their relatives - Mrs. N.V. Ramadevi, Mrs. Maya Seetharam, Mrs. Deepa Ramesh & Mrs. T.K. Radhika.

COVID term loans from three banks do not have a separate security and are part of the overall security offered for working capital limit of respective banks. Refer Sr. No. ii for details of security.

(ii) Details of interest rate and securities provided for loans repayable on demand from various banks

- First *pari passu* charge on the entire current assets of the Company viz. inventory, receivables and other current assets on *pari passu* basis with the member banks in consortium.
- Personal guarantees by Promoter Directors - Mr. T.S. Kalyanaraman, Mr. T.K. Seetharam, Mr. T.K. Ramesh and their relatives - Mrs. N.V. Ramadevi, Mrs. Maya Seetharam, Mrs. Deepa Ramesh & Mrs. T.K. Radhika.
- Land and buildings belonging to the Company and Promoter Directors - Mr. T.S. Kalyanaraman, Mr. T.K. Seetharam, Mr. T.K. Ramesh and their relatives - Mrs. N.V. Ramadevi, Mrs. Maya Seetharam, Mrs. Deepa Ramesh & Mrs. T.K. Radhika are offered as collateral security to the working capital consortium.
- Rate of interest on these borrowings are variable and is payable at monthly intervals
- Other charges: No Prepayment charges & Default charges as per sanction order.



Notes

Forming part of the Standalone Financial Statements for the year ended March 31, 2022

(Amounts in ₹ million, except for shares data or as otherwise stated)

- (iii) There are no defaults in the repayment of principal or interest to lenders as at March 31, 2022 and March 31, 2021.
- (iv) The Company has utilised the borrowings from banks and financial institutions for the specific purpose for which it was taken at the balance sheet date and previous year end.
- (v) There are no creation of charges or satisfaction of charges yet to be registered with ROC beyond the statutory period for current year and previous year.
- (vi) The Company has not been declared as a 'wilful defaulter' by any bank or financial institution.
- (vii) The Company has working capital limit exceeding ₹ 50 million during the year and the Company has submitted quarterly statement of identified current assets to the bankers, and there are no differences between the amounts as per books and amounts reflected in the statements.

16 LEASE LIABILITIES

Particulars	As at March 31, 2022	As at March 31, 2021
Non-current		
Opening balance	6,718.44	7,120.55
Add: Addition during the year on account of new leases	686.39	656.88
Less: Impact on lease modification	(78.98)	(396.62)
Less: Impact on lease termination	(413.96)	(55.68)
Less: Lease rent payment	(1,400.02)	(1,339.67)
Add: Finance cost on lease liability (refer note 27)	733.97	732.98
Less: Current portion of lease liability	(764.30)	(674.35)
Closing balance (refer note 37)	5,481.54	6,044.09
Current		
Current portion of lease liability	764.30	674.35
Closing balance	764.30	674.35

17 PROVISIONS

Particulars	As at March 31, 2022	As at March 31, 2021
Non-current		
Provision for employee benefits - gratuity	270.22	276.30
Total	270.22	276.30
Current		
Provision for employee benefits - gratuity	114.68	94.45
Provision for employee benefits - compensated absences	27.81	-
Total	142.49	94.45

18 METAL GOLD LOAN

Particulars	As at March 31, 2022	As at March 31, 2021
Secured		
Payable to banks	10,042.37	10,030.01
Total	10,042.37	10,030.01

- (i) Represents amounts payable against gold purchased from various banks under gold on loan scheme with variable interest rates ranging from 1.80% to 3.75% and is payable at monthly intervals. The credit period under the aforesaid arrangement is 180 days from the date of delivery of gold. The security is same as that of short-term borrowings. Refer note 15 (ii) for details of security.

Notes

Forming part of the Standalone Financial Statements for the year ended March 31, 2022

(Amounts in ₹ million, except for shares data or as otherwise stated)

19 TRADE PAYABLES

Particulars	As at March 31, 2022	As at March 31, 2021
(i) Total outstanding dues of micro and small enterprises ('MSME')	-	-
(ii) Total outstanding dues of other than micro and small enterprises	4,952.55	5,580.51
Total	4,952.55	5,580.51

- (i) There are no dues to enterprises as defined under Micro, Small and Medium Enterprises Development Act, 2006 ('Act') which is on the basis of such parties having been identified by the management and relied upon by the auditors. Hence, disclosures relating to amount unpaid as at year end together with interest paid/payable under this Act have not been given. Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

- (ii) The average credit period on purchases is normally 90 days. No interest is charged on the trade payables. The Company has financial risk management policies in place to ensure that payables are paid within the pre-agreed credit terms.

(iii) Trade payables ageing schedule

As at March 31, 2022:

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	Above 3 years	
Undisputed					
MSME	-	-	-	-	-
Others	4,905.03	21.14	10.80	15.58	4,952.55
Disputed					
MSME	-	-	-	-	-
Others	-	-	-	-	-
Total	4,905.03	21.14	10.80	15.58	4,952.55

As at March 31, 2021:

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	Above 3 years	
Undisputed					
MSME	-	-	-	-	-
Others	5,558.67	-	8.32	13.52	5,580.51
Disputed					
MSME	-	-	-	-	-
Others	-	-	-	-	-
Total	5,558.67	-	8.32	13.52	5,580.51

20 OTHER FINANCIAL LIABILITIES

Particulars	As at March 31, 2022	As at March 31, 2021
Interest accrued but not due borrowings	100.76	55.74
Payable on purchase of property, plant and equipment	9.43	44.19
Payable to related parties (refer note 34)	37.20	58.28
Derivative financial instruments, carried at fair value (Refer note 35 (c))		
- Forward Contracts	40.87	477.39
Dues to promoter and investor (refer 13 (vii))	-	49.36
Total	188.26	684.96



Notes

Forming part of the Standalone Financial Statements for the year ended March 31, 2022

(Amounts in ₹ million, except for shares data or as otherwise stated)

21 OTHER CURRENT LIABILITIES

Particulars	As at March 31, 2022	As at March 31, 2021
Statutory dues	115.51	150.38
Security deposit received from employees	94.77	93.40
Advance from customers	9,062.43	9,146.98
Total	9,272.71	9,390.76

22 A CURRENT TAX LIABILITIES (NET)

Particulars	As at March 31, 2022	As at March 31, 2021
Provision for income tax	-	2,156.59
Less: Advance tax	-	(1,499.16)
Current tax liabilities (net)	-	657.43

22 B NON-CURRENT TAX ASSETS (NET)

Particulars	As at March 31, 2022	As at March 31, 2021
Less: Advance tax	3,017.24	-
Provision for income tax	(2,969.39)	-
Non-current tax assets (net)	47.85	-

23 REVENUE FROM OPERATIONS

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
(i) Revenue from sale of goods	90,196.33	72,969.08
(ii) Other operating revenue	364.54	286.01
Total	90,560.87	73,255.09

(i) Reconciliation of revenue recognised in the statement of profit and loss with the contracted price:

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Contracted price	92,890.21	76,712.67
Less: Reductions towards variable consideration components	(2,693.88)	(3,743.59)
Net consideration recognised as revenue	90,196.33	72,969.08

The reduction towards variable consideration comprises of scheme discounts, incentives etc

(ii) Other operating revenue

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Discount received	2.48	2.02
Ear piercing income	5.41	2.61
Income from gift vouchers	65.49	76.22
Insurance service charges (net)	116.86	92.26
Interest income from margin money deposits	174.30	112.90
Total	364.54	286.01

Notes

Forming part of the Standalone Financial Statements for the year ended March 31, 2022

(Amounts in ₹ million, except for shares data or as otherwise stated)

24 OTHER INCOME

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Recurring		
Interest Income earned on financial assets carried at amortised cost		
Loan to subsidiaries and security deposits	99.26	184.07
Gain on disposal of property, plant and equipment (Net)	3.28	1.00
Net gain on foreign currency transactions and translation	26.68	-
Guarantee commission (refer note 34)	22.89	-
Non-Recurring		
Gain on lease termination	160.90	33.40
Gain on lease modification	27.16	66.31
Liabilities no longer required written back	24.92	-
Income from rent concession (refer note 38)	40.68	225.99
Miscellaneous income	18.72	17.91
Total	424.49	528.68

25 COST OF MATERIALS CONSUMED

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Opening stock	6,096.35	3,804.58
Add: Purchases	80,267.71	68,365.41
	86,364.06	72,169.99
Less: Closing stock	(4,898.76)	(6,096.35)
Total	81,465.30	66,073.64
Changes in inventories of finished goods and work-in-progress		
Inventories at the end of the year		
Work-in-progress	9,199.87	8,646.51
Finished goods	33,357.87	29,138.46
Total	42,557.74	37,784.97
Inventories at the beginning of the year		
Work-in-progress	8,646.51	7,385.36
Finished goods	29,138.46	25,167.42
Total	37,784.97	32,552.78
Net (increase) / decrease	(4,772.77)	(5,232.19)

26 EMPLOYEE BENEFITS EXPENSE

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Salaries and wages	2,598.16	2,536.49
Contribution to provident and other funds (refer note 33(a))	175.53	163.20
Gratuity (refer note 33(b))	75.12	73.41
Staff welfare expenses	124.83	95.20
Total	2,973.64	2,868.30



Notes

Forming part of the Standalone Financial Statements for the year ended March 31, 2022

(Amounts in ₹ million, except for shares data or as otherwise stated)

27 FINANCE COSTS

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Interest expense on:		
Borrowings	1,754.71	2,333.02
Lease liabilities	733.97	732.98
Other borrowing costs	147.36	94.68
Total	2,636.04	3,160.68

28 OTHER EXPENSES

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Power and fuel	325.28	265.17
Rent including lease rentals (refer note 37)	238.77	288.30
Repairs and maintenance - Vehicles	16.41	10.25
Repairs and maintenance - Others	290.40	232.11
Telephone and leased line expenses	34.78	38.66
Bank charges	188.91	152.65
Packing materials and compliments	103.03	87.11
Sitting fees and commission to directors	5.90	6.00
Rates and taxes	29.53	46.31
(i) Expenditure on corporate social responsibility	30.73	38.31
Insurance charges	43.36	28.88
Sales promotion	609.42	188.61
Commission and rebates	94.66	74.45
Advertisement expense	1,321.61	986.45
(ii) Auditors remuneration and out-of-pocket expenses	10.21	9.26
Legal and other professional costs	66.23	55.19
(iii) Donations and contributions	54.77	46.09
Travelling and conveyance	180.58	119.00
Printing and stationery	17.14	13.20
Credit impaired trade receivables and other advances written off	55.07	28.39
Provision for expected credit loss	2.25	-
Provision for doubtful insurance claims	38.04	-
Property, plant and equipment written off	136.73	175.38
Loss on derivative financial instruments (net)	-	203.11
Net loss on foreign currency transactions and translation	-	126.49
Security expenses	29.55	25.30
Miscellaneous expenses	55.99	53.59
Total	3,979.35	3,298.26

(i) Expenditure towards Corporate Social Responsibility ('CSR')

The total expenditure incurred on CSR activities during the year ended March 31, 2022 is ₹ 30.73 million (March 31, 2021 - ₹ 38.31 million). This includes ₹ 18 million (March 31, 2021 - Nil) towards provision for unspent amount pertaining to ongoing project. This has been transferred to 'Unspent CSR account' within 30 days from the end of the financial year, in accordance with CSR rules.

Notes

Forming part of the Standalone Financial Statements for the year ended March 31, 2022

(Amounts in ₹ million, except for shares data or as otherwise stated)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
(a) amount required to be spent by the Company during the year*	32.82	34.59
(b) amount of expenditure incurred on the purpose other than Construction/ acquisition of any asset.	12.73	38.31
(c) amount of expenditure incurred on Construction/ acquisition of any asset	18.00	-
(d) Excess spend of prior years set off during the year	3.71	-
(e) shortfall at the end of the year (a-b-c-d), if any	-	-
(f) reason for shortfall,	NA	NA
(g) nature of CSR activities	Refer note (a) & (b)	Refer note (b)
(h) details of related party transactions - contribution to Kalyan Jewellers Foundation	Refer note (a)	-
(i) where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately.	-	-

*amount required to be spent for current year is net of excess spent for the year ended March 31, 2022 amounting to ₹ 3.71 million. Further the expense disclosed in note 28 is consisting of ₹ 18 million provision created.

Notes:

- (a) The Company is executing a multi-year ongoing infrastructure project through its implementing agency Kalyan Jewellers Foundation and has transferred an amount of ₹ 18.00 million as current year allocation to the project and is proposed to be utilised within a period of three years.
- (b) Apart from the the multi-year ongoing project, the CSR activities under taken by the Company consists of numerous projects and contributions towards improvement of health care (including COVID pandemic relief), providing education and eradication of poverty.

(ii) Payment to auditors

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
To statutory auditors (exclusive of GST)		
Audit	6.63	8.00
Taxation matters	2.30	0.50
Certifications and others	1.17	0.75
Reimbursement of expenses	0.11	0.01
Total	10.21	9.26

Note: The above excludes ₹ 6 million towards comfort letter and expenses for prospective bond issue which is accounted in balance sheet to be amortised in future (March 31, 2021: ₹ 29 million towards comfort letter and other IPO related services which is accounted in balance sheet which has been offset with securities premium arising from IPO in the current year).

- (iii) Donations and contributions include contributions to political parties amounting to ₹ 4.20 million (March 31, 2021: ₹ 17.15 million)

29 INCOME TAX AND DEFERRED TAX

(i) Expense recognised in the statement of profit and loss

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Current tax		
In respect of the current year	812.94	759.07
Deferred tax	(56.09)	(266.54)
Total income tax expense recognised during the year	756.85	492.53



Notes

Forming part of the Standalone Financial Statements for the year ended March 31, 2022

(Amounts in ₹ million, except for shares data or as otherwise stated)

(ii) Expense/ (income) recognised in other comprehensive income

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Deferred tax with respect to:		
Defined benefit obligation	8.33	(3.92)
Hedging instruments designated as cash flow hedges	68.56	(69.04)
Total income tax expense/ (income) recognised during the year	76.89	(72.96)

(iii) The reconciliation between the provision of income tax of the Company and amounts computed by applying the Indian statutory income tax rate to profit before taxes is as follows:

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Profit before tax	2,898.57	1,874.85
Enacted income tax rate	25.17%	25.17%
Computed expected tax expense	729.57	471.90
Effect of		
Expenses that are not deductible in determining taxable profit	21.52	22.50
Others	5.76	(1.87)
Tax expense reported in the Statement of Profit and Loss	756.85	492.53

(iv) Breakup of closing deferred tax (asset)/ liability

Particulars	As at March 31, 2022	As at March 31, 2021
Deferred tax assets		
Employee benefit obligations	(103.87)	(93.31)
Provision for expected credit loss and other doubtful receivables	(11.69)	(1.55)
Fair valuation of derivative financial instruments	(10.29)	(120.15)
Impact of lease accounting as per IND AS 116	(441.20)	(443.96)
Others	(15.24)	(20.27)
Deferred tax liabilities		
Property, plant and equipment	187.27	263.42
Net deferred tax (asset)/ liability	(395.02)	(415.82)

(v) Movement of deferred tax (asset)/ liability

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Opening balance of deferred tax (asset)/ liability	(415.82)	(76.32)
Recognised in Statement of Profit or loss		
Property, plant and equipment	(76.15)	(91.07)
Employee benefit obligations	(18.90)	(12.26)
Provision for expected credit loss and other doubtful receivables	(10.14)	0.67
Fair valuation of derivative financial instruments	41.32	(140.59)
Others	7.78	(23.29)
Total	(56.09)	(266.54)
Recognised in Other Comprehensive Income		
Defined benefit obligation	8.33	(3.92)
Fair valuation of derivative financial instruments	68.56	(69.04)
Total	76.89	(72.96)
Closing balance of deferred tax (asset)/ liability	(395.02)	(415.82)

Notes

Forming part of the Standalone Financial Statements for the year ended March 31, 2022

(Amounts in ₹ million, except for shares data or as otherwise stated)

30 SEGMENT INFORMATION

The Chief Operating Decision Maker (CODM) of the Company examines the performance from the perspective of the Company as a whole viz. 'jewellery business' and hence there are no separate reportable segments as per Ind AS 108.

There are no material individual markets outside India and hence the same is not disclosed for geographical segments for the segment revenues or results or assets. During the year ended March 31, 2022 and March 31, 2021 respectively, revenue from transactions with a single external customer did not amount to 10 percent or more of the Company's revenues from the external customers.

31 EARNINGS PER SHARE (EPS)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Profit attributable to ordinary shareholders	2,141.72	1,382.32
Weighted average number of equity shares used as denominator for calculating Basic EPS	1,030,053,057	848,840,615
Weighted average potential equity shares	-	109,915,199
Weighted average number of equity shares used in the calculation of Diluted EPS	1,030,053,057	958,755,814
Earnings per share of	10.00	10.00
Basic (₹)	2.08	1.63
Diluted (₹)	2.08	1.44

32 CONTINGENT LIABILITIES

Particulars	As at March 31, 2022	As at March 31, 2021
Other monies for which the Company is contingently liable:		
Disputed Sales Tax demands (out of which ₹ 18 million (March 31, 2021: ₹ 16.56 million) have been deposited under protest)	1,952.37	1,963.27
Disputed Service Tax demands (out of which ₹ 1.76 million (March 31, 2021: ₹ 1.76 million) have been deposited under protest)	22.00	22.00
Disputed Income Tax demands (out of which Nil (March 31, 2021: Nil) has been deposited under protest)	249.24	-
The Company has provided Standby Letter of Credit (SBLC) to banks on behalf of its subsidiary - Kalyan Jewellers FZE	2,058.55	1,996.56
Counter guarantee given to a bank for guarantees issued by it on behalf of the Group companies	9,023.29	9,855.13

(i) Future cash flows in respect of the above matters are determinable only on receipt of judgements/decisions pending at various forums/authorities. Management is hopeful of successful outcome in the appellate proceedings.

33 EMPLOYEE BENEFIT PLANS

(a) Defined contribution plans

The Company makes contributions to provident fund and employee state insurance schemes which are defined contribution plans, for qualifying employees. Under the schemes, the Company is required to contribute a specified percentage of the payroll cost to fund the benefits. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes and the Company has no obligations beyond its contributions. The contributions recognized in the statement of profit and loss during the year are as under

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Provident fund	153.19	138.96
Employee state insurance scheme	22.34	24.24
Total	175.53	163.20



Notes

Forming part of the Standalone Financial Statements for the year ended March 31, 2022

(Amounts in ₹ million, except for shares data or as otherwise stated)

(b) Defined benefit plans

The Company offers gratuity benefits, a defined employee benefit scheme to its employees. The said benefit plan is exposed to actuarial risks such as longevity risk and salary risk. The Company has not funded its gratuity obligations. The following table sets out the status of the defined benefit schemes and the amount recognised in the standalone financial statements as per the actuarial valuation done by an independent actuary.

The principal assumptions used for the purposes of the actuarial valuations were as follows

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Discount rate	5.64%	5.64%
Salary escalation	6.00%	6.00%
Attrition rate	27.00%	22.00%
Retirement age (in years)	58	58

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary. The mortality rates considered are as per the published rates in the Indian Assured Lives Mortality (2006-08) Ult table.

Components of defined benefit costs recognised is as follows:

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
In Statement of Profit and Loss		
Current service cost	55.33	49.94
Past service cost	-	6.00
Interest on net defined benefit liability/ (asset)	19.79	17.47
Net cost recognised in Statement of profit and loss (refer note 26)	75.12	73.41
In Other Comprehensive Income		
Remeasurement on the net defined benefit liability		
Return on plan assets [excluding amounts included in net interest expense] (excess) / Short return	-	-
Actuarial (gains) / losses arising from changes in demographic assumptions	-	-
Actuarial (gains) / losses arising from changes in financial assumptions	(33.14)	15.57
Actuarial (gains) / losses arising from experience adjustments	-	-
Components of defined benefit costs recognised in other comprehensive income	(33.14)	15.57

The current service cost and the net interest expense for the year are included in the 'Employee benefits expense' line item in the consolidated statement of profit and loss. The remeasurement of the net defined benefit liability is included in other comprehensive income.

The amount included in the balance sheet arising from the entity's obligation in respect of its defined benefit plans is as follows:

Particulars	As at March 31, 2022	As at March 31, 2021
Present value of funded defined benefit obligation	384.90	370.75
Fair value of plan assets	-	-
Net liability arising from defined benefit obligation	384.90	370.75
Current	114.68	94.45
Non-current	270.22	276.3

Notes

Forming part of the Standalone Financial Statements for the year ended March 31, 2022

(Amounts in ₹ million, except for shares data or as otherwise stated)

Movements in the present value of the defined benefit obligation are as follows

Particulars	As at March 31, 2022	As at March 31, 2021
Opening defined benefit obligation	370.75	306.48
Expenses recognised in the statement of profit and loss		
Current service cost	55.33	49.94
Past service cost	-	6.00
Interest cost	19.79	17.47
Remeasurement (gains)/losses recognised in other comprehensive income		
Actuarial gains and losses arising from changes in demographic assumptions	-	-
Actuarial gains and losses arising from changes in financial assumptions	(33.14)	15.57
Actuarial gains and losses arising from experience adjustments	-	-
Benefits paid	(27.83)	(24.71)
Closing defined benefit obligation	384.90	370.75

Movements in the fair value of the plan assets are as follows

Particulars	As at March 31, 2022	As at March 31, 2021
Opening fair value of the asset		
Interest income on plan assets	-	-
Employer contributions	27.83	24.71
Benefits paid	(27.83)	(24.71)
Closing fair value of assets	-	-

Sensitivity analysis

The key actuarial assumptions to which the defined benefit plans are particularly sensitive to are discount rate and full salary escalation rate. The sensitivity analysis below, have been determined based on reasonably possible changes of the assumptions occurring at end of the reporting period, while holding all other assumptions constant. The result of sensitivity analysis is given below:

Particulars	As at March 31, 2022	As at March 31, 2021
Discount rate		
Defined benefit obligation on plus 50 basis points	373.19	357.82
Defined benefit obligation on minus 50 basis points	384.81	371.97
Salary escalation		
Defined benefit obligation on plus 50 basis points	385.59	372.72
Defined benefit obligation on minus 50 basis points	372.37	357.03

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Maturity profile of defined benefit obligation

Particulars	As at March 31, 2022	As at March 31, 2021
Expected total benefit payments		
Within 1 year	102.09	77.49
1 year to 2 years	80.55	67.41
2 years to 3 years	62.58	56.49
3 years to 4 years	49.47	47.18
4 years to 5 years	38.75	39.86
5 years to 10 years	94.01	115.13



Notes

Forming part of the Standalone Financial Statements for the year ended March 31, 2022

(Amounts in ₹ million, except for shares data or as otherwise stated)

(c) Other short-term benefits - compensated absences

The employee leave balance which can be carried forward for a period of up to 12 months from balance sheet date is considered as short-term employee benefits and the same has been accounted on gross undiscounted basis and disclosed in financial statements under salaries and wages.

34 RELATED PARTY DISCLOSURES

A List of related parties where control exists and also related parties with whom transactions have taken place and relationships

Nature of relationship	Name of the related parties
Subsidiary	Kalyan Jewellers FZE, UAE
	Kalyan Jewellers LLC, UAE
	Kalyan Jewellers For Golden Jewelry Company, W.L.L.
	Kalyan Jewellers LLC, Qatar
	Kalyan Jewellers LLC, Oman
	Kenouz Al Sharq Gold Ind. LLC, UAE
	Kalyan Jewelers, Inc., USA
	Kalyan Jewellers Bahrain W.L.L
	Enovate Lifestyles Private Limited
	Entity exercising significant influence over the Company [Entity - ESI]
Key Management Personnel [KMP]	T.S. Kalyanaraman (Chairman and Managing Director)
	T.K. Seetharam (Whole-time Director)
	T.K. Ramesh (Whole-time Director)
	V. Swaminathan (Chief Financial Officer)
	Jishnu R.G. (Company Secretary)
	Sanjay Raghuraman (Appointed as Chief Executive Officer w.e.f. July 01, 2020)
Relatives of KMP	N.V. Ramadevi (wife of T.S. Kalyanaraman)
	Maya Seetharam (wife of T.K. Seetharam)
	Deepa Ramesh (wife of T.K. Ramesh)
	T.K. Radhika (daughter of T.S. Kalyanaraman)
Non-Executive Directors [NED]	Ramaswamy M (Independent Director)
	A D M Chavali (Independent Director)
	Kishori Jayendra Udeshi (Independent Director)
	Trikkur Sitaraman Anantharaman (Independent Director)
	Anil Nair (Appointed as Independent director w.e.f. May 29, 2020)
	Salil S Nair (Appointed as Non-Executive Director w.e.f. May 29, 2020)
	Anish Kumar Saraf (Nominee director)
Enterprises over which KMP are able to exercise significant influence [KMP - ESI]	M/s. Kalyan Textile
	Kalyan Jewellers Foundation
	M/s. Kalyan Developers

Notes

Forming part of the Standalone Financial Statements for the year ended March 31, 2022

(Amounts in ₹ million, except for shares data or as otherwise stated)

B Transactions with related parties

Nature of transactions	KMP	Entity - ESI	NED	KMP - ESI/ Subsidiaries
Revenue from operations				
T.S. Kalyanaraman	7.41	-	-	-
	8.70	-	-	-
T.K. Seetharam	9.16	-	-	-
	1.35	-	-	-
T.K. Ramesh	13.19	-	-	-
	8.83	-	-	-
Enovate Lifestyles Private Limited	-	-	-	197.98
	-	-	-	204.49
Purchase				
T.S. Kalyanaraman	75.84	-	-	-
	-	-	-	-
T.K. Seetharam	0.98	-	-	-
	-	-	-	-
T.K. Ramesh	27.83	-	-	-
	-	-	-	-
Allotment of equity shares upon conversion of CCPS (including share premium)				
Highdell Investment Ltd.	-	-	-	-
	-	1,190.47	-	-
Allotment of equity shares pursuant to IPO (including share premium)				
Salil S Nair	-	-	-	-
	-	-	0.85	-
Share of IPO expenses reimbursed to the Company				
T.S. Kalyanaraman	-	-	-	-
	77.57	-	-	-
Highdell Investment Ltd.	-	-	-	-
	-	155.14	-	-
Staff welfare expense				
M/s. Kalyan Textile	-	-	-	23.36
	-	-	-	28.36
Services received				
Enovate Lifestyles Private Limited	-	-	-	0.88
	-	-	-	1.54
Managerial remuneration				
T.S. Kalyanaraman	60.64	-	-	-
	112.93	-	-	-
T.K. Seetharam	60.64	-	-	-
	112.93	-	-	-
T.K. Ramesh	60.64	-	-	-
	112.93	-	-	-
Sanjay Raghuraman	18.64	-	-	-
	14.87	-	-	-
V. Swaminathan	19.00	-	-	-
	18.45	-	-	-
Jishnu R.G.	2.46	-	-	-
	2.12	-	-	-



Notes

Forming part of the Standalone Financial Statements for the year ended March 31, 2022

(Amounts in ₹ million, except for shares data or as otherwise stated)

Nature of transactions	KMP	Entity - ESI	NED	KMP - ESI/ Subsidiaries
Sitting fees paid				
Ramaswamy M	-	-	0.50	-
	-	-	1.00	-
A D M Chavali	-	-	0.50	-
	-	-	1.00	-
Kishori Jayendra Udeshi	-	-	0.40	-
	-	-	1.00	-
Trikkur Sitaraman Anantharaman	-	-	0.50	-
	-	-	1.00	-
Anil Nair	-	-	0.50	-
	-	-	1.00	-
Salil S Nair	-	-	0.50	-
	-	-	1.00	-
Commission to directors				
Ramaswamy M	-	-	0.50	-
	-	-	-	-
A D M Chavali	-	-	0.50	-
	-	-	-	-
Kishori Jayendra Udeshi	-	-	0.50	-
	-	-	-	-
Trikkur Sitaraman Anantharaman	-	-	0.50	-
	-	-	-	-
Anil Nair	-	-	0.50	-
	-	-	-	-
Salil S Nair	-	-	0.50	-
	-	-	-	-
Reimbursement of expenses (incurred on behalf of the Company)				
Kalyan Jewellers LLC, UAE	-	-	-	-
	-	-	-	24.36
T.K Ramesh	0.17	-	-	-
	-	-	-	-
Sanjay Raghuraman	0.60	-	-	-
	2.19	-	-	-
V. Swaminathan	-	-	-	-
	0.02	-	-	-
Reimbursement of expenses (incurred by the Company on behalf of the party)				
T.K Ramesh	1.30	-	-	-
	-	-	-	-
Interest income on loan				
Kalyan Jewellers FZE, UAE	-	-	-	49.49
	-	-	-	152.93
Enovate Lifestyles Private Limited	-	-	-	5.77
	-	-	-	2.82
Loans and advances to subsidiaries given				
Kalyan Jewellers FZE, UAE	-	-	-	463.40
	-	-	-	734.59
Enovate Lifestyles Private Limited	-	-	-	106.13
	-	-	-	22.50

Notes

Forming part of the Standalone Financial Statements for the year ended March 31, 2022

(Amounts in ₹ million, except for shares data or as otherwise stated)

Nature of transactions	KMP	Entity - ESI	NED	KMP - ESI/ Subsidiaries
Loan repaid by subsidiary				
Kalyan Jewellers FZE, UAE	-	-	-	8.74
	-	-	-	1.25
Enovate Lifestyles Private Limited	-	-	-	87.23
	-	-	-	-
Investments in Equity Share Capital				
Kalyan Jewellers FZE, UAE (through conversion of loan given)	-	-	-	-
	-	-	-	4,697.56
Enovate Lifestyles Private Limited	-	-	-	-
	-	-	-	120.24
Deemed equity investment				
Enovate Lifestyles Private Limited	-	-	-	127.47
	-	-	-	-
Corporate guarantees provided/ (released) on behalf of subsidiary				
Kalyan Jewellers FZE, UAE (including stand by letter of credit)	-	-	-	(769.85)
	-	-	-	(3,431.02)
Guarantee Commission				
Kalyan Jewellers FZE, UAE	-	-	-	22.89
	-	-	-	-
Contribution towards CSR				
Kalyan Jewellers Foundation	-	-	-	18.00
	-	-	-	-

C Balance as on the balance sheet date

Balance with related Parties	KMP	Entity - ESI	NED	KMP - ESI/ Subsidiaries
Investment (including deemed equity investment)				
Kalyan Jewellers FZE, UAE	-	-	-	7212.99
	-	-	-	7,212.99
Kalyan Jewellers, Inc., USA.	-	-	-	0.00
	-	-	-	0.00
Enovate Lifestyles Private Limited	-	-	-	462.97
	-	-	-	335.50
Receivables / Outstanding (net) from related parties (including interest)				
Kalyan Jewellers FZE, UAE	-	-	-	1,114.54
	-	-	-	733.24
Enovate Lifestyles Private Limited	-	-	-	71.67
	-	-	-	79.36
Kalyan Jewellers Foundation	-	-	-	18.00
	-	-	-	-
Payables (net) to related parties				
Kalyan Jewellers LLC, UAE	-	-	-	37.20
	-	-	-	58.28
Highdell Investment Ltd.	-	-	-	-
	-	32.91	-	-
T.S. Kalyanaraman	2.34	-	-	-
	31.14	-	-	-
T.K. Seetharam	2.34	-	-	-
	5.62	-	-	-



Notes

Forming part of the Standalone Financial Statements for the year ended March 31, 2022

(Amounts in ₹ million, except for shares data or as otherwise stated)

C Balance as on the balance sheet date (Contd.)

Balance with related Parties	KMP	Entity - ESI	NED	KMP - ESI/ Subsidiaries
T.K. Ramesh	1.04	-	-	-
	<i>5.62</i>	-	-	-
Sanjay Raghuraman	0.69	-	-	-
	<i>0.48</i>	-	-	-
V. Swaminathan	0.72	-	-	-
	<i>0.36</i>	-	-	-
Jishnu R.G.	0.12	-	-	-
	<i>0.11</i>	-	-	-
Ramaswamy M.	-	-	0.50	-
	-	-	-	-
A. D. M. Chavali	-	-	0.50	-
	-	-	-	-
Kishori Jayendra Udeshi	-	-	0.50	-
	-	-	-	-
Trikkur Sitaraman Anantharaman	-	-	0.50	-
	-	-	-	-
Anil Nair	-	-	0.50	-
	-	-	-	-
Salil S. Nair	-	-	0.50	-
	-	-	-	-
Corporate Guarantees provided				
Kalyan Jewellers FZE, UAE (including stand by letter of credit)	-	-	-	11,081.84
	-	-	-	<i>11,851.69</i>

Amount in italics represents year ended March 31, 2021.

Notes:

(i) Mr. T.S. Kalyanaraman, Mr. T.K. Seetharam and Mr. T.K. Ramesh and their relatives (indicated under 'Relatives of KMP') have provided joint personal guarantees on behalf of the Company to all its lenders for the various credit facilities extended by the lenders (including non-fund based facilities). The details of such personal guarantees received/ (released) during the period and the closing balance of such personal guarantees is given below:

Particulars	March 31, 2022	March 31, 2021
Personal guarantees received/ (released) during the period	(308.42)	(1,835.00)
Closing balance of personal guarantees received	23,217.04	23,525.46

(ii) The remuneration of directors and other members of key managerial personnel during the period was as follows:

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Short-term employee benefits (salaries, bonus and other allowances) (note iv)	222.02	374.23

(iii) The above information has been determined to the extent such parties have been identified on the basis of information available with the Company and relied upon by the auditors.

(iv) The above figures do not include provisions for encashable leave, gratuity and pension, as separate actuarial valuation are not available.

(v) During the year ended March 31, 2021, 1 equity share of face value of ₹ 10/- was transferred to CEO.

Notes

Forming part of the Standalone Financial Statements for the year ended March 31, 2022

(Amounts in ₹ million, except for shares data or as otherwise stated)

35 FINANCIAL INSTRUMENTS

Categories of financial instruments

This section gives an overview of the significance of financial instruments for the Company and provides additional information on balance sheet items that contain financial instruments. The details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised in respect of each class of financial asset, and financial liability are disclosed in Note 2(xvii).

(a) Financial assets and liabilities

The accounting classification of each category of financial instruments and their carrying amounts, are set out below:

Particulars	As at			
	March 31, 2022		March 31, 2021	
	Carrying value	Fair value	Carrying value	Fair value
Financial assets				
Measured at amortised cost				
Investments	7,675.96	7,675.96	7,548.49	7,548.49
Loans	1,126.65	1,126.65	624.09	624.09
Others financial assets - non-current	666.15	666.15	923.13	923.13
Trade receivables	44.63	44.63	39.91	39.91
Cash and cash equivalents	870.35	870.35	3,082.05	3,082.05
Bank balances other than cash and cash equivalents	3,748.23	3,748.23	5,912.95	5,912.95
Others financial assets - current	343.89	343.89	496.11	496.11
Total financial assets measured at amortised cost	14,475.86	14,475.86	18,626.73	18,626.73
Mandatorily measured at FVTPL				
Derivative financial instruments not designated as hedging, carrying at fair value	-	-	-	-
Total financial assets	14,475.86	14,475.86	18,626.73	18,626.73
Financial liabilities				
Measured at amortised cost				
Borrowings	13,809.24	13,809.24	15,437.01	15,437.01
Metal gold loan	10,042.37	10,042.37	10,030.01	10,030.01
Lease liabilities	6,245.84	6,245.84	6,718.44	6,718.44
Trade payables	4,952.55	4,952.55	5,580.51	5,580.51
Others financial liabilities	147.39	147.39	207.57	207.57
Total financial assets measured at amortised cost	35,197.39	35,197.39	37,973.54	37,973.54
Mandatorily measured at FVTPL				
Derivative financial instruments not designated as hedging, carrying at fair value	40.87	40.87	477.39	477.39
Total financial liabilities	35,238.26	35,238.26	38,450.93	38,450.93

The management assessed that fair values of cash and cash equivalents, trade receivables, other financial assets, trade payables and other financial liabilities recorded at amortised cost is considered to be a reasonable approximation of fair value.

Following methods and assumptions were used to estimate fair values:

Fair values of the Company's interest-bearing borrowings are determined by using EIR method using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period. The own non-performance risk as at reporting date was assessed to be insignificant.



Notes

Forming part of the Standalone Financial Statements for the year ended March 31, 2022

(Amounts in ₹ million, except for shares data or as otherwise stated)

(b) Fair value hierarchy

The Company uses the following hierarchy for determining and/or disclosing the fair value of financial instruments by valuation techniques. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

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

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

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Quantitative disclosures fair value measurement hierarchy

The derivative instruments in designated hedge accounting relationships is measured at fair value at level 1, with valuation technique being use of market available inputs such as gold prices and foreign exchange rates.

(c) Financial risk management objective

The Company's activities expose it to a variety of financial risks. The Company's primary focus is to foresee the unpredictability of such risks and seek to minimise potential adverse effects on its financial performance.

The Company has a robust risk management process and framework in place. This process is coordinated by the Board, which meets regularly to review risks as well as the progress against the planned actions. The Board seeks to identify, evaluate business risks and challenges across the Company through such framework. These risks include market risks, credit risk and liquidity risk.

The risk management process aims to:

- improve financial risk awareness and risk transparency
- identify, control and monitor key risks
- identify risk accumulations
- provide management with reliable information on the Company's risk situation
- improve financial returns

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the standalone financial statements:

Risk	Exposure arising from	Risk management
Market risk - prices	Gold price fluctuations	Used as a hedging instrument for gold inventory or through metal gold loan facilities.
Market risk - foreign exchange	Recognised financial assets and liabilities not denominated in Indian rupee (₹)	Periodic review by management
Market risk - interest rate	Borrowings at variable rates	Mix of borrowings taken at fixed and floating rates
Credit risk	Cash and cash equivalents, trade receivables, derivative financial instruments and other financial assets	Bank deposits, diversification of asset base, credit limits and collateral.
Liquidity risk	Borrowings and other liabilities	Availability of committed credit lines and borrowing facilities

Notes

Forming part of the Standalone Financial Statements for the year ended March 31, 2022

(Amounts in ₹ million, except for shares data or as otherwise stated)

Market risk - price risk

The Company is exposed to fluctuations in gold price (including fluctuations in foreign currency) arising on purchase/ sale of gold. The Company's business objective includes safe-guarding its earnings against adverse price movements of gold as well as foreign exchange risks.

The Company has adopted a structured risk management process to hedge all these risks within an acceptable risk limit and an approved hedge accounting framework which allows for fair value hedges/cash flow hedges, as designated at the inception of the hedge. The forward contracts which are not designated as above are marked to market at each balance sheet date and corresponding gain/ loss is recognised in the Statement of Profit and Loss. The risk management strategy against gold price fluctuation also includes procuring gold on loan basis, with a flexibility to fix price of gold at any time during the tenor of the loan. The Company does not enter into or trade financial instruments including derivative financial instruments, for speculative purposes.

The table below shows the position of hedging against probable forecast sales (commodity price risk) and currency forwards (currency risk) as of the balance sheet date.

As at	Quantity (Kgs)	Carrying amount - receivable/ (payable)		Maturity date
		Designated hedges as per IND AS 109	Other than designated hedges	
March 31, 2022	895	(40.87)	-	Range - within 6 months
March 31, 2021	1,310	(274.28)	(203.11)	Range - within 6 months

The table below shows the position of metal gold loans as on the balance sheet date:

Particulars	As at March 31, 2022	As at March 31, 2021
Quantity (Kgs)	1,945.00	2,283.00
Carrying amount	10,042.37	10,030.01

Market risk - Foreign exchange

The Company is exposed to foreign exchange risk arising from foreign currency transactions with subsidiaries, primarily with respect to Arab Emirates Dirhams (AED). Foreign exchange risk arises from recognised assets and liabilities denominated in a currency that is not the Company's functional currency. Exposures to foreign currency balances are periodically reviewed to ensure that the results from fluctuating currency exchange rates are appropriately managed.

Foreign currency sensitivity analysis

The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 10% change in foreign currency rates. A positive number below table an increase in profit where the INR strengthens 10% against the relevant currency. For a 10% weakening of the INR against the relevant currency, there would be an equal and opposite impact on profit and equity. The following table details the Company's sensitivity to a 10% increase and decrease in the INR against the relevant foreign currencies.

Particulars	As at March 31, 2022	As at March 31, 2021
Strengthening of INR by 10% against AED		
Impact on profits - Increase/ (decrease)	105.45	67.51
Impact on equity (net of tax) - Increase/ (decrease)	78.90	50.52
Weakening of INR by 10% against AED		
Impact on profits - Increase/ (decrease)	(105.45)	(67.51)
Impact on equity (net of tax) - Increase/ (decrease)	(78.90)	(50.52)



Notes

Forming part of the Standalone Financial Statements for the year ended March 31, 2022

(Amounts in ₹ million, except for shares data or as otherwise stated)

Market risk - Interest rate

(i) Liabilities

The Company's policy is to minimise interest rate cash flow risk exposures on long-term financing. At the balance sheet date, the Company is exposed to changes in market interest rates through bank borrowings at variable interest rates. Below is the overall exposure of the Company to interest rate risk:

Particulars	As at March 31, 2022	As at March 31, 2021
Variable rate borrowing	13,809.24	15,437.01
Fixed rate borrowing	-	-

Interest rate sensitivity analysis:

The sensitivity analyses below have been determined based on the exposure to interest rates for non-derivative instruments at the reporting date. For floating rate borrowings, the analysis is prepared assuming the amount of liability outstanding at the reporting date was outstanding for the whole year. The impact on the Company's profit if interest rates had been 50 basis points higher/lower and all other variables were held constant:

Particulars	As at March 31, 2022	As at March 31, 2021
Increase in borrowing rates by 50 basis points		
Impact on profits - Increase/ (decrease)	(115.80)	(116.80)
Impact on equity (net of tax) - Increase/ (decrease)	(86.65)	(87.40)
Decrease in borrowing rates by 50 basis points		
Impact on profits - Increase/ (decrease)	115.80	116.80
Impact on equity (net of tax) - Increase/ (decrease)	86.65	87.40

(ii) Assets

The Company's financial assets are carried at amortised cost and are at fixed rate only. They are, therefore, not subject to interest rate risk since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

Credit Risk

Credit risk is the risk that a customer or counterparty to a financial instrument will fail to perform or pay amounts due to the Company causing financial loss. It arises from cash and cash equivalents, deposits with banks and financial institutions, security deposits, loans given and principally from credit exposures to customers relating to outstanding receivables. The Company's maximum exposure to credit risk is limited to the carrying amount of financial assets recognised at reporting date.

In respect of trade and other receivables, the Company is not exposed to any significant credit risk exposure to any single counterparty or any company of counterparties having similar characteristics. Credit risk on receivables is limited as the nature of the business is cash and carry except for related parties and other large number of individual customers in various geographical areas. The Company has very limited history of customer default, and considers the credit quality of trade receivables that are not past due or impaired to be good.

Therefore, the Company does not expect any material risk on account of non-performance by any of the Company's counterparties.

The credit risk for cash and cash equivalents, bank deposits, security deposits and loans is considered negligible, since the counterparties are reputable organisations with high quality external credit ratings.

Liquidity risk

The Company requires funds both for short-term operational needs as well as for long-term expansion programmes. The Company remains committed to maintaining a healthy liquidity ratio, deleveraging and strengthening the balance sheet. The Company manages liquidity risk by maintaining adequate support of facilities from its holding company, and by continuously monitoring forecast and actual cash flows and by matching the maturity profiles of financial assets and liabilities.

Notes

Forming part of the Standalone Financial Statements for the year ended March 31, 2022

(Amounts in ₹ million, except for shares data or as otherwise stated)

The Company's treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management.

The Company's financial liability is represented significantly by long-term and short-term borrowings from banks and trade payables. The maturity profile of the Company's short-term and long-term borrowings and trade payables based on the remaining period from the date of balance sheet to the contractual maturity date is given in the table below.

The below table reflects the maturity profile of financial liabilities of the Company

Particulars	As at							
	March 31, 2022				March 31, 2021			
	Less than 1 year	1-3 year	More than 3 year	Total	Less than 1 year	1-3 year	More than 3 year	Total
Borrowings	13,809.24	-	-	13,809.24	15,275.47	161.54	-	15,437.01
Metal gold loan	10,042.37	-	-	10,042.37	10,030.01	-	-	10,030.01
Lease liabilities	764.30	1,800.13	3,681.41	6,245.84	674.35	2,649.40	3,394.69	6,718.44
Trade payable	4,952.55	-	-	4,952.55	5,580.51	-	-	5,580.51
Other financial liabilities	188.26	-	-	188.26	207.57	-	-	207.57
Total	29,756.72	1,800.13	3,681.41	35,238.26	31,767.91	2,810.94	3,394.69	37,973.54

(d) Capital management

The Company's capital management objectives are

- to ensure the Company's ability to continue as a going concern
- to create value for shareholders by facilitating the meeting of long-term and short-term goals of the Company

The Company determines the amount of capital required on the basis of annual business plan coupled with long-term and short-term strategic expansion plans. The funding needs are met through equity, cash generated from operations, long-term and short-term bank borrowings.

The Company monitors the capital structure on the basis of net debt to equity ratio and maturity profile of the overall debt portfolio of the Company. Net debt includes interest bearing borrowings less cash and cash equivalents and other bank balances (including non-current earmarked balances).

The table below summarises the capital, net debt and net debt to equity ratio (Gearing ratio) of the Company

Particulars	As at March 31, 2022	As at March 31, 2021
Equity share capital	10,300.53	10,300.53
Other equity	22,335.04	19,953.95
Total equity [A]	32,635.57	30,254.48
Non-current borrowings	-	161.54
Current borrowings	13,809.24	15,275.00
Gross debts* [B]	13,809.24	15,436.54
Total capital [A + B]	46,444.81	45,691.02
Gross debts as above	13,809.24	15,436.54
Less: Cash and cash equivalents	(870.35)	(3,082.05)
Less: Bank balances other than cash and cash equivalents	(3,748.23)	(5,912.95)
Net debts [C]	9,190.66	6,441.54
Net gearing ratio (times)	0.28	0.21

* excluding metal gold loan (refer note 18)



Notes

Forming part of the Standalone Financial Statements for the year ended March 31, 2022

(Amounts in ₹ million, except for shares data or as otherwise stated)

36 DISCLOSURE OF RATIOS

Sr. No.	Particulars	March 31, 2022	March 31, 2021	% of change	Explanations for change more than 25%
1	Current Ratio - times (Current assets/ current liabilities)	1.35	1.29	5%	
2	Debt-Equity Ratio - times (Total Debt/ Total Shareholder's Equity)	0.42	0.51	-17%	
3	Debt Service Coverage Ratio - times (Earnings Before Interest, Taxes, Depreciation and Amortisation/ (Interest expense+principal repayments)	1.65	1.64	1%	
4	Return on Equity Ratio - in % (Net Profit after tax/ Average Shareholder's Equity)	6.81%	5.33%	28%	The net profit after tax increased by ₹ 759.42 million from ₹ 1,382.32 million in the previous year to ₹ 2,141.72 in the current year. This was primarily on account of the full lockdowns in the first quarter of the previous year ended March 31, 2021. The average shareholders equity increased by ₹ 5,530.94 million from ₹ 25,915.09 million in the previous year to ₹ 31,445.03 million in the current year primarily due to the fresh issue of shares during IPO at the end of the previous year and due to the current year profits added to the shareholders equity.
5	Inventory turnover ratio - times (Cost of goods sold/ Average inventories)	1.68	1.52	11%	
6	Trade Receivables turnover ratio - times (Sale of goods/ Average trade receivables)	2,133.81	2,407.03	-11%	
7	Trade payables turnover ratio - times (Purchases/ Average trade payables)	15.24	15.95	-4%	
8	Net capital turnover ratio - times (Revenue from operations/ working capital)	6.52	5.89	11%	
9	Net profit ratio - in % (Net Profit after tax/ Revenue from operations)	2.36%	1.89%	25%	The net profit after tax increased by ₹ 759.42 million from ₹ 1,382.32 million in the previous year to ₹ 2,141.72 in the current year. The revenue from operations increased by ₹ 17,305.78 million from ₹ 73,255.09 million in the previous year to ₹ 90,560.87 million in the current year. The increase was primarily on account of the full lockdowns in the first quarter of the previous year ended March 31, 2021.
10	Return on Capital employed - in % (Earning before Interest and Taxes (EBIT) /Shareholder's Equity + Long-term liabilities)	13.31%	12.27%	9%	
11	Return on investment - in %	Note (i) below	Note (i) below	NA	

Note:

(i) The Company has investments only in the equity shares of subsidiaries and there are no dividends or other returns from the subsidiaries for the current year and previous year as such the disclosure of this ratio is not applicable to the Company.

37 LEASES

The Company has adopted Ind AS 116 'Leases' with the date of initial application being April 1, 2019. Ind AS 116 replaces Ind AS 17 - Leases and related interpretation and guidance. The Company has applied Ind AS 116 using the modified retrospective approach, under which the cumulative effect of initial application is recognised in retained earnings at April 01, 2019.

Notes

Forming part of the Standalone Financial Statements for the year ended March 31, 2022

(Amounts in ₹ million, except for shares data or as otherwise stated)

(i) The Company has applied a single discount rate to a portfolio of leases with reasonably similar characteristics.

(ii) The Company has treated the leases with remaining lease term of less than 12 months as if they were "short-term leases". Expense relating to such short-term leases recognised in Profit & Loss account amounts to ₹ 238.77 million (March 31, 2021: ₹ 288.30 million).

(iii) The Company has not applied the requirements of Ind AS 116 for leases of low value assets.

(iv) The Company has used hindsight, in determining the lease term if the contract contains options to extend or terminate the lease.

38 During the years ended March 31, 2022 and March 31, 2021, the Company renegotiated with certain landlords on the rent reduction/ waiver due to COVID-19 pandemic. The Management believes that such reduction/ waiver in rent is short-term in nature and also meets the other conditions specified in the notification issued by the Central Government in consultation with National Financial Reporting Authority dated July 24, 2020 as Companies (Indian Accounting Standards) Amendment Rules, 2020 with effect from April 1, 2020. Thus, in accordance with the said notification, the Company has elected to apply exemption as the reduction/ waiver does not necessitate a lease modification as envisaged in the Standard by recording in the "Other income" (net of rent expenses). Accordingly, the Company has recognised ₹ 40.68 million during the year ended March 31, 2022 (March 31, 2021 - ₹ 225.99 million) in the statement of profit and loss.

39 The Company has transactions or balances during current year with following companies whose names have been struck off by Registrar of Companies.

Name of the struck off company	Nature of transactions with struck off company	Balance outstanding	Relationship with the struck off company
ASTHA GEMS INDIA PRIVATE LIMITED	Purchases	1.42	None
ANN NEWS PRIVATE LIMITED	Purchases	-	None

40 OTHER STATUTORY INFORMATION:

(i) The Company does not have any Benami property and there are no proceeding initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.

(ii) The Company has not traded or invested in crypto currency or virtual currency during the current year and previous year.

(iii) There Company does not have any transactions which are not recorded in the books of account that have been surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 during the current year and previous year.

(iv) There are no Schemes of Arrangements which are either pending or have been approved by the Competent Authority in terms of Sections 230 to 237 of the Companies Act, 2013 during the current year and previous year.

41 Approval of financial statements: The standalone financial statements were approved for issue by the board of directors on May 11, 2022.

For and on behalf of Board of Directors

T.S. Kalyanaraman
Managing Director
DIN: 01021928

T.K. Ramesh
Director
DIN: 01021868

T.K. Seetharam
Director
DIN: 01021898

Sanjay Raghuraman
Chief Executive Officer

V. Swaminathan
Chief Financial Officer

Jishnu R.G.
Company Secretary

Place: Thrissur
Date: May 11, 2022



Independent Auditor's Report

To The Members of **Kalyan Jewellers India Limited**

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS Opinion

We have audited the accompanying consolidated financial statements of **Kalyan Jewellers India Limited** ("the Parent") and its subsidiaries, (the Parent and its subsidiaries together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2022, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year then ended, and 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, and based on the consideration of reports of the other auditors on separate financial statements of the subsidiaries referred to in the Other Matters section below, the aforesaid consolidated 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 consolidated state of affairs of the Group as at March 31, 2022, and their consolidated profit, their consolidated total comprehensive income, their consolidated cash flows and their consolidated changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing specified under Section 143 (10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group 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 consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in the sub-paragraphs (a) of the Other Matters section below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated 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 matters to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor's Response
1	<p>Existence of inventory: Refer Note 10 "Inventory" to the Consolidated Financial Statements. The Group's inventories primarily comprises jewellery of gold, diamonds, gemstones etc. ("inventory") We have considered existence of inventory to be a key audit matter for our audit due to:</p> <ol style="list-style-type: none"> the high value and nature of inventory involved inventory being held at various locations across the country and third-party job workers which could lead to a significant risk of loss of inventory. 	<p>Our principal audit procedures performed, among other procedures, included the following:</p> <ul style="list-style-type: none"> obtained an understanding of the management's process for safeguarding and monitoring of inventories including the appropriateness of the Group's procedures for conducting, reconciling and recording physical verification of inventories. evaluated the design and implementation of relevant controls and carried out the testing of operating effectiveness of controls over conducting, reconciling and recording physical verification of inventories. tested the operating effectiveness of controls around the IT systems for recording of inward and outward movements of inventory on occurrence of each transaction. reviewed the reports submitted by the internal auditor and physical verification reports submitted by the control owners to evaluate the physical verification process carried out during the year on sample basis. For a sample of locations, we performed the following procedures: <ul style="list-style-type: none"> Attended physical verification of stocks conducted by the Group at / closer to the year end. Tested and agreed the inventory as per physical verification with the book records, including roll back procedures wherever required. Verified the purity (caratage) of the jewellery and performed testing of the calibration certificate of the karat meter used for such verification. Performed surprise inventory counts to select lotions on sample basis On a sample basis, verified submissions relating to quantity of inventory made by the Group to various third parties such as banks, insurance companies etc. and obtained the reconciliation of the same with the books. For samples selected using statistical sampling, we obtained independent confirmations of inventories held by third parties job workers.

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

The Parent Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's report, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information, compare with the financial statements of the subsidiaries, to the extent it relates to these entities and, in doing so, place reliance on the work of the other auditors and consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. Other information so far as it relates to the subsidiaries, is traced from their financial statements audited by the other auditors.

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.

Management's Responsibility for the Consolidated Financial Statements

The Parent Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements 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, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Parent Company, as aforesaid.



In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate their respective entities or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibility for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Parent Company and Subsidiary Company incorporated in India 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 the 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 ability of the Group 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 consolidated 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 Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by the other auditors, other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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

We communicate with those charged with governance of the Parent Company and such other entities included in the consolidated financial statements of which we are the independent auditors 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.

Other Matters

- a) We did not audit the financial statements of 8 subsidiaries included in these consolidated financial statements, whose financial statements reflect total assets of ₹20,740.68 million as at March 31, 2022 and total revenues of ₹17,853.88 for the year ended March 31, 2022, total net profit after tax of ₹98.63 million for the year ended March 31, 2022 and total comprehensive income of ₹718.13 million for the year ended March 31, 2022 and net cash flows of ₹29.18 million for the year ended March 31, 2022, as considered in these Consolidated Financial Statements.

These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.

Certain of these subsidiaries are located outside India whose financial statements and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Parent's management has converted the financial statements of such subsidiaries located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Parent's management. Our opinion in so far as it relates to the balances and affairs of such subsidiaries located outside India is based on the report of other auditors and the conversion adjustments prepared by the management of the Company and audited by us.

- b) We did not audit the financial statements of 1 subsidiary, whose financial statements reflect total assets of ₹0.23 million as at March 31, 2022 and total revenues of ₹Nil for the year ended March 31, 2022 total net loss after tax of ₹0.04 million for the year

ended March 31, 2022 and total comprehensive loss of ₹0.04 million for the year ended March 31, 2022 and net cash outflows of ₹0.04 million for the year ended March 31, 2022, as considered in these consolidated financial statements. These financial statements are unaudited and have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the Management, these financial statements are not material to the Group.

Our opinion on the consolidated financial statements above and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of other auditors and the financial statements certified by the Management

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on the separate financial statements of the subsidiaries referred to in the Other Matters section above we report, to the extent applicable 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 of the aforesaid consolidated financial statements.
 - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books, returns and the reports of the other auditors.
 - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.



- d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.
- e) On the basis of the written representations received from the directors of the Parent Company as on March 31, 2022 taken on record by the Board of Directors of the Company and the reports of the statutory auditor of subsidiary company incorporated in India, none of the directors of the Group companies, incorporated in India is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditors' reports of the Parent company and subsidiary company incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls over financial reporting of those companies for the reasons stated therein.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Parent Company to its directors during the year is in accordance with the provisions of 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, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group;
- ii) the Group did not have any material foreseeable losses on long-term contracts including derivative contracts.
- iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Parent Company, and its subsidiary company incorporated in India.
- iv) (a) The respective Managements of the Parent and its subsidiary, which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditor of such subsidiary, to the best of their knowledge and belief, other than as disclosed in the notes to the accounts, no funds which are material either individually or in the aggregate have been advanced or loaned or invested either from borrowed funds or share premium or any other sources or kind of funds by the Parent or the subsidiary to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Parent or the subsidiary ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (b) The respective Managements of the Parent and its subsidiary, which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditor of such subsidiary, to the best of their knowledge and belief, as disclosed in the notes to accounts, no funds which are material either individually or in the aggregate have been received by the Parent or the subsidiary from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Parent or the subsidiary shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditor of the subsidiary, which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditor to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material mis-statement.
- v) The Parent and its Indian subsidiaries has not declared or paid any dividend during the year and has not proposed final dividend for the year.
2. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 ("the Order") ("CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO report issued by the auditor of the subsidiary, included in the consolidated financial statements of the Company, to which reporting under CARO is applicable, provided to us by the Management of the Company, we report that the auditors of such companies have not reported any qualifications or adverse remarks in their CARO reports.

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Ananthi Amarnath
Partner
(Membership No. 209252)
(UDIN: 22209252AITRKA7450)

Place: Chennai
Date: May 11, 2022



Annexure “A” to the Independent Auditor’s Report

(Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)

REPORT ON THE INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 (“THE ACT”)

In conjunction with our audit of the consolidated Ind AS financial statements of the Company as of and for the year ended March 31, 2022, we have audited the internal financial controls over financial reporting of Kalyan Jewellers India Limited (hereinafter referred to as “Parent”) and its subsidiary company incorporated in India, as of that date.

MANAGEMENT’S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Board of Directors of the Parent Company and its subsidiary company incorporated in India, is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective companies 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 (“the 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 the respective company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

AUDITOR’S RESPONSIBILITY

Our responsibility is to express an opinion on the Parent’s and its subsidiary company incorporated in India, internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and

maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditor of the subsidiary company, which is company incorporated in India, in terms of their reports referred to in the Other Matters paragraph below is sufficient and appropriate to provide a basis for our audit opinion on the Group’s internal financial controls system over financial reporting of the Parent and its subsidiary company, which are companies incorporated in India.

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.

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

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

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

OPINION

In our opinion to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditor referred to in the Other Matters paragraph below, the Parent, its subsidiary company, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, based on the criteria for internal

financial control over financial reporting established by the respective companies 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.

OTHER MATTER

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to one subsidiary company incorporated in India, is based solely on the corresponding report of the auditors of such company incorporated in India. Our opinion is not modified in respect of the above matter.

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm’s Registration No. 117366W/W-100018)

Ananthi Amarnath
Partner
(Membership No. 209252)
(UDIN: 22209252AITRKA7450)

Place: Chennai
Date: May 11, 2022



Consolidated Balance Sheet

as at March 31, 2022

(Amounts in ₹ million, except for shares data or as otherwise stated)

Particulars	Note No.	As at March 31, 2022	As at March 31, 2021
Assets			
Non-current assets			
Property, plant and equipment	3A	9,815.55	9,617.06
Capital work-in-progress	3B	17.35	526.80
Right-of-use assets	4	8,667.06	8,613.39
Investment property	5	611.36	611.36
Goodwill on consolidation	6	50.56	50.56
Intangible assets	3C	69.76	94.46
Intangible assets under development	3D	3.97	3.80
Financial assets			
Investments	7	6.00	-
Other financial assets	8	733.74	988.88
Deferred tax assets (net)	30	449.74	460.58
Non-current tax assets (net)	23B	52.78	-
Other non-current assets	9	560.00	581.63
Total non-current assets		21,037.87	21,548.52
Current assets			
Inventories	10	57,942.59	53,030.89
Financial assets			
Trade receivables	11	1,194.70	1,126.64
Cash and cash equivalents	12	1,490.22	3,648.56
Bank balances other than cash and cash equivalents	12	6,281.79	7,317.64
Other financial assets	8	305.04	343.11
Other current assets	9	1,199.18	1,635.92
Total current assets		68,413.52	67,102.76
Total assets		89,451.39	88,651.28
Equity and liabilities			
Equity			
Equity share capital	13	10,300.53	10,300.53
Other equity	14	21,069.74	17,959.77
Non-controlling interests	15	9.44	4.96
Total equity		31,379.71	28,265.26
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	16	242.72	201.49
Lease liabilities	17	5,667.41	6,122.51
Provisions	18	343.36	342.08
Total non-current liabilities		6,253.49	6,666.08
Current liabilities			
Financial liabilities			
Borrowings	16	18,421.01	19,398.65
Metal gold loan	19	14,968.13	14,179.52
Lease liabilities	17	993.93	860.12
Trade payables	20		
Total outstanding dues of micro and small enterprises		1.84	0.84
Total outstanding dues of creditors other than micro and small enterprises		6,564.06	6,900.22
Other financial liabilities	21	327.54	1,273.51
Provisions	18	149.39	103.10
Other current liabilities	22	10,392.29	10,345.61
Current tax liabilities (net)	23A	-	658.37
Total current liabilities		51,818.19	53,719.94
Total equity and liabilities		89,451.39	88,651.28

Summary of significant accounting policies (refer note 2)
See accompanying notes forming part of the consolidated financial statements

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants
(Firm's registration No. 117366W/W-100018)

For and on behalf of Board of Directors

Ananthi Amarnath
Partner
(Membership No. 209252)

T.S. Kalyanaraman
Managing Director
DIN: 01021928

T.K. Ramesh
Director
DIN: 01021868

T.K. Seetharam
Director
DIN: 01021898

Sanjay Raghuraman
Chief Executive Officer

V. Swaminathan
Chief Financial Officer

Jishnu R.G.
Company Secretary

Place: Chennai
Date: May 11, 2022

Place: Thrissur
Date: May 11, 2022

Consolidated Statement of Profit and Loss

for the year ended March 31, 2022

(Amounts in ₹ million, except for shares data or as otherwise stated)

Particulars	Note No.	For the year ended March 31, 2022	For the year ended March 31, 2021
Income			
Revenue from operations	24	108,179.34	85,733.05
Other income	25	382.93	453.69
I Total income		108,562.27	86,186.74
Expense			
Cost of materials consumed	26	97,091.21	74,824.95
Changes in inventories of finished goods and work-in-progress	26	(5,828.33)	(3,683.84)
Employee benefits expense	27	3,542.69	3,315.31
Finance costs	28	3,223.63	3,754.16
Depreciation and amortisation expense	3E	2,315.77	2,249.02
Other expenses	29	5,228.74	5,333.57
II Total expenses		105,573.71	85,793.17
III Profit/ (loss) before tax (I - II)		2,988.56	393.57
IV Tax expense	30		
Current tax		812.94	762.15
Income tax credit for prior year		-	(0.77)
Deferred tax		(64.68)	(307.08)
Total tax expense		748.26	454.30
V Profit/ (loss) for the year (III - IV)		2,240.30	(60.73)
Attributable to owners of the Company		2,242.09	(63.04)
Attributable to non-controlling interests		(1.79)	2.31
VI Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurement of employee defined benefit plans		33.14	(15.57)
Income tax on above		(8.33)	3.92
Foreign operation translation reserve movement		198.88	-
Income tax on above		-	-
Items that will be reclassified to profit or loss			
Effective portion of gain and loss on designated portion of hedging instruments in a cash flow hedge		692.97	(670.29)
Income tax on above		(68.56)	69.04
Total other comprehensive income for the year		848.10	(612.90)
Attributable to owners of the Company		848.10	(612.90)
Attributable to non-controlling interests		-	-
Total comprehensive income for the year (V + VI)		3,088.40	(673.63)
Attributable to owners of the Company		3,090.19	(675.94)
Attributable to non-controlling interests		(1.79)	2.31
Earnings per equity share of face value of ₹10/-			
Basic	32	2.18	(0.07)
Diluted	32	2.18	(0.07)

Summary of significant accounting policies (refer note 2)
See accompanying notes forming part of the consolidated financial statements

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants
(Firm's registration No. 117366W/W-100018)

For and on behalf of Board of Directors

Ananthi Amarnath
Partner
(Membership No. 209252)

T.S. Kalyanaraman
Managing Director
DIN: 01021928

T.K. Ramesh
Director
DIN: 01021868

T.K. Seetharam
Director
DIN: 01021898

Sanjay Raghuraman
Chief Executive Officer

V. Swaminathan
Chief Financial Officer

Jishnu R.G.
Company Secretary

Place: Chennai
Date: May 11, 2022

Place: Thrissur
Date: May 11, 2022



Consolidated Statement of Cash Flows

for the year ended March 31, 2022

(Amounts in ₹ million, except for shares data or as otherwise stated)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
A Cash flow from operating activities		
Profit/ (loss) after tax	2,240.30	(60.73)
Adjustments for		
Exchange difference in translating the financial statements of foreign operations	122.23	(37.26)
Depreciation of property, plant and equipment and amortisation of intangible assets	1,076.94	1,080.68
Amortisation on right-of-use assets	1,238.83	1,168.34
Provision for income tax	812.94	761.38
Deferred tax expense/ (credit)	(64.68)	(307.08)
Net loss/ (gain) on disposal of property, plant and equipment	(3.32)	(1.00)
Property, plant and equipment written off	162.22	334.06
Credit impaired trade and other advances written off	55.88	32.06
Provision for expected credit loss on financial assets	2.25	15.76
Provision for doubtful insurance claims	38.04	-
Provision for impairment on right of use assets	-	342.55
Loss on termination of leases	-	400.58
Interest income	(227.76)	(154.86)
Unrealised loss/ (gain) on derivative financial instruments	(224.96)	407.74
Gain on lease termination	(160.90)	(33.40)
Gain on lease modification	(27.16)	(66.31)
Liabilities no longer required written back	(24.92)	(1.00)
Provision for customer loyalty programs	1.80	1.83
Interest expense	3,032.58	3,616.25
Operating profit before working capital changes	8,050.31	7,499.59
Adjustments for:		
(Increase)/decrease in inventories	(4,911.70)	(5,470.07)
(Increase)/decrease in trade receivables	(70.31)	991.70
(Increase)/decrease in other current financial assets	38.07	109.49
(Increase)/decrease in other current assets	342.82	(335.12)
(Increase)/decrease in other non-current financial assets	(35.43)	(114.03)
Increase/(decrease) in metal gold loan (net)	788.61	2,508.09
Increase/(decrease) in trade payables	(312.05)	1,324.62
Increase/(decrease) in non-current and current provisions	80.71	44.65
Increase/(decrease) in other financial liabilities	(38.59)	-
Increase/(decrease) in other current liabilities	46.68	299.56
Cash generated from operations	3,979.12	6,858.48
Net income tax paid	(1,529.15)	(569.39)
Net cash flow from operating activities [A]	2,449.97	6,289.09
B Cash flow from investing activities		
Payments for property, plant and equipment, intangibles (including capital work-in-progress and capital advances)	(912.63)	(481.61)
Proceeds from sale of property, plant and equipment and intangibles	4.53	2.99
Bank balances not considered as cash and cash equivalents	1,350.40	(1,700.73)
Acquisition of non-controlling interests	-	(120.00)
Investments in mutual funds	(6.00)	-
Interest received	199.44	126.54
Net cash flow from / (used in) investing activities [B]	635.74	(2,172.81)

Consolidated Statement of Cash Flows

for the year ended March 31, 2022

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
C Cash flow from financing activities		
Proceeds from long-term borrowings	490.57	1,578.36
Repayment of long-term borrowings	(1,614.08)	(1,131.36)
Proceeds from/ repayment of short-term borrowings (net)	262.54	(5,578.53)
Infusion of capital by non-controlling interests	15.12	-
Proceeds from issue of equity shares (net of share issue expenses)	-	7,564.72
Payment towards lease liabilities	(2,182.08)	(1,645.70)
Finance costs on borrowings	(2,216.12)	(2,863.89)
Net cash from / (used in) financing activities [C]	(5,244.05)	(2,076.40)
Net increase / (decrease) in Cash and cash equivalents [A+B+C]	(2,158.34)	2,039.88
Cash and cash equivalents at the beginning of the year	3,648.56	1,608.68
Cash and cash equivalents at the end of the year (refer note 12)	1,490.22	3,648.56

Changes in liabilities arising from financing activities:

Particulars	As at April 1, 2021	Cash flows	Non-cash changes		As at March 31, 2022
			Fair value changes	Others	
Non-current borrowings (including current maturities)	1,796.58	(1,123.51)	-	(75.44)	597.63
Current borrowings	17,803.56	262.54	-	-	18,066.10
Lease liabilities	6,982.63	(2,182.08)	-	1,860.79	6,661.34
Total	26,582.77	(3,043.05)	-	1,785.35	25,325.07

Particulars	As at April 1, 2021	Cash flows	Non-cash changes		As at March 31, 2022
			Fair value changes	Others	
Non-current borrowings (including current maturities)	1,349.58	447.00	-	-	1,796.58
Current borrowings	23,382.09	(5,578.53)	-	-	17,803.56
Lease liabilities	7,577.53	(1,645.70)	-	1,050.80	6,982.63
Total	32,309.20	(6,777.23)	-	1,050.80	26,582.77

Summary of significant accounting policies (refer note 2)

See accompanying notes forming part of the consolidated financial statements

In terms of our report attached

For Deloitte Haskins & Sells LLP

Chartered Accountants

(Firm's registration No. 117366W/W-100018)

Ananthi Amarnath

Partner

(Membership No. 209252)

T.S. Kalyanaraman

Managing Director

DIN: 01021928

T.K. Ramesh

Director

DIN: 01021868

T.K. Seetharam

Director

DIN: 01021898

Sanjay Raghuraman

Chief Executive Officer

V. Swaminathan

Chief Financial Officer

Jishnu R.G.

Company Secretary

Place: Chennai

Date: May 11, 2022

Place: Thrissur

Date: May 11, 2022

For and on behalf of Board of Directors



Consolidated Statement of Changes in Equity

for the year ended March 31, 2022

(Amounts in ₹ million, except for shares data or as otherwise stated)

A EQUITY SHARES WITH VOTING RIGHTS

Particulars	As at			
	March 31, 2022		March 31, 2021	
	No. of shares	₹	No. of shares	₹
Balance at the beginning of the year	1,030,053,057	10,300.53	839,241,600	8,392.42
Changes in Equity Share Capital due to prior period errors	-	-	-	-
Restated balance at the beginning of the year	1,030,053,057	10,300.53	839,241,600	8,392.42
Transactions during the year	-	-	190,811,457	1,908.11
Closing balance	1,030,053,057	10,300.53	1,030,053,057	10,300.53

B 0.001% COMPULSORILY CONVERTIBLE PREFERENCE SHARES OF ₹ 10 EACH

Particulars	As at			
	March 31, 2022		March 31, 2021	
	No. of shares	₹	No. of shares	₹
Balance at the beginning of the year	-	-	119,047,619	1,190.48
Changes in Equity Share Capital due to prior period errors	-	-	-	-
Restated balance at the beginning of the year	-	-	119,047,619	1,190.48
Transactions during the year	-	-	(119,047,619)	(1,190.48)
Closing balance	-	-	-	-

C OTHER EQUITY

Particulars	Reserves & Surplus			Other Comprehensive Income			Total equity
	Securities premium	Statutory reserves	Retained earnings	Fair value change of hedging instruments in cash flow hedge	Employee defined benefit plan	Foreign operation translation reserve	
Balance as at March 31, 2020	9,208.10	5.29	2,446.76	-	(79.21)	447.26	12,028.20
Changes in other equity due to changes in accounting policy or prior period errors	-	-	-	-	-	-	-
Restated balance at the beginning of the year	9,208.10	5.29	2,446.76	-	(79.21)	447.26	12,028.20
Profit/ (loss) for the year (net of taxes)	-	-	(63.04)	-	-	-	(63.04)
Foreign currency exchange differences during the year	-	0.38	-	-	-	(37.64)	(37.26)
Adjustment on account of acquisition of non-controlling interests	-	-	(152.96)	-	-	-	(152.96)
Add: Premium arising on shares issued	6,797.73	-	-	-	-	-	6,797.73
Other Comprehensive Income for the year (net of taxes)	-	-	-	(601.25)	(11.65)	-	(612.90)
Balance as at March 31, 2021	16,005.83	5.67	2,230.76	(601.25)	(90.86)	409.62	17,959.77
Changes in other equity due to changes in accounting policy or prior period errors	-	-	-	-	-	-	-
Restated balance at the beginning of the year	16,005.83	5.67	2,230.76	(601.25)	(90.86)	409.62	17,959.77
Profit for the year (net of taxes)	-	-	2,242.09	-	-	-	2,242.09
Add: Share issue expenses adjustment against premium arising on shares issued (refer note 13 (vii))	10.77	-	-	-	-	-	10.77
Adjustment on account of further infusion by non-controlling interests	8.85	-	-	-	-	-	8.85
Foreign currency exchange differences during the period	-	0.16	-	-	-	-	0.16
Other Comprehensive Income for the year (net of taxes)	-	-	-	624.41	24.81	198.88	848.10
Balance as at December 31, 2021	16,025.45	5.83	4,472.85	23.16	(66.05)	608.50	21,069.74

Summary of significant accounting policies (refer note 2)
See accompanying notes forming part of the consolidated financial statements

In terms of our report attached
For Deloitte Haskins & Sells LLP
Chartered Accountants
(Firm's registration No. 117366W/W-100018)

Ananthi Amarnath
Partner
(Membership No. 209252)

T.S. Kalyanaraman
Managing Director
DIN: 01021928

For and on behalf of Board of Directors

T.K. Ramesh
Director
DIN: 01021868

T.K. Seetharam
Director
DIN: 01021898

Sanjay Raghuraman
Chief Executive Officer

V. Swaminathan
Chief Financial Officer

Jishnu R.G.
Company Secretary

Place: Chennai
Date: May 11, 2022

Place: Thrissur
Date: May 11, 2022

Notes

Forming part of the Consolidated Financial Statements for the year ended March 31, 2022

1. GENERAL INFORMATION

Kalyan Jewellers India Limited ('the Company' or 'the Holding Company'), together with its subsidiaries Kalyan Jewellers, Inc., USA, Enovate Lifestyles Private Limited, Kalyan Jewellers FZE, UAE and its step down subsidiaries - Kalyan Jewellers LLC, UAE, Kalyan Jewellers for Golden Jewelry Company, W.L.L., Kalyan Jewellers LLC., Qatar, Kalyan Jewellers LLC, Oman, Kalyan Jewellers Bahrain W.L.L., Kenouz Al Sharq Gold Ind. LLC (collectively referred to as 'the Group') is a leading international retail Jewellery Chain, into the manufacture and retailing of primarily gold and precious stone studded jewellery.

The Company is headquartered in the city of Thrissur in Kerala, India, and has offices in USA, UAE, Kuwait, Qatar and Oman.

2. SIGNIFICANT ACCOUNTING POLICIES

(i) Statement of Compliance

The consolidated financial statements of the Group have been prepared in accordance with Indian Accounting Standard ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 read with Section 133 of the Companies Act, 2013.

The Group has consistently applied accounting policies to all years. Comparative Financial information has been regrouped, wherever necessary, to correspond to the figures of the current year.

(ii) Basis of preparation and presentation

The consolidated financial statements have been prepared on accrual basis under the historical

The subsidiary companies which are included in the consolidation and the Company's holdings therein are as under:

Name of the Company	Relationship	Country of Incorporation	Ownership held by	Ownership interest	
				March 31, 2022	March 31, 2021
Enovate Lifestyles Private Limited	Subsidiary	India	Kalyan Jewellers India Limited	85%	93%
Kalyan Jewellers FZE, UAE	Subsidiary	United Arab Emirates (UAE)	Kalyan Jewellers India Limited	100%	100%
Kalyan Jewellers, Inc., USA	Subsidiary	USA	Kalyan Jewellers India Limited	100%	100%
Kalyan Jewellers LLC, UAE	Step down subsidiary	United Arab Emirates	Kalyan Jewellers FZE, UAE	100%	100%
Kalyan Jewellers for Golden Jewelry Company, W.L.L.	Step down subsidiary	Kuwait	Kalyan Jewellers LLC, UAE	100%	100%

cost convention except for the certain financial instruments that are measured at fair values as required by relevant Ind AS:

- certain financial assets and liabilities (including derivative instruments)
- defined employee benefit plans - plan assets are measured at fair value

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

(iii) Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries). Control exists when the parent has power over an investee, exposure or rights to variable returns from its involvement with the investee and ability to use its power to affect those returns. Power is demonstrated through existing rights that give the ability to direct relevant activities, those which significantly affect the entity's returns. Subsidiaries are consolidated from the date control commences until the date control ceases.

The financial statements of subsidiaries are consolidated on a line-by-line basis and intra-group balances and transactions including unrealised gain/ loss from such transactions are eliminated upon consolidation. The financial statements are prepared by applying uniform policies in use at the Group.



Notes

Forming part of the Consolidated Financial Statements for the year ended March 31, 2022

Name of the Company	Relationship	Country of Incorporation	Ownership held by	Ownership interest	
				March 31, 2022	March 31, 2021
Kalyan Jewellers LLC, Qatar	Step down subsidiary	Qatar	Kalyan Jewellers LLC, UAE	100%	100%
Kalyan Jewellers LLC, Oman	Step down subsidiary	Oman	Kalyan Jewellers FZE, UAE	100%	100%
Kenouz Al Sharq Gold Ind. LLC, UAE	Step down subsidiary	United Arab Emirates (UAE)	Kalyan Jewellers LLC, UAE	100%	100%
Kalyan Jewellers Bahrain W.L.L.	Step down subsidiary	Bahrain	Kalyan Jewellers FZE, UAE	100%	100%

The consolidated financial statements prepared by Kalyan Jewellers FZE, UAE includes 100% of the assets, liabilities and results of operations of its following subsidiaries, reflecting its controlling and beneficial equity interest in the subsidiaries through agreement with legal owners:

Name of the Company	Place of registration and operation	Ownership %	Control and beneficial interest %	Principal Activity
Kalyan Jewellers LLC, UAE	Dubai, UAE	49	100	Trading in jewellery, watches and perfumes
Kalyan Jewellers for Golden Jewelry Company, W.L.L.	Kuwait	49	100	Trading in jewellery, watches and perfumes
Kalyan Jewellers LLC, Qatar	Doha, Qatar	49	100	Trading in jewellery, watches and perfumes
Kalyan Jewellers LLC, Oman	Oman	70	100	Trading in jewellery, watches and perfumes
Kenouz Al Sharq Gold Ind. LLC, UAE	Sharjah, UAE	49	100	Manufacturing of jewellery
Kalyan Jewellers Bahrain W.L.L.	Bahrain	49	100	Trading in jewellery, watches and perfumes

The financial statements of the subsidiary companies which are included in the consolidation are drawn up to the same reporting date as that of the Company i.e. March 31, 2022. The financial statements of the subsidiaries included in consolidation are audited except Kalyan Jewellers Inc., USA which is not material to the group.

(iv) Use of estimates and judgement

The preparation of consolidated financial statements in conformity with Ind AS, requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amount of assets and liabilities, revenues and expenses and disclosure of contingent liabilities. Such estimates and assumptions are based on management's evaluation of relevant facts and circumstances as on the date of financial statements. The actual outcome may diverge from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Useful lives of property, plant and equipment:

The Group reviews the useful life of property, plant and equipment at the end of each reporting period. This re-assessment may result in change in depreciation expense in future periods.

Fair value of financial assets, liabilities, and investments:

The Group measures certain financial assets and liabilities on fair value basis at each balance sheet date or at the time, they are assessed for impairment. Fair value measurement that are based on significant unobservable inputs (Level 3) requires estimates of operating margin, discount rate, future growth rate, terminal values, etc. based on management's best estimate about future developments.

(v) Functional and presentation currency

Items included in the financial statements of the Group are measured using the currency of the primary economic environment in which the Group operates (i.e. the "functional currency"). The consolidated financial statements are presented in Indian Rupee, the national currency of India, which is the functional currency of the Holding Company.

Notes

Forming part of the Consolidated Financial Statements for the year ended March 31, 2022

(vi) Revenue Recognition

Revenue is recognised upon transfer of control of promised goods or services to customers in an amount that reflects the consideration the Group expects to receive in exchange for those goods or services.

a) Sale of goods: Revenue from the sale of products is recognised at the point in time when control is transferred to the customer.

Revenue is measured based on the transaction price, which is the consideration, net of customer incentives, discounts, variable considerations, payments made to customers, other similar charges, as specified in the contract with the customer. Additionally, revenue excludes taxes collected from customers, which are subsequently remitted to governmental authorities.

b) Interest income: Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset of that asset's net carrying amount on initial recognition.

(vii) Leases

The Group's lease asset classes consist of leases for buildings. The Group, at the inception of a contract, assesses whether the contract is a lease or not lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a time in exchange for a consideration. This policy has been applied to contracts existing and entered into on or after April 1, 2019.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the Group's incremental borrowing rate. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or if the Group changes its assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Group recognises the lease payments associated with these leases as an expense over the lease term.

(viii) Foreign currencies

In preparing the financial statements of the Group, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the date of the transaction. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in the statement of profit and loss in the period in which they arise except for exchange differences on transactions designated as fair value hedge.

(ix) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period to get ready for their intended use or sale, are added to the cost of those assets, until such time the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

(x) Employee benefits

The Group participates in various employee benefit plans. Post-employment benefits either are classified as defined contribution plans or defined benefit plans. Under a defined



Notes

Forming part of the Consolidated Financial Statements for the year ended March 31, 2022

contribution plan, the Group's only obligation is to pay a fixed amount with no obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits. The related actuarial and investment risks fall on the employee. The expenditure for defined contribution plans is recognised as expense during the period when the employee provides service. Under a defined benefit plan, it is the Group's obligation to provide agreed benefits to the employees. The related actuarial risks fall on the Group. The present value of the defined benefit obligations is calculated using the projected unit credit method.

Short-term employee benefits

All short-term employee benefits such as salaries, wages, bonus, and other benefits, which fall within 12 months of the period in which the employee renders related services which entitles them to avail such benefits and non-accumulating compensated absences are recognised on an undiscounted basis and charged to the statement of profit and loss.

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

Defined contribution plan

The Group's contribution to provident fund and employee state insurance scheme are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees.

Defined benefit plan

In accordance with the Payment of Gratuity Act, 1972, the Group provides for a lump sum payment to eligible employees, at retirement or termination of employment based on the last drawn salary and years of employment with the Group. The gratuity fund is unfunded. The Group's obligation in respect of the gratuity plan, which is a defined benefit plan, is provided for based on actuarial valuation using the projected unit credit method. Actuarial gains or losses are recognised in other comprehensive income. Further, the profit or loss does not include an expected return on plan assets. Instead net interest recognised in profit or loss is calculated by applying the discount rate used to measure the defined benefit obligation to the net defined benefit liability or asset. The actual return on the plan assets above or below the discount rate is recognised as part of

remeasurement of net defined liability or asset through other comprehensive income.

Remeasurement, comprising actuarial gains and losses is reflected immediately in the balance sheet with charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected in retained earnings and is not reclassified to the statement of profit and loss.

(xi) Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

- Current tax: Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws.
- Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Group will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is highly probable that future economic benefit associated with it will flow to the Group.
- Deferred tax: Deferred tax is recognised using the balance sheet approach. Deferred tax assets and liabilities are recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences.

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

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be utilised.

Notes

Forming part of the Consolidated Financial Statements for the year ended March 31, 2022

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

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

(xii) Property, Plant and Equipment

Land and buildings held for use in the production or supply of goods or services, or for administrative purposes, are stated at cost less accumulated depreciation and accumulated impairment losses. Freehold land is not depreciated.

Property, plant and equipment are carried at cost less accumulated depreciation and impairment losses, if any. The cost of property, plant and equipment comprises its purchase price/ acquisition cost, net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses and interest on borrowings attributable to acquisition of qualifying property, plant and equipment up to the date the asset is ready for its intended use. Machinery spares which can be used only in connection with an item of Property, plant and equipment and whose use is expected to be irregular are capitalised and depreciated over the useful life of the principal item of the relevant assets. Subsequent expenditure on property, plant and equipment after its purchase / completion is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

Depreciation on Property, plant and equipment (other than freehold land) has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of aeroplanes/Helicopters (30 years with an estimated residual value of 5%), in whose case the life of the assets has been assessed as under based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc.:

The estimated useful life of the tangible assets and the useful life are reviewed at the end of the each financial year and the depreciation period is revised to reflect the changed pattern, if any.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the statement of profit and loss.

(xiii) Investment Property

Investment properties are properties held to earn rentals and/or for capital appreciation (including property under construction for such purposes). Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured in accordance with Ind AS 16's requirements for cost model.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognised.

(xiv) Intangible Assets

Intangible assets are stated at cost less accumulated amortisation and impairment. Intangible assets are amortised over their respective estimated useful lives on a straight-line basis, from the date that they are available for use. The estimated useful life of an identifiable intangible assets is based on a number of factors including the effects of obsolescence, demand, competition and other economic factors (such as the stability of the industry and known technological advances) and the level of maintenance expenditures required to obtain the expected future cash flows from the asset.

Estimated useful lives of the intangible assets is 5 years.

The estimated useful life of the intangible assets and the amortisation period are reviewed at the end of the each financial year and the amortisation period is revised to reflect the changed pattern, if any.



Notes

Forming part of the Consolidated Financial Statements for the year ended March 31, 2022

(xv) Impairment of tangible and intangible assets

At the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

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

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss. When an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

Goodwill is tested for impairment on an annual basis and whenever there is an indication that goodwill may be impaired, relying on a number of factors including operating results, business plans and future cash flows.

(xvi) Inventories

Inventories [other than quantities of gold for which the price is yet to be determined with the suppliers (Unfixed gold)] are stated at the lower of cost and net realisable value. In respect of gold, cost is determined on first-in-first-out basis, for silver cost is determined on annual weighted average basis and in respect of studded jewellery is determined on specific identification basis.

Unfixed gold is valued at the gold prices prevailing on the period closing date.

Cost comprises all costs of purchase including duties and taxes (other than those subsequently recoverable by the Group), freight inwards and other expenditure directly attributable to acquisition. Work-in-progress and finished goods include appropriate proportion of overheads and, where applicable, excise duty.

Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

(xvii) Provisions and contingencies

Provisions: A provision is recognised when the Group has a present obligation because of past events and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount in the present value of those cash flows (when the effect of time value of money is material).

Contingent liabilities: Contingent liabilities are not recognised but are disclosed in notes to accounts.

(xviii) Business combination and Goodwill

Business combinations are accounted for using the purchase (acquisition) method. The cost of an acquisition is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange. The cost of acquisition also includes the fair value of any contingent consideration.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair value on the date of acquisition. Transaction costs incurred in connection with a business combination are expensed as incurred.

The excess of the cost of acquisition over the Group's share in the fair value of the acquiree's identifiable assets, liabilities and contingent liabilities is recognised as goodwill. If the excess is negative, a bargain purchase gain is recognised in capital reserve.

(xix) Financial instruments

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instruments.

Financial assets and liabilities are initially recognised at fair value. Transaction costs that are directly attributable to financial assets and liabilities [other than financial assets and liabilities measured at fair value through profit and loss

Notes

Forming part of the Consolidated Financial Statements for the year ended March 31, 2022

(FVTPL)] are added to or deducted from the fair value of the financial assets or liabilities, as appropriate on initial recognition. Transaction costs directly attributable to acquisition of financial assets or liabilities measured at FVTPL are recognised immediately in the statement of profit and loss.

a) Non-derivative Financial assets: All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace. All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Financial assets at amortised cost

A financial asset is measured at amortised cost if both of the following conditions are met:

- the financial asset is held within a business model whose objective is to hold financial assets 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.

Effective interest method:

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate that exactly discounts estimated future cash receipts through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets. Interest income is recognised in profit or loss and is included in the "Other income" line item.

b) Derecognition of financial assets: A financial asset is derecognised only when the

- Group has transferred the rights to receive cash flows from the financial asset or

- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

When the entity has transferred an asset, the Group evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Whether the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Group has not retained control of the financial asset. When the Group retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

c) Foreign exchange gains and losses: The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period.

For foreign currency denominated financial assets measured at amortised cost and FVTPL, the exchange differences are recognised in statement of profit and loss.

d) Financial liabilities: All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, financial guarantee contracts issued by the Group, and commitments issued by the Group to provide a loan at below-market interest rate are measured in accordance with the specific accounting policies set out below.

Financial liabilities at FVTPL

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



Notes

Forming part of the Consolidated Financial Statements for the year ended March 31, 2022

Financial liabilities subsequently measured at amortised cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Foreign exchange gains and losses

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments and are recognised in the statement of profit and loss.

The fair value of financial liabilities denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. For financial liabilities that are measured as at FVTPL, the foreign exchange component forms part of the fair value gains or losses and is recognised in the statement of profit and loss.

De-recognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired.

An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability

(xx) Hedge accounting

The Group designates certain hedging instruments as fair value hedges/cash flow hedges. At the inception of the hedge relationship, the entity documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. The use

of derivative financial instruments is governed by the Group's policies approved by the Board of Directors, which provide written principles on the use of such instruments consistent with the Group's risk management strategy. Furthermore, at the inception of the hedge and on an ongoing basis, the Group documents whether the hedging instrument is highly effective in offsetting changes in fair values of the hedged item attributable to the hedged risk.

Fair value hedges

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in statement of profit and loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedging relationship and the nature of the hedged item.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. The fair value adjustment to the carrying amount of the hedged item arising from the hedged risk is amortised to profit or loss from that date.

Cash flow hedges

Derivative financial instruments to manage risks associated with gold and foreign currency price fluctuations relating to certain existing liabilities, highly probable forecasted transactions, foreign currency fluctuations relating to certain firm commitments fall under the category of cash flow hedges. The Group has designated derivative financial instruments taken for gold and foreign currency price fluctuations as cash flow hedges relating to certain existing liabilities and highly probable forecast transactions.

Hedging instruments are initially measured at fair value, and are re-measured at subsequent reporting dates. Changes in the fair value of these derivatives that are designated and effective as hedges of future cash flows are recognised in other comprehensive income and accumulated under the heading hedging reserve and the ineffective portion is recognised immediately in the statement of profit and loss. For forecasted transactions, any cumulative gain or loss on the hedging instrument recognised in hedging reserve is retained until the forecast transaction occurs upon which it is recognised in the statement of profit and loss.

Notes

Forming part of the Consolidated Financial Statements for the year ended March 31, 2022

If a hedged transaction is no longer expected to occur, the net cumulative gain or loss accumulated in hedging reserve is recognised immediately to the statement of profit and loss. The Group has designated derivative financial instruments taken for gold price fluctuations as cash flow hedges relating to highly probable forecasted transactions under the previous GAAP.

(xxi) Segment reporting

Operating segments are reported in the manner consistent with the internal reporting to the chief operating decision maker (CODM). The Group is reported at an overall level, and hence there are no separate reportable segments as per Ind AS 108.

(xxii) Cash and cash equivalents

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition) and highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

For the purposes of the cash flow statement, cash and cash equivalents include cash on hand, in banks and demand deposits with banks, net of outstanding bank overdrafts that are repayable on demand, book overdraft and are considered part of the Group's cash management system.

(xxiii) Earnings per share (EPS)

Basic earnings per share are computed using the weighted average number of equity shares outstanding during the period.

Diluted EPS is computed by dividing the profit or loss attributable to ordinary equity holders by the weighted average number of equity shares considered for deriving basic EPS and also weighted average number of equity shares that could have been issued upon conversion

of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for bonus shares, as appropriate

(xxiv) Operating Cycle

Based on the nature of products / activities of the Group and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Group has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

(xxv) Recent IND AS and other statutory/ legal announcements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. MCA brought out amendments to Schedule III of the Act which prescribes the format of financial statements vide its notification dated March 24, 2021 and is applicable for financials years commencing on or after April 01, 2021 and accordingly the Company has given effect to these amendments to disclosures in the current set of financial statements.

The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the Company towards Provident Fund and Gratuity. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on November 13, 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Company and its Indian subsidiaries will assess the impact and its evaluation once the subject rules are notified and will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.



Notes

Forming part of the Consolidated Financial Statements for the year ended March 31, 2022

(Amounts in ₹ million, except for shares data or as otherwise stated)

3A PROPERTY, PLANT AND EQUIPMENT - OWNED

Description of Assets	Freehold Land	Helipad	Buildings	Plant & machinery	Office equipment	Computers	Furniture and fixtures	Aeroplanes / helicopters	Vehicles	Total
I. At cost or deemed cost										
Balance as at March 31, 2020	1,842.93	30.80	997.07	546.22	908.14	256.94	7,771.92	2,700.53	407.03	15,461.58
Additions	7.15	-	3.85	3.09	30.30	13.11	193.42	-	16.43	267.35
Transfer from investment property	10.93	-	-	-	-	-	-	-	-	10.93
Disposals	-	-	-	(0.51)	(20.84)	(2.07)	(629.79)	-	(8.86)	(662.07)
Effect of foreign currency exchange differences	-	-	-	(5.75)	-	(3.13)	(37.88)	-	(0.38)	(47.14)
Balance as at March 31, 2021	1,861.01	30.80	1,000.92	543.05	917.60	264.85	7,297.67	2,700.53	414.22	15,030.65
Additions	12.17	-	76.48	2.16	117.09	21.86	1,091.33	-	28.65	1,349.74
Disposals (refer note 28(ii))	-	-	-	-	(2.78)	(3.45)	(378.38)	-	(14.65)	(399.26)
Effect of foreign currency exchange differences	-	-	-	7.78	-	4.39	61.98	-	0.73	74.88
Balance as at March 31, 2022	1,873.18	30.80	1,077.40	552.99	1,031.91	287.65	8,072.60	2,700.53	428.95	16,056.01
II. Accumulated depreciation										
Balance as at March 31, 2020	-	5.78	133.53	146.45	693.04	205.13	2,788.90	451.61	245.29	4,669.73
Charge for the year	-	1.05	33.83	27.73	89.17	32.41	714.96	89.61	53.55	1,042.31
Disposals	-	-	-	(0.08)	(18.15)	(1.77)	(254.05)	-	(6.86)	(280.91)
Effect of foreign currency exchange differences	-	-	-	(0.53)	-	(2.40)	(14.34)	-	(0.27)	(17.54)
Balance as at March 31, 2021	-	6.83	167.36	173.57	764.06	233.37	3,235.47	541.22	291.71	5,413.59
Charge for the year	-	1.05	35.79	28.11	79.58	23.63	722.22	89.61	51.77	1,031.76
Disposals (refer note 28(ii))	-	-	-	-	(2.34)	(3.38)	(219.30)	-	(13.03)	(238.05)
Effect of foreign currency exchange differences	-	-	-	1.45	-	4.06	27.15	-	0.50	33.16
Balance as at March 31, 2022	-	7.88	203.15	203.13	841.30	257.68	3,765.54	630.83	330.95	6,240.46
Carrying value (I-II)										
Balance as at March 31, 2022	1,873.18	22.92	874.25	349.86	190.61	29.97	4,307.06	2,069.70	98.00	9,815.55
Balance as at March 31, 2021	1,861.01	23.97	833.56	369.48	153.54	31.48	4,062.20	2,159.31	122.51	9,617.06

3B AGEING OF CAPITAL WORK-IN-PROGRESS

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Balance as at March 31, 2022					
Projects in progress	17.35	-	-	-	17.35
Projects temporarily suspended	-	-	-	-	-
Total	17.35	-	-	-	17.35
Balance as at March 31, 2021					
Projects in progress	115.31	253.53	157.96	-	526.80
Projects temporarily suspended	-	-	-	-	-
Total	115.31	253.53	157.96	-	526.80

Notes

Forming part of the Consolidated Financial Statements for the year ended March 31, 2022

(Amounts in ₹ million, except for shares data or as otherwise stated)

Notes:

- (i) There are no projects under capital work-in-progress whose completion is overdue or has exceeded its cost compared to its original plan as at March 31, 2022 and March 31, 2021.
- (ii) The Group has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets during the current year and previous year.

3C INTANGIBLE ASSETS

Description of Assets	Software	Total
I. At cost or deemed cost		
Balance as at March 31, 2020		
Additions	36.26	36.26
Disposals	-	-
Balance as at March 31, 2021	270.43	270.43
Additions	20.48	20.48
Disposals	-	-
Balance as at March 31, 2022	290.91	290.91
II. Accumulated amortisation		
Balance as at March 31, 2020		
Charge for the year	38.37	38.37
Disposals	-	-
Balance as at March 31, 2021	175.97	175.97
Charge for the year	45.18	45.18
Disposals	-	-
Balance as at March 31, 2022	221.15	221.15
Carrying value (I-II)		
Balance as at March 31, 2022	69.76	69.76
Balance as at March 31, 2021	94.46	94.46

3D AGEING OF INTANGIBLES UNDER DEVELOPMENT

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Balance as at March 31, 2022					
Projects in progress	-	3.97	-	-	3.97
Projects temporarily suspended	-	-	-	-	-
Total	-	3.97	-	-	3.97
Balance as at March 31, 2021					
Projects in progress	3.80	-	-	-	3.80
Projects temporarily suspended	-	-	-	-	-
Total	3.80	-	-	-	3.80

Note: There are no intangibles under development whose completion is overdue or has exceeded its cost compared to its original plan as at March 31, 2022 and March 31, 2021.

3E DEPRECIATION AND AMORTISATION EXPENSE

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Depreciation of property, plant and equipment	1,031.76	1,042.31
Amortisation of intangible assets	45.18	38.37
Amortisation of right-of-use assets	1,238.83	1,168.34
Total	2,315.77	2,249.02



Notes

Forming part of the Consolidated Financial Statements for the year ended March 31, 2022

(Amounts in ₹ million, except for shares data or as otherwise stated)

4 RIGHT-OF-USE ASSETS

Particulars	As at March 31, 2022	As at March 31, 2021
Right-of-use assets (ROU) at the beginning of the year	8,613.39	10,110.46
Add: Addition during the year on account of new leases	1,535.11	907.59
Less: Impact on lease modification	(51.82)	(663.71)
Less: Impact on lease termination (refer note 28(ii))	(304.67)	(501.01)
Less: Provision for impairment on right of use assets (refer note 29(iii))	-	-
Less: Amortised during the year	(1,238.83)	(1,168.34)
Add: Effects of foreign currency exchange differences	113.88	(71.60)
Closing balance	8,667.06	8,613.39

5 INVESTMENT PROPERTY

Particulars	As at March 31, 2022	As at March 31, 2021
Cost or deemed cost		
Opening balance	611.36	622.29
Additions/(Disposals)	-	-
Transfer to property, plant and equipment	-	(10.93)
Closing balance	611.36	611.36

- (i) The Group's investment properties consist only of free hold land and therefore no depreciation is chargeable. The Group's investment properties consist of six properties in the nature of free hold land in India. As at March 31, 2022 and March 31, 2021, the fair value of the properties is ₹1,886.80 and ₹1,886.80 respectively. These are based on valuations performed by independent valuers for the purposes of bank financing at the time availing/renewing such financing facility. These valuers are registered valuers as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017. The fair value hierarchy is at level 2, which is derived using the market comparable approach based on recent market prices without any significant adjustments being made to the market observable data. (Refer note 35.b for note on fair value hierarchy).

6 GOODWILL ON CONSOLIDATION

Particulars	As at March 31, 2022	As at March 31, 2021
Cost		
Opening balance	50.56	50.56
Additions/(Disposals)	-	-
Closing balance	50.56	50.56

7 INVESTMENTS

Particulars	As at March 31, 2022	As at March 31, 2021
Investments in mutual funds (Quoted)		
HDFC Liquid Growth Fund	6.00	-
Total	6.00	-

Notes

Forming part of the Consolidated Financial Statements for the year ended March 31, 2022

(Amounts in ₹ million, except for shares data or as otherwise stated)

8 OTHER FINANCIAL ASSETS

(Unsecured and considered good)

Particulars	As at March 31, 2022	As at March 31, 2021
Non-current		
Measured at amortised cost		
Security deposits	712.16	652.75
Earmarked deposits with remaining maturity period greater than 12 months	21.58	336.13
Total	733.74	988.88
Current		
Measured at amortised cost unless otherwise specified		
Interest accrued but not due		
- Deposits	18.19	8.39
Security deposits	286.85	334.72
Total	305.04	343.11

Note : There are no loans granted to promoters, directors, KMPs and the related parties.

9 OTHER ASSETS

(Unsecured and considered good, unless otherwise specified)

Particulars	As at March 31, 2022	As at March 31, 2021
Non-current		
Capital advance	7.95	34.64
Balances with revenue authorities - amounts paid under protest		
- Income tax and others	57.38	52.32
- Kerala VAT	494.67	494.67
Total	560.00	581.63
Current		
Balances with revenue authorities	244.90	208.74
Prepaid expenses	142.88	96.53
Advance to suppliers	722.31	1,199.15
Other assets		
- considered good	89.09	131.50
- considered doubtful	38.04	
Less: Provision for doubtful assets	(38.04)	
Total	1,199.18	1,635.92

10 INVENTORIES

(lower of cost and net realisable value)

Particulars	As at March 31, 2022	As at March 31, 2021
Raw materials	5,591.79	6,796.99
Work-in-progress	9,235.86	8,675.54
Finished goods	43,114.94	37,558.36
Total	57,942.59	53,030.89

Note (i) - The cost of inventories recognised as expense during the year ended is ₹91,262.88 (March 31, 2020: ₹71,141.11)

Note (ii) - The mode of valuation has been stated in Note 2(xvi)



Notes

Forming part of the Consolidated Financial Statements for the year ended March 31, 2022

(Amounts in ₹ million, except for shares data or as otherwise stated)

11 TRADE RECEIVABLES

Particulars	As at March 31, 2022	As at March 31, 2021
Unsecured		
Trade receivables - considered good	1,194.70	1,126.64
Trade receivables which have significant increase in credit risk	24.55	21.77
Trade Receivables - credit impaired	-	-
	1,219.25	1,148.41
Less: Less: Provision for expected credit losses	(24.55)	(21.77)
Total	1,194.70	1,126.64

The Company generally operates on a cash and carry model, and hence the expected credit loss allowance for trade receivables is insignificant. The concentration of credit risk is also limited due to the fact that the customer base is large and unrelated.

(ii) Trade receivables ageing schedule

As at March 31, 2022:

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed						
Receivables considered good	1,156.22	30.15	0.77	7.52	0.04	1,194.70
Receivables which have significant increase in credit risk	19.26	0.88	0.04	1.31	3.06	24.55
Receivables - credit impaired	-	-	-	-	-	-
Disputed						
Receivables considered good	-	-	-	-	-	-
Receivables which have significant increase in credit risk	-	-	-	-	-	-
Receivables - credit impaired	-	-	-	-	-	-
Total	1,175.48	31.03	0.81	8.83	3.10	1,219.25

As at March 31, 2021:

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed						
Receivables considered good	1,109.47	0.23	16.90	0.04	-	1,126.64
Receivables which have significant increase in credit risk	16.97	0.13	1.60	0.96	2.11	21.77
Receivables - credit impaired	-	-	-	-	-	-
Disputed						
Receivables considered good	-	-	-	-	-	-
Receivables which have significant increase in credit risk	-	-	-	-	-	-
Receivables - credit impaired	-	-	-	-	-	-
Total	1,126.44	0.36	18.50	1.00	2.11	1,148.41

Notes

Forming part of the Consolidated Financial Statements for the year ended March 31, 2022

(Amounts in ₹ million, except for shares data or as otherwise stated)

12 CASH AND CASH EQUIVALENTS

Particulars	As at March 31, 2022	As at March 31, 2021
Cash and cash equivalents		
Cash in hand	266.78	242.20
Balances with banks		
Current accounts	1,076.38	1,264.52
Funds in transit	118.16	131.84
Fixed deposits	28.90	2,010.00
Total cash and cash equivalents as per Ind AS 7	1,490.22	3,648.56
Bank Balances other than cash and cash equivalents above		
Fixed deposits held as margin money against borrowings and guarantees (maturity of less than 12 months from the balance sheet date)	5,811.44	6,137.81
Balances with banks held as margin money/ Escrow account	470.35	1,179.83
Total	6,281.79	7,317.64

The deposits maintained by the Group with banks comprise time deposits, (excluding the fixed deposits held as margin money) which can be withdrawn by the Group at any point without prior notice or penalty on the principal.

13 EQUITY

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of shares	₹	No. of shares	₹
Authorised				
Equity shares of ₹ 10 each with voting rights	1,800,500,000	18,005.00	1,800,500,000	18,005.00
0.001% Compulsorily convertible preference shares of ₹ 10 each	200,000,000	2,000.00	200,000,000	2,000.00
Issued, subscribed and fully paid up				
Equity shares of ₹ 10 each with voting rights	1,030,053,057	10,300.53	1,030,053,057	10,300.53
0.001% Compulsorily convertible preference shares of ₹ 10 each	-	-	-	-
Total	1,030,053,057	10,300.53	1,030,053,057	10,300.53

Pursuant to a confirmation order dated August 7, 2019 under Section 233 of the Companies Act, the Regional Director, Ministry of Corporate Affairs, Chennai had confirmed the scheme of amalgamation between Kalyan Jewellers Mini Stores Private Limited and Kalyan Jewellers India Limited and consequent to that the authorised capital of the Company is increased to ₹14,005 divided into 1,200,500,000 equity shares of ₹10 each and 200,000,000 Compulsorily convertible preference shares of ₹10 each. During the previous year the authorised share capital was further increased to ₹20,005 divided into 1,800,500,000 equity shares of ₹10 each and 200,000,000 compulsorily convertible preference shares of ₹10 each pursuant in connection with Initial Public Offering.

(ii) Rights, preferences and restrictions attached to shares

The Company has one classes of equity shares. The ordinary equity shares are entitled to receive dividend as declared from time to time after payment of dividend to preference shareholders. The voting rights of an equity shareholder on a poll (not on show of hands) are in proportion to shareholders' share of the paid-up equity capital of the Company. Voting rights cannot be exercised in respect of shares on which any call or other sums presently payable have not been paid. Failure to pay any amount called up on shares may lead to forfeiture of the shares.

On winding up of the Company, the holders of equity shares will be entitled to receive the residual assets of the Company, remaining after distribution of all preferential amounts in proportion to the number of equity shares held.



Notes

Forming part of the Consolidated Financial Statements for the year ended March 31, 2022

(Amounts in ₹ million, except for shares data or as otherwise stated)

(iii) Reconciliation of the shares outstanding at the beginning and at the end of the year

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of shares	₹	No. of shares	₹
Equity shares with voting rights				
Opening balance	1,030,053,057.00	10,300.53	839,241,600.00	8,392.42
Add: Transactions during the year (Refer note (vi and vii) below)	-	-	190,811,457.00	1,908.11
Closing balance	1,030,053,057.00	10,300.53	1,030,053,057.00	10,300.53
0.001% Compulsorily convertible preference shares of ₹10 each				
Opening balance	-	-	119,047,619.00	1,190.48
Add: Transactions during the year (Refer note (vi) below)	-	-	(119,047,619.00)	(1,190.48)
Closing balance	-	-	-	-

(iv) Shareholders holding more than 5% shares in the Company

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of shares	%	No. of shares	%
Equity shares with voting rights				
T.S. Kalyanaraman	215,644,676	20.94%	215,644,676	20.94%
T.K. Seetharam	186,019,542	18.06%	186,019,542	18.06%
T.K. Ramesh	186,019,542	18.06%	186,019,542	18.06%
Highdell Investment Ltd.	271,539,787	26.36%	271,539,787	26.36%

(v) Shares held by promoters at the end of the year

Name of the Promoter	As at March 31, 2022		
	No. of shares	% of total shares	% of change during the year
T.S. Kalyanaraman	215,689,376	20.94%	0.02%
T.K. Seetharam	186,064,242	18.06%	0.02%
T.K. Ramesh	186,064,242	18.06%	0.02%

Name of the Promoter	As at March 31, 2021		
	No. of shares	% of total shares	% of change during the year
T.S. Kalyanaraman	215,644,676	20.94%	(1.12%)
T.K. Seetharam	186,019,542	18.06%	34.48%
T.K. Ramesh	186,019,542	18.06%	34.48%

Pursuant to the Subscription and Share Purchase Agreement dated March 31, 2017, entered into between the Company, its Promoters, Investor and Other Sellers as defined in the agreement, the Company had issued 0.001% 119,047,619 Compulsorily Convertible Preference Shares (CCPS) of ₹10/- each at a premium of ₹32/- each to Highdell Investment Ltd. ("Investor"), the proceeds of which was used for purposes of funding the growth and expansion of the Company, meeting the working/capital expenditure and for the general corporate purposes. The preference shares were Compulsorily Convertible into equity shares based on various conversion and exit options at an agreed internal rate of return as per the terms of agreement. CCPS have been fully converted into 98,857,435 equity shares of ₹10 each on March 4, 2021 at an aggregate premium of ₹201.90 million and the corresponding credit has been accounted under securities premium reserve.

Notes

Forming part of the Consolidated Financial Statements for the year ended March 31, 2022

(Amounts in ₹ million, except for shares data or as otherwise stated)

The Company completed the Initial Public Offer ('IPO') its equity shares during the previous year in March 2021 and listed its shares on Bombay Stock Exchange and National Stock Exchange on March 26, 2021. Pursuant to IPO, the Company had allotted 91,724,137 fresh equity shares of ₹10 each to public and 229,885 fresh equity shares of ₹10 each to employees of the Company at a premium of ₹77 per equity share and ₹69 per equity share respectively on March 24, 2021. The total share premium arising on IPO amounting to ₹7,078.62 million had been accounted under securities premium reserve and the IPO related expenses amounting to ₹472.03 million, being company's share of total IPO expense, post all subsequent settlements (₹10.77), had been adjusted against the premium amount as above.

As part of the IPO, there was also offloading of shares through Offer For Sale ('OFS') by Mr. T.S. Kalyanaraman ('promoter') and Highdell Investment Ltd. ('investor') totalling to ₹1,250 million and ₹2,500 million respectively. The IPO expense attributable to OFS after all subsequent settlements is ₹227.67 million which was recovered by the Company from Promoter and Investor. As at March 31, 2021 the balance of ₹49.36 million was refundable as part of OFS to promoter and investor and the same has been disclosed under Note 19 - Other Financial Liabilities as 'Dues to promoter and investor' which has been paid during the year ended March 31, 2022.

14 OTHER EQUITY

Particulars	As at March 31, 2022	As at March 31, 2021
(i) Securities premium reserve	16,016.60	16,005.83
(ii) Statutory reserve	5.83	5.67
(iii) Retained earnings	4,481.70	2,230.76
(iv) Foreign currency translation reserve	608.50	409.62
(v) Other comprehensive income	(42.89)	(692.11)
Partners capital account	-	-
Total	21,069.74	17,959.77

Particulars	As at March 31, 2022	As at March 31, 2021
(i) Securities premium reserve		
Balance at beginning of the year	16,005.83	9,208.10
Add: Premium arising on shares issued during the year (Refer note 12 (vi) and (vii))	-	7,280.53
Less: Expenses relating to IPO netted off against the above (Refer note 12 (vii))	10.77	(482.80)
Balance at the end of the year	16,016.60	16,005.83
(ii) Statutory reserve		
Balance at beginning of the year	5.67	5.29
Transactions during the year	-	-
Effect of foreign currency rate variations during the year	0.16	0.38
Balance at the end of the year	5.83	5.67
(iii) Retained earnings		
Balance at beginning of the year	2,230.76	2,446.76
Ind AS 116 impact on retained earning	-	-
Loss on acquisition of non-controlling interest	-	(152.96)
Adjustment on account of further infusion by non-controlling interests	8.85	-
Profit attributable to owners of the Company	2,242.09	(63.04)
Transfer to statutory reserve	-	-
Balance at the end of the year	4,481.70	2,230.76
(iv) Foreign currency translation reserve		
Balance at beginning of the year	409.62	447.26
Movement for the year	198.88	(37.64)
Balance at the end of the year	608.50	409.62



Notes

Forming part of the Consolidated Financial Statements for the year ended March 31, 2022

(Amounts in ₹ million, except for shares data or as otherwise stated)

Particulars	As at March 31, 2022	As at March 31, 2021
(v) Other comprehensive income		
Balance at beginning of the year	(692.11)	(79.21)
Remeasurement of defined benefit obligations (net of tax)	24.81	(11.65)
Effective portion of gain and loss on designated portion of hedging instruments in a cash flow hedge (net of tax)	624.41	(601.25)
Balance at the end of the year	(42.89)	(692.11)
Partners capital account		
Balance at beginning of the year	-	-
Movement for the year	-	-
Effect of foreign currency rate variations during the year	-	-
Balance at the end of the year	-	-

(vi) Nature and purpose of other reserve

Securities premium: Securities premium is used to record the premium received on issue of shares. It is utilised in accordance with the provisions of the Companies Act, 2013.

Statutory reserve: Statutory reserve is a reserve required to be maintained as per the legal requirements of the country of one of the subsidiaries.

Retained earnings / Surplus: Retained earnings are the profits / loss that the Company has earned / incurred till date, less any transfers to other reserves, dividends or other distributions paid to its equity shareholders.

Foreign currency translation reserve: Represents the cumulative difference on translation of foreign operations.

Items of other comprehensive income consists of effective portion of gain and loss on designated portion of hedging instruments in a cash flow hedge and remeasurement of net defined benefit liability/asset.

15 NON-CONTROLLING INTERESTS

Particulars	As at March 31, 2022	As at March 31, 2021
Balance at beginning of the year	4.96	(30.31)
Share of profit/ (loss) for the year	(1.79)	2.31
Further infusion of capital by non-controlling interest	15.12	
Adjustment from retained earnings on account of further infusion by non-controlling interests	(8.85)	
Acquisition of non-controlling interests in Enovate Lifestyle Private Limited	-	32.96
Closing balance	9.44	4.96

16 BORROWINGS

Particulars	As at March 31, 2022	As at March 31, 2021
Non-current		
(i) Terms loans from banks - secured	597.63	1,796.58
Less: Current maturities of long-term debt	(354.91)	(1,595.09)
Total	242.72	201.49
Current		
(ii) Loans repayable on demand from banks - secured	18,066.10	17,803.56
Current maturities of long-term debt	354.91	1,595.09
Total	18,421.01	19,398.65

Notes

Forming part of the Consolidated Financial Statements for the year ended March 31, 2022

(Amounts in ₹ million, except for shares data or as otherwise stated)

(i) Details of terms of repayment of long-term borrowings (non-current) and interest thereon are as follows:

Particulars	As at March 31, 2022	As at March 31, 2021
Term loan I		
Repayable in 46 Monthly Instalments commencing from June 2017 and ending in September 2021 amounting to ₹62.50 per quarter. Interest is charged at 11% as of the year end. Prepayment charges: No prepayment charges as per sanction order. Penal charges: 2% above the normal rate of interest.	-	178.39
Corporate term loan I		
Repayable in 48 Monthly Instalment of ₹41.60 each commencing from April 2017 and ending in September 2021. Interest is charged at 11% as of the year end. Prepayment charges: No prepayment charges as per sanction order. Penal charges: 2% above the normal rate of interest.	-	226.10
COVID term loan I		
Repayable in 18 Monthly Instalments of ₹45.55 each commencing from December 2020 and ending in May 2022. Interest charged at 7%. Prepayment charges: No prepayment charges as per sanction order. Penal charges: No penal charges as per sanction order.	89.77	637.78
COVID term loan II		
Repayable in 12 Monthly Instalments of ₹20.83 each commencing from March 2021 and ending in March 2022. Interest charged at 9.25%. Prepayment charges: No prepayment charges as per sanction order. Penal charges: No penal charges as per sanction order.	93.92	462.34
COVID term loan III		
Repayable in 12 Monthly Instalments of ₹20.83 each commencing from April 2021 and ending in March 2022. Interest charged at 7.65%. Prepayment charges: No prepayment charges as per sanction order. Penal charges: No penal charges as per sanction order.	-	229.20
Term loan III		
Repayable in 20 equal instalments commencing from December 15, 2018 and carries an interest at QMRL + 6% p.a.	-	62.77
Term loan IV		
Repayable in 36 monthly installments and carries an interest at 5% per annum over one month EIBOR, subject to variation.	413.94	-

Details of securities provided to long-term borrowings (non-current)

Term loan I - (a) First *pari passu* charge on the current assets of the Company along with other working capital lenders. (b) First charge over the entire movable fixed assets of the Company. (c) Exclusive first charge over the aircrafts owned by the Company. (c) Personal guarantees by Promoter Directors - Mr. T.S. Kalyanaraman, Mr. T.K. Seetharam, Mr. T.K. Ramesh and their relatives - Mrs. N.V. Ramadevi, Mrs. Maya Seetharam, Mrs. Deepa Ramesh & Mrs. T.K. Radhika.

Corporate term loan I - (a) First *pari passu* charge on the current assets of the Company along with other working capital lenders. (b) First charge over the entire movable fixed assets of the Company. (c) Exclusive first charge over the aircrafts owned by the Company. Personal guarantees by Promoter Directors - Mr. T.S. Kalyanaraman, Mr. T.K. Seetharam, Mr. T.K. Ramesh and their relatives - Mrs. N.V. Ramadevi, Mrs. Maya Seetharam, Mrs. Deepa Ramesh & Mrs. T.K. Radhika.

COVID term loans from State three banks do not have a separate security and are part of the overall security offered for working capital limit of respective banks. Refer Sr. No. ii for details of security.

Term loan II - a) Irrevocable personal guarantees of Mr. T.S. Kalyanaraman, Mr. T.K. Seetharam, Mr. T.K. Ramesh and Mr. Nasser Darwish Abdulla. b) Corporate guarantee by Kalyan Jewellers India Limited

Term loan III - a) Commercial mortgage over all the assets of the subsidiary. b) Corporate guarantee by Kalyan Jewellers India Limited and Kalyan Jewellers LLC Dubai*



Notes

Forming part of the Consolidated Financial Statements for the year ended March 31, 2022

(Amounts in ₹ million, except for shares data or as otherwise stated)

Term loan IV - a) Standby letter of credit in favour of the Bank in India by the Company b) pledge of fixed deposits of the Company.

* Current and non-current portion of the above borrowings are supported by Corporate guarantee's provided by Kalyan Jewellers India Limited. Refer note 33 for details.

Term loan IV - a) Standby letter of credit issued by the Company infavour of the Bank. b) Irrevocable personal guarantees of Mr. T.S. Kalyanaraman, Mr. T.K. Seetharam, Mr. T.K. Ramesh c) Corporate guarantee by Kalyan Jewellers India Limited

(ii) Details of interest rate and securities provided for loans repayable on demand from various banks

- (a) First *pari passu* charge on the entire current assets of the Company and respective subsidiaries viz. inventory, receivables and other current assets on *pari passu* basis with the member banks in consortium.
- (b) Personal guarantees by Promoter Directors - Mr. T.S. Kalyanaraman, Mr. T.K. Seetharam, Mr. T.K. Ramesh and their relatives -Mrs. N.V. Ramadevi, Mrs. Maya Seetharam, Mrs. Deepa Ramesh & Mrs. T.K. Radhika.
- (c) Land and buildings belonging to the Company and Promoter Directors - Mr. T.S. Kalyanaraman, Mr. T.K. Seetharam, Mr. T.K. Ramesh and their relatives - Mrs. N.V. Ramadevi, Mrs. Maya Seetharam, Mrs. Deepa Ramesh & Mrs. T.K. Radhika are offered as collateral security to the working capital consortium.
- (d) Corporate guarantee issued by Kalyan Jewellers India Limited in favour of Bank of Baroda, Sohar Bank, Commercial, National Bank of Fujairah and Commercial Bank of Dubai. (e) Rate of interest on these borrowings are variable and is payable at monthly intervals (e) Other charges: No Prepayment charges & Default charges as per sanction order.

(iii) There are no defaults in the repayment of principal or interest to lenders as at March 31, 2022 and March 31, 2021.

(iv) The Group has used the borrowings from banks and financial institutions for the specific purpose for which it was taken at the balance sheet date and previous year end.

(v) There are no creation of charges or satisfaction of charges yet to be registered with ROC beyond the statutory period for current year and previous year.

(vi) The Company or any of the subsidiaries have not been declared as a 'wilful defaulter' by any bank or financial institution.

(vii) The Company has working capital limit exceeding ₹50 million during the year and the Company has submitted quarterly statement of identified current assets to the bankers, and there are no differences between the amounts as per books and amounts reflected in the statements.

17 LEASE LIABILITIES

Particulars	As at March 31, 2022	As at March 31, 2021
Non-current		
Opening balance	6,982.63	7,577.53
Add: Addition during the year on account of new leases	1,222.97	878.60
Less: Impact on lease modification	(78.98)	(396.62)
Less: Impact on lease termination	(438.65)	(124.78)
Less: Lease rent payment	(1,797.84)	(1,703.26)
Add: Finance cost on lease liability (refer note 28)	760.69	754.17
Less: Current portion of lease liability	(993.93)	(860.12)
Effects of foreign currency exchange differences	10.52	(3.01)
Closing balance (refer note 38)	5,667.41	6,122.51
Current		
Current portion of lease liability	993.93	860.12
Closing balance	993.93	860.12

Notes

Forming part of the Consolidated Financial Statements for the year ended March 31, 2022

(Amounts in ₹ million, except for shares data or as otherwise stated)

18 PROVISIONS

Particulars	As at March 31, 2022	As at March 31, 2021
Non-current		
Provision for employee benefits - gratuity	343.36	342.08
Total	343.36	342.08
Current		
Provision for employee benefits - gratuity	114.91	94.63
Provision for employee benefits - compensated absences	27.81	-
Provision for customer loyalty programmes	6.67	8.47
Total	149.39	103.10

19 METAL GOLD LOAN

Particulars	As at March 31, 2022	As at March 31, 2021
Secured		
Payable to banks	14,968.13	14,179.52
Total	14,968.13	14,179.52

(i) Represents amounts payable against gold purchased from various banks under gold on loan scheme with variable interest rates ranging from 1.80% to 3.75% and is payable at monthly intervals. The credit period under the aforesaid arrangement is 180 days from the date of delivery of gold. The security is same as that of short-term borrowings. Refer note 16 (ii) for details of security.

20 TRADE PAYABLES

Particulars	As at March 31, 2022	As at March 31, 2021
Total outstanding dues of micro and small enterprises ('MSME')	1.84	0.84
Total outstanding dues of other than micro and small enterprises	6,564.06	6,900.22
Total	6,565.90	6,900.22

(i) The average credit period on purchases is normally 90 days. No interest is charged on the trade payables. The Company has financial risk management policies in place to ensure that payables are paid within the pre-agreed credit terms.

(ii) Trade payables ageing schedule

As at March 31, 2022:

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	Above 3 years	
Undisputed					
MSME	1.84	-	-	-	1.84
Others	6,467.01	47.65	15.32	34.08	6,564.06
Disputed					
MSME	-	-	-	-	-
Others	-	-	-	-	-
Total	6,468.85	47.65	15.32	34.08	6,565.90



Notes

Forming part of the Consolidated Financial Statements for the year ended March 31, 2022

(Amounts in ₹ million, except for shares data or as otherwise stated)

As at March 31, 2021:

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	Above 3 years	Total
Undisputed					
MSME	0.84	-	-	-	0.84
Others	6,805.42	15.95	27.46	51.39	6,900.22
Disputed					
MSME	-	-	-	-	-
Others	-	-	-	-	-
Total	6,806.26	15.95	27.46	51.39	6,901.06

21 OTHER FINANCIAL LIABILITIES

Particulars	As at March 31, 2022	As at March 31, 2021
Current		
Interest accrued but not due on borrowings	159.89	104.12
Payable on purchase of property, plant and equipment	9.74	44.19
Payable to related parties (refer note 33)	-	-
Derivative financial instruments, carrying at fair value (Refer note 35(C))		
- Forward Contracts	157.91	1,075.84
Dues to promoter and investor (refer 12(vii))	-	49.36
Total	327.54	1,273.51

22 OTHER CURRENT LIABILITIES

Particulars	As at March 31, 2022	As at March 31, 2021
Statutory dues	158.94	182.46
Security deposit received from employees	94.77	93.40
Advance from customers	10,138.58	10,069.75
Total	10,392.29	10,345.61

23A CURRENT TAX LIABILITIES (NET)

Particulars	As at March 31, 2022	As at March 31, 2021
Provision for income tax	-	2,157.53
Less: Advance tax	-	(1,499.16)
Current tax liabilities (net)	-	658.37

23B NON-CURRENT TAX ASSETS (NET)

Particulars	As at March 31, 2022	As at March 31, 2021
Advance tax	3,022.17	-
Less: Provision for income tax	(2,969.39)	-
Non-current tax assets (net)	52.78	-

24 REVENUE FROM OPERATIONS

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
(i) Revenue from sale of goods	107,808.27	85,433.35
(ii) Other operating revenue	371.07	299.70
Total	108,179.34	85,733.05

Notes

Forming part of the Consolidated Financial Statements for the year ended March 31, 2022

(Amounts in ₹ million, except for shares data or as otherwise stated)

(i) Reconciliation of revenue recognised in the statement of profit and loss with the contracted price:

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Contracted price	110,691.87	89,338.21
Less: Reductions towards variable consideration components	(2,883.60)	(3,904.86)
Net consideration recognised as revenue	107,808.27	85,433.35

The reduction towards variable consideration comprises of scheme discounts, incentives etc.

(ii) Other operating revenue

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Discount received	2.48	2.20
Ear piercing income	5.51	2.81
Income from gift vouchers	65.49	76.22
Insurance service charges (net)	116.86	92.26
Interest income from margin money deposits	180.73	126.21
Total	371.07	299.70

25 OTHER INCOME

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Recurring		
Interest Income earned on financial assets carried at amortised cost		
Fixed deposit with banks	47.03	28.65
Gain on disposal of property, plant and equipment (Net)	3.32	1.00
Net gain on foreign currency transactions and translation	28.06	-
Non-Recurring		
Gain on lease termination	160.90	33.40
Gain on lease modification	27.16	66.31
Liabilities no longer required written back	24.92	1.00
Income from rent concession (refer note 39)	40.68	225.99
Miscellaneous income	50.86	97.34
Total	382.93	453.69

26 COST OF MATERIALS CONSUMED

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Opening stock	6,796.99	4,418.81
Add: Purchases	95,866.16	77,219.25
	102,663.15	81,638.06
Less: Closing stock	(5,591.79)	(6,796.99)
Effect of foreign currency exchange differences	19.85	(16.12)
Total	97,091.21	74,824.95
Inventories at the end of the year		
Work-in-progress	9,235.86	8,675.54
Finished goods	43,114.94	37,558.36
Total	52,350.80	46,233.90



Notes

Forming part of the Consolidated Financial Statements for the year ended March 31, 2022

(Amounts in ₹ million, except for shares data or as otherwise stated)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Inventories at the beginning of the year		
Work-in-progress	8,675.54	7,385.36
Finished goods	37,558.36	35,399.26
Total	46,233.90	42,784.62
Effect of foreign currency exchange differences	288.57	(234.56)
Net (increase) / decrease	(5,828.33)	(3,683.84)

27 EMPLOYEE BENEFITS EXPENSE

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Salaries and wages	3,128.17	2,951.74
Contribution to provident and other funds (refer note 34(a))	177.33	164.17
Gratuity (refer note 34(b))	89.73	83.07
Staff welfare expenses	147.46	116.33
Total	3,542.69	3,315.31

28 FINANCE COSTS

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Interest expense on:		
Borrowings	2,271.89	2,862.08
Lease liabilities	760.69	754.17
Other borrowing costs	191.05	137.91
Total	3,223.63	3,754.16

29 OTHER EXPENSES

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Power and fuel	356.86	298.06
Freight and forwarding	29.22	15.99
Rent including lease rentals (refer note 38)	332.94	388.12
Repairs and maintenance - Vehicles	17.24	10.61
Repairs and maintenance - Others	333.25	275.04
Telephone and leased line expenses	63.10	66.50
Bank charges	380.11	300.62
Packing materials and compliments	141.31	108.19
Sitting fees and commission to directors	5.90	6.00
Rates and taxes	91.82	83.51
Expenditure on corporate social responsibility	30.73	38.31
Insurance charges	52.45	37.12
Sales promotion	799.64	349.06
Commission and rebates	129.05	96.88
Advertisement expense	1,523.90	1,110.49
Auditors remuneration and out-of-pocket expenses (refer note (iv) below)	46.56	37.00
Legal and other professional costs	83.04	104.25

Notes

Forming part of the Consolidated Financial Statements for the year ended March 31, 2022

(Amounts in ₹ million, except for shares data or as otherwise stated)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Donations and contributions (refer note (i) below)	54.93	46.12
Travelling and conveyance	219.16	167.15
Printing and stationery	27.70	32.66
Credit impaired trade and other advances written off	55.88	32.06
Provision for expected credit loss on financial assets	2.25	15.76
Provision for doubtful insurance claims	38.04	-
Property, plant and equipment written off (refer note (ii) below)	162.22	334.06
Loss on termination of leases (refer note (ii) below)	-	400.58
Provision for impairment on right of use assets (refer note (iii) below)	-	342.55
Loss on derivative financial instruments (net)	139.54	407.74
Net loss on foreign currency transactions and translation	-	104.44
Security expenses	30.98	26.61
Miscellaneous expenses	80.92	98.09
Total	5,228.74	5,333.57

(i) Donations and contributions include contributions to political parties amounting to ₹4.20 million (March 31, 2020: ₹17.15 million).

(ii) For the year ended March 31, 2021, Property, plant and equipment written off amounting to ₹158.38 million and Loss on termination of leases relates to closure of showrooms in Middle East.

(iii) Represents provision for impairment of right of use assets in Middle East for the year ended March 31, 2021.

(iv) Excludes ₹6 million towards comfort letter and expenses for prospective bond issue which is accounted in balance sheet to be amortised in future (March 31, 2021: ₹29 million towards comfort letter and other IPO related services which is accounted in balance sheet which has been offset with securities premium arising from IPO in the current year).

30 INCOME TAX AND DEFERRED TAX

(i) Expense recognised in the statement of profit and loss

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Current tax		
In respect of the current year	812.94	762.15
In respect of prior years	-	(0.77)
Deferred tax	(64.68)	(307.08)
Total income tax expense recognised during the year	748.26	454.30

(ii) Expense/ (income) recognised in other comprehensive income

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Deferred tax with respect to:		
Defined benefit obligation	(8.33)	3.92
Hedging instruments designated as cash flow hedges	(68.56)	69.04
Total income tax expense/ (income) recognised during the year	(76.89)	72.96



Notes

Forming part of the Consolidated Financial Statements for the year ended March 31, 2022

(Amounts in ₹ million, except for shares data or as otherwise stated)

(iii) The reconciliation between the provision of income tax of the Company and amounts computed by applying the Indian statutory income tax rate to profit before taxes is as follows:

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Profit/ (loss) before tax	2,988.56	393.57
Enacted income tax rate	25.17%	25.17%
Computed expected tax expense	752.22	99.06
Effect of		
Effect of loss of subsidiaries in the consolidated profits	4.67	379.19
Effect of profits of foreign subsidiaries in the consolidated profits	(27.32)	-
Expenses that are not deductible in determining taxable profit	21.52	22.50
Adjustments recognised in the current year in relation to prior years	-	(0.77)
Others	(2.83)	(45.68)
Income tax expense recognised in the Statement of Profit or Loss	748.26	454.30

(iv) Breakup of closing deferred tax (asset)/ liability

Particulars	As at March 31, 2022	As at March 31, 2021
Deferred tax assets		
Employee benefit obligations	(105.61)	(94.50)
Provision for expected credit loss and other doubtful receivables	(11.69)	(1.55)
Fair valuation of derivative financial instruments	(10.29)	(120.15)
Tax losses	(83.34)	(69.19)
Impact of lease accounting as per IND AS 116	(441.20)	(443.96)
Others	(15.24)	(20.27)
Deferred tax liabilities		
Property, plant and equipment	217.63	289.04
Net deferred tax (asset)/ liability	(449.74)	(460.58)

(v) Movement of deferred tax (asset)/ liability

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Opening balance of deferred tax (asset)/ liability	(460.58)	(80.99)
Effect of foreign currency exchange differences	(1.37)	0.45
Recognised in Statement of Profit or loss		
Property, plant and equipment	(72.19)	(95.02)
Brought forward tax losses	(12.00)	(35.41)
Defined benefit obligation	(19.45)	(13.44)
Provision for expected credit loss and other doubtful receivables	(10.14)	0.67
Fair valuation of derivative financial instruments	41.32	(140.59)
Others	7.78	(23.29)
Total	(64.68)	(307.08)
Recognised in Other Comprehensive Income		
Defined benefit obligation	8.33	(3.92)
Hedging instruments designated as cash flow hedges	68.56	(69.04)
Total	76.89	(72.96)
Closing balance deferred tax (asset)/ liability	(449.74)	(460.58)

Notes

Forming part of the Consolidated Financial Statements for the year ended March 31, 2022

(Amounts in ₹ million, except for shares data or as otherwise stated)

31 SEGMENT INFORMATION

The Chief Operating Decision Maker (CODM) of the Group examines the performance from the perspective of the Group as a whole viz. 'jewellery business' and hence there are no separate reportable segments as per Ind AS 108.

During the year ended March 31, 2022 and March 31, 2021 respectively, revenue from transactions with a single external customer did not amount to 10 percent or more of the Company's revenues from the external customers.

Particulars	Revenue from External customers		Non-current assets	
	For the year March 31, 2022	For the year March 31, 2021	As at March 31, 2022	As at March 31, 2021
India	91,775.01	73,871.12	15,817.01	16,849.56
Middle East	16,404.33	11,861.93	5,220.86	4,698.96
	108,179.34	85,733.05	21,037.87	21,548.52

32 EARNINGS PER SHARE (EPS)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Profit/ (loss) attributable to ordinary shareholders	2,242.09	(63.04)
Weighted average number of equity shares used as denominator for calculating Basic EPS	1,030,053,057	848,840,615
Weighted average potential equity shares	-	109,915,199
Weighted average number of equity shares used in the calculation of Diluted EPS	1,030,053,057	958,755,814
Earnings per share of	10.00	10.00
Basic (₹)	2.18	(0.07)
Diluted (₹) (Refer Note (i) below)	2.18	(0.07)

This is considered as anti-dilutive in nature, in view of the loss attributable to ordinary shareholders during the year ended March 31, 2021.

33 CONTINGENT LIABILITIES

Particulars	As at March 31, 2022	As at March 31, 2021
Other monies for which the Group is contingently liable:		
Disputed Sales Tax demands (out of which ₹18 million (March 31, 2021: ₹16.56 million) have been deposited under protest)	1,952.37	1,963.27
Disputed Service Tax demands (out of which ₹1.76 million (March 31, 2021 ₹1.76 million) have been deposited under protest)	22.00	22.00
Disputed Income Tax demands (out of which Nil (March 31, 2021: Nil) has been deposited under protest)	249.24	-

Future cash flows in respect of the above matters are determinable only on receipt of judgements/decisions pending at various forums/authorities. Management is hopeful of successful outcome in the appellate proceedings.

34 EMPLOYEE BENEFIT PLANS

(a) Defined contribution plans

The Company makes contributions to provident fund and employee state insurance schemes which are defined contribution plans, for qualifying employees. Under the schemes, the Company is required to contribute a specified percentage of the payroll cost to fund the benefits. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes and the Company has no obligations beyond its contributions. The contributions recognised in the statement of profit and loss during the year are as under:



Notes

Forming part of the Consolidated Financial Statements for the year ended March 31, 2022

(Amounts in ₹ million, except for shares data or as otherwise stated)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Provident fund	154.99	139.93
Employee state insurance scheme	22.34	24.24
Total	177.33	164.17

(b) Defined benefit plans

The Company and its subsidiary company in India offers gratuity benefits, a defined employee benefit scheme to its employees. The said benefit plan is exposed to actuarial risks such as longevity risk and salary risk. The Company has not funded its gratuity obligations. The following table sets out the status of the defined benefit schemes and the amount recognised in the financial statements as per the actuarial valuation done by an independent actuary.

The principal assumptions used for the purposes of the actuarial valuations were as follows

The Company:

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Discount rate	5.64%	5.64%
Salary escalation	6.00%	6.00%
Attrition rate	27.00%	22.00%
Retirement age (in years)	58	58

Subsidiary company in India:

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Discount rate	6.82%	6.84%
Salary escalation	9.00%	9.00%
Attrition rate	5.00%	5.00%
Retirement age (in years)	58	58

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary. The mortality rates considered are as per the published rates in the Indian Assured Lives Mortality (2006-08) Ult table.

Components of defined benefit costs recognised is as follows:

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
In Statement of Profit and Loss		
Current service cost	57.44	50.83
Past service cost	-	6.00
Interest on net defined benefit liability/ (asset)	20.10	17.71
Net cost recognised in Statement of profit and loss	77.54	74.54
Add: Cost pertaining to foreign subsidiary accounted on undiscounted basis	12.19	8.53
Total cost recognised in Statement of profit and loss (refer note 26)	89.73	83.07

Notes

Forming part of the Consolidated Financial Statements for the year ended March 31, 2022

(Amounts in ₹ million, except for shares data or as otherwise stated)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
In Other Comprehensive Income		
Remeasurement on the net defined benefit liability		
Return on plan assets [excluding amounts included in net interest expense] (excess) / Short return	-	-
Actuarial (gains) / losses arising from changes in demographic assumptions	-	-
Actuarial (gains) / losses arising from changes in financial assumptions	(33.14)	15.57
Actuarial (gains) / losses arising from experience adjustments	-	-
Components of defined benefit costs recognised in other comprehensive income	(33.14)	15.57

The current service cost and the net interest expense for the year are included in the 'Employee benefits expense' line item in the consolidated statement of profit and loss. The remeasurement of the net defined benefit liability is included in other comprehensive income.

The amount included in the balance sheet arising from the entity's obligation in respect of its defined benefit plans is as follows:

Particulars	As at March 31, 2022	As at March 31, 2021
Present value of defined benefit obligation	391.58	375.29
Fair value of plan assets	-	-
Net liability arising from defined benefit obligation	391.58	375.29
Add: Liability pertaining to foreign subsidiary accounted on undiscounted basis	66.69	61.42
Total gratuity liability as per Note 18	458.27	436.71

Movements in the present value of the defined benefit obligation are as follows

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Opening defined benefit obligation	375.29	309.99
Expenses recognised in the statement of profit and loss		
Current service cost	57.44	50.83
Past service cost	-	6.00
Interest cost	20.10	17.71
Remeasurement (gains)/losses recognised in other comprehensive income		
Actuarial gains and losses arising from changes in demographic assumptions	-	-
Actuarial gains and losses arising from changes in financial assumptions	(33.14)	15.57
Actuarial gains and losses arising from experience adjustments	-	-
Acquisition / Divestiture	-	-
Benefits paid	(28.11)	(24.81)
Closing defined benefit obligation	391.58	375.29

Movements in the fair value of the plan assets are as follows

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Opening fair value of the asset		
Interest income on plan assets	-	-
Employer contributions	28.11	24.81
Benefits paid	(28.11)	(24.81)
Closing fair value of assets	-	-



Notes

Forming part of the Consolidated Financial Statements for the year ended March 31, 2022

(Amounts in ₹ million, except for shares data or as otherwise stated)

Sensitivity analysis

The key actuarial assumptions to which the defined benefit plans are particularly sensitive to are discount rate and full salary escalation rate. The sensitivity analysis below, have been determined based on reasonably possible changes of the assumptions occurring at end of the reporting period, while holding all other assumptions constant. The result of sensitivity analysis is given below:

Particulars	As at March 31, 2022	As at March 31, 2021
Discount rate		
Defined benefit obligation on plus 50 basis points	379.48	362.10
Defined benefit obligation on minus 50 basis points	391.97	376.83
Salary escalation		
Defined benefit obligation on plus 50 basis points	392.69	377.53
Defined benefit obligation on minus 50 basis points	378.70	361.35

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Maturity profile of defined benefit obligation

Particulars	As at March 31, 2022	As at March 31, 2021
Expected total benefit payments		
Within 1 year	102.31	77.67
1 year to 2 years	80.82	67.60
2 years to 3 years	62.88	56.71
3 years to 4 years	49.79	47.42
4 years to 5 years	39.12	40.11
5 years to 10 years	96.14	116.44

35 RELATED PARTY DISCLOSURES

A List of related parties where control exists and also related parties with whom transactions have taken place and relationships

Nature of relationship	Name of the related parties
Entity exercising significant influence over the Company [Entity - ESI]	Highdell Investment Ltd.
Key Management Personnel [KMP]	T.S. Kalyanaraman (Chairman and Managing Director) T.K. Seetharam (Whole-time Director) T.K. Ramesh (Whole-time Director) Sanjay Raghuraman (Appointed as Chief Executive Officer w.e.f. July 1, 2020) V. Swaminathan (Chief Financial Officer) Jishnu R.G. (Company Secretary)
Relatives of KMP	N.V. Ramadevi (wife of T.S. Kalyanaraman) Maya Seetharam (wife of T.K. Seetharam) Deepa Ramesh (wife of T.K. Ramesh) T.K. Radhika (daughter of T.S. Kalyanaraman)
Non-Executive Directors [NED]	Ramaswamy M (Independent Director) A. D. M. Chavali (Independent Director) Kishori Jayendra Udeshi (Independent Director) Trikkur Sitaraman Anantharaman (Independent Director) Anil Nair (Appointed as Independent director w.e.f. May 29, 2020)

Notes

Forming part of the Consolidated Financial Statements for the year ended March 31, 2022

(Amounts in ₹ million, except for shares data or as otherwise stated)

Nature of relationship	Name of the related parties
	Salil S Nair (Appointed as Non-Executive Director w.e.f. May 29, 2020) Anish Kumar Saraf (Nominee director)
Enterprises over which KMP are able to exercise significant influence [KMP - ESI]	M/s. Kalyan Textile Kalyan Jewellers Foundation M/s. Kalyan Developers

B Transactions with related parties

Nature of transactions	KMP	Entity - ESI	NED	KMP - ESI
Revenue from operations				
T.S. Kalyanaraman	7.41	-	-	-
	8.70	-	-	-
T.K. Seetharam	9.16	-	-	-
	1.35	-	-	-
T.K. Ramesh	13.19	-	-	-
	8.83	-	-	-
Purchase				
T.S. Kalyanaraman	75.84	-	-	-
	-	-	-	-
T.K. Seetharam	0.98	-	-	-
	-	-	-	-
T.K. Ramesh	27.83	-	-	-
	-	-	-	-
Allotment of equity shares upon conversion of CCPS (including share premium)				
Highdell Investment Ltd.	-	-	-	-
	-	1,190.47	-	-
Allotment of equity shares pursuant to IPO (including share premium)				
Salil S Nair	-	-	-	-
	-	-	0.85	-
Share of IPO expenses reimbursed to the Company				
T.S. Kalyanaraman	-	-	-	-
	77.57	-	-	-
Highdell Investment Ltd.	-	-	-	-
	-	155.14	-	-
Staff welfare expense				
M/s. Kalyan Textile	-	-	-	23.36
	-	-	-	28.36
Managerial remuneration				
T.S. Kalyanaraman	61.85	-	-	-
	114.14	-	-	-
T.K. Seetharam	61.85	-	-	-
	114.14	-	-	-
T.K. Ramesh	61.85	-	-	-
	114.14	-	-	-
Sanjay Raghuraman	18.64	-	-	-
	14.87	-	-	-
V. Swaminathan	19.00	-	-	-
	18.45	-	-	-



Notes

Forming part of the Consolidated Financial Statements for the year ended March 31, 2022

(Amounts in ₹ million, except for shares data or as otherwise stated)

Nature of transactions	KMP	Entity - ESI	NED	KMP - ESI
Jishnu R.G.	2.46	-	-	-
	<i>2.12</i>	-	-	-
Sitting fees paid				
Ramaswamy M.	-	-	0.50	-
	-	-	<i>1.00</i>	-
A. D. M. Chavali	-	-	0.50	-
	-	-	<i>1.00</i>	-
Kishori Jayendra Udeshi	-	-	0.40	-
	-	-	<i>1.00</i>	-
Trikkur Sitaraman Anantharaman	-	-	0.50	-
	-	-	<i>1.00</i>	-
Anil Nair	-	-	0.50	-
	-	-	<i>1.00</i>	-
Salil S. Nair	-	-	0.50	-
	-	-	<i>1.00</i>	-
Commission to directors				
Ramaswamy M.	-	-	0.50	-
	-	-	-	-
A. D. M. Chavali	-	-	0.50	-
	-	-	-	-
Kishori Jayendra Udeshi	-	-	0.50	-
	-	-	-	-
Trikkur Sitaraman Anantharaman	-	-	0.50	-
	-	-	-	-
Anil Nair	-	-	0.50	-
	-	-	-	-
Salil S Nair	-	-	0.50	-
	-	-	-	-
Reimbursement of expenses (incurred on behalf of the Company)				
T.K. Seetharam	-	-	-	-
	-	-	-	-
T.K. Ramesh	0.17	-	-	-
	-	-	-	-
Sanjay Raghuraman	0.60	-	-	-
	<i>2.19</i>	-	-	-
V. Swaminathan	-	-	-	-
	<i>0.02</i>	-	-	-
Reimbursement of expenses (incurred by the Company on behalf of the party)				
T.K. Ramesh	<i>1.30</i>	-	-	-
	-	-	-	-
Contribution towards CSR				
Kalyan Jewellers Foundation	-	-	-	18.00
	-	-	-	-

Notes

Forming part of the Consolidated Financial Statements for the year ended March 31, 2022

(Amounts in ₹ million, except for shares data or as otherwise stated)

C Balance as on the balance sheet date

Balance with related parties	KMP	Entity - ESI	NED	KMP - ESI
Receivables / Outstanding (net) from related parties				
Kalyan Jewellers Foundation	-	-	-	18.00
	-	-	-	-
Payables (net) to related parties				
Highdell Investment Ltd.	-	-	-	-
	-	<i>32.91</i>	-	-
T.S. Kalyanaraman	3.57	-	-	-
	<i>40.21</i>	-	-	-
T.K. Seetharam	3.57	-	-	-
	<i>14.69</i>	-	-	-
T.K. Ramesh	2.27	-	-	-
	<i>14.69</i>	-	-	-
Sanjay Raghuraman	0.69	-	-	-
	<i>4.27</i>	-	-	-
V. Swaminathan	0.72	-	-	-
	<i>0.36</i>	-	-	-
Jishnu R.G.	0.12	-	-	-
	<i>0.11</i>	-	-	-
Ramaswamy M	-	-	0.50	-
	-	-	-	-
A D M Chavali	-	-	0.50	-
	-	-	-	-
Kishori Jayendra Udeshi	-	-	0.50	-
	-	-	-	-
Trikkur Sitaraman Anantharaman	-	-	0.50	-
	-	-	-	-
Anil Nair	-	-	0.50	-
	-	-	-	-
Salil S Nair	-	-	0.50	-
	-	-	-	-

Amount in italics pertains to the year ended March 31, 2021

D Notes to related party disclosures

Notes:

- (i) Mr. T.S. Kalyanaraman, Mr. T.K. Seetharam and Mr. T.K. Ramesh and their relatives (indicated under 'Relatives of KMP') have provided joint personal guarantees on behalf of the Group to all its lenders for the various credit facilities extended by the lenders (including non-fund based facilities). The details of such personal guarantees received/ (released) during the period and the closing balance of such personal guarantees is given below:

Particulars	March 31, 2022	March 31, 2021
Lenders in India:		
Personal guarantees received/ (released) during the period	(308.42)	(1,835.00)
Closing balance of personal guarantees received	23,217.04	23,525.46
Lenders outside India:		
Personal guarantees received/ (released) during the period	-	(24.34)
Closing balance of personal guarantees received*	6,454.02	6,259.12

*Movement in closing balance from March 31, 2021 to March 31, 2022 represents effect of changes in foreign exchange rates



Notes

Forming part of the Consolidated Financial Statements for the year ended March 31, 2022

(Amounts in ₹ million, except for shares data or as otherwise stated)

(ii) The remuneration of directors and other members of key managerial personnel during the period was as follows:

Particulars	As at	
	For the year ended March 31, 2022	For the year ended March 31, 2021
Short-term employee benefits (salaries, bonus and other allowances) (note v)	225.65	377.86

(iii) The above information has been determined to the extent such parties have been identified on the basis of information available with the Group and relied upon by the auditors.

(iv) Mr. T.S. Kalyanaraman, Mr. T.K. Seetharam and Mr. T.K. Ramesh has only provided personal guarantees to lenders outside India. Further the closing balance of personal guarantees provided includes ₹513.86 million (previous period ₹498.34 million) where only Mr. T.S. Kalyanaraman has provided personal guarantee.

(v) The above figures do not include provisions for encashable leave, gratuity and pension, as separate actuarial valuation are not available.

(vi) Also refer Note 12 (vii) for details of transactions involving Mr. T.S. Kalyanaraman and Highdell Investment Ltd. in connection with IPO.

(vii) During the period ended March 31, 2021, 1 equity share of face value of ₹10/- was transferred to CEO.

36 FINANCIAL INSTRUMENTS

Categories of financial instruments

This section gives an overview of the significance of financial instruments for the Group and provides additional information on balance sheet items that contain financial instruments. The details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised in respect of each class of financial asset, and financial liability are disclosed in Note 2(xvii).

(a) Financial assets and liabilities

The accounting classification of each category of financial instruments and their carrying amounts, are set out below:

Particulars	As at			
	March 31, 2022		March 31, 2021	
	Carrying value	Fair value	Carrying value	Fair value
Financial assets				
Measured at amortised cost				
Investments	6.00	6.00	-	-
Others financial assets - non-current	733.74	733.74	988.88	988.88
Trade receivables	1,194.70	1,194.70	1,126.64	1,126.64
Cash and cash equivalents	1,490.22	1,490.22	3,648.56	3,648.56
Bank balances other than cash and cash equivalents	6,281.79	6,281.79	7,317.64	7,317.64
Others financial assets - current	305.04	305.04	343.11	343.11
Total financial assets measured at amortised cost	10,011.49	10,011.49	13,424.83	13,424.83
Mandatorily measured at FVTPL				
Derivative financial instruments not designated as hedging, carried at fair value	-	-	-	-
Total financial assets	10,011.49	10,011.49	13,424.83	13,424.83

Notes

Forming part of the Consolidated Financial Statements for the year ended March 31, 2022

(Amounts in ₹ million, except for shares data or as otherwise stated)

Particulars	As at			
	March 31, 2022		March 31, 2021	
	Carrying value	Fair value	Carrying value	Fair value
Financial liabilities				
Measured at amortised cost				
Borrowings	18,663.73	18,663.73	19,600.14	19,600.14
Metal gold loan	14,968.13	14,968.13	14,179.52	14,179.52
Lease liabilities	6,661.34	6,661.34	6,982.63	6,982.63
Trade payables	6,565.90	6,565.90	6,901.06	6,901.06
Others financial liabilities	169.63	169.63	197.67	197.67
Total financial assets measured at amortised cost	47,028.73	47,028.73	47,861.02	47,861.02
Mandatorily measured at FVTPL				
Derivative financial instruments not designated as hedging, carried at fair value	157.91	157.91	1,075.84	1,075.84
Total financial liabilities	47,186.64	47,186.64	48,936.86	48,936.86

The management assessed that fair values of cash and cash equivalents, trade receivables, other financial assets, trade payables and other financial liabilities recorded at amortised cost is considered to be a reasonable approximation of fair value.

Following methods and assumptions were used to estimate fair values:

Fair values of the Group's interest-bearing borrowings are determined by using EIR method using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period. The own non-performance risk as at reporting date was assessed to be insignificant.

(b) Fair value hierarchy

The Group uses the following hierarchy for determining and/or disclosing the fair value of financial instruments by valuation techniques. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

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

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

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Quantitative disclosures fair value measurement hierarchy

The derivative instruments in designated hedge accounting relationships is measured at fair value at level 1, with valuation technique being use of market available inputs such as gold prices and foreign exchange rates.

(c) Financial risk management objective

The Group's activities expose it to a variety of financial risks. The Group's primary focus is to foresee the unpredictability of such risks and seek to minimize potential adverse effects on its financial performance.

The Group has a robust risk management process and framework in place. This process is coordinated by the Board of the Group, which meets regularly to review risks as well as the progress against the planned actions. The Board seeks to identify, evaluate business risks and challenges across the Group through such framework. These risks include market risks, credit risk and liquidity risk.



Notes

Forming part of the Consolidated Financial Statements for the year ended March 31, 2022

(Amounts in ₹ million, except for shares data or as otherwise stated)

The risk management process aims to:

- improve financial risk awareness and risk transparency
- identify, control and monitor key risks
- identify risk accumulations
- provide management with reliable information on the Group's risk situation
- improve financial returns

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements:

Risk	Exposure arising from	Risk management
Market risk - prices	Gold price fluctuations	Used as a hedging instrument for gold inventory or through metal gold loan facilities.
Market risk - foreign exchange	Recognised financial assets and liabilities not denominated in Indian rupee (₹)	Periodic review by management
Market risk - interest rate	Borrowings at variable rates	Mix of borrowings taken at fixed and floating rates
Credit risk	Cash and cash equivalents, trade receivables, derivative financial instruments and other financial assets	Bank deposits, diversification of asset base, credit limits and collateral.
Liquidity risk	Borrowings and other liabilities	Availability of committed credit lines and borrowing facilities

Market risk - price risk

The Group is exposed to fluctuations in gold price (including fluctuations in foreign currency) arising on purchase/ sale of gold. The Group's business objective includes safe-guarding its earnings against adverse price movements of gold as well as foreign exchange risks.

The Group has adopted a structured risk management process to hedge all these risks within an acceptable risk limit and an approved hedge accounting framework which allows for fair value hedges/cash flow hedges, as designated at the inception of the hedge. The forward contracts which are not designated as above are marked to market at each balance sheet date and corresponding gain/ loss is recognised in the Statement of Profit and Loss. The risk management strategy against gold price fluctuation also includes procuring gold on loan basis, with a flexibility to fix price of gold at any time during the tenor of the loan. The Company does not enter into or trade financial instruments including derivative financial instruments, for speculative purposes.

The table below shows the position of hedging against probable forecast sales (commodity price risk) and currency forwards (currency risk) as of the balance sheet date.

As at	Quantity (Kgs)	Carrying amount - receivable/ (payable)		Maturity date
		Designated hedges as per IND AS 109	Other than designated hedges	
March 31, 2022	7,195	(64.74)	(93.17)	Range - within 6 months
March 31, 2021	8,409	(670.28)	(405.55)	Range - within 6 months

The table below shows the position of metal gold loans as on the balance sheet date:

Particulars	As at March 31, 2022	As at March 31, 2021
Quantity (Kgs)	2,995.00	3,329.00
Carrying amount	14,968.13	14,179.52

Notes

Forming part of the Consolidated Financial Statements for the year ended March 31, 2022

(Amounts in ₹ million, except for shares data or as otherwise stated)

Market risk - Interest rate

(i) Liabilities

The Group's policy is to minimise interest rate cash flow risk exposures on long-term financing. At the balance sheet date, the Group is exposed to changes in market interest rates through bank borrowings at variable interest rates. Below is the overall exposure of the Group to interest rate risk:

Particulars	As at March 31, 2022	As at March 31, 2021
Variable rate borrowing	18,663.73	19,600.14
Fixed rate borrowing	-	-

Interest rate sensitivity analysis:

The sensitivity analyses below have been determined based on the exposure to interest rates for non-derivative instruments at the reporting date. For floating rate borrowings, the analysis is prepared assuming the amount of liability outstanding at the reporting date was outstanding for the whole year. The impact on the Group's profit if interest rates had been 50 basis points higher/lower and all other variables were held constant:

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Increase in borrowing rates by 50 basis points		
Impact on profits - Increase/ (decrease)	(127.44)	(122.56)
Impact on equity (net of tax) - Increase/ (decrease)	(75.02)	(81.64)
Decrease in borrowing rates by 50 basis points		
Impact on profits - Increase/ (decrease)	127.44	122.56
Impact on equity (net of tax) - Increase/ (decrease)	75.02	81.64

(ii) Assets

The Group's financial assets are carried at amortised cost and are at fixed rate only. They are, therefore, not subject to interest rate risk since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

Credit Risk

Credit risk is the risk that a customer or counterparty to a financial instrument will fail to perform or pay amounts due to the Group causing financial loss. It arises from cash and cash equivalents, deposits with banks and financial institutions, security deposits, loans given and principally from credit exposures to customers relating to outstanding receivables. The Group's maximum exposure to credit risk is limited to the carrying amount of financial assets recognised at reporting date.

In respect of trade and other receivables, the Group is not exposed to any significant credit risk exposure to any single counterparty or any Group of counterparties having similar characteristics. Credit risk on receivables is limited as the nature of the business is cash and carry except for related parties and other large number of individual customers in various geographical areas. The Group has very limited history of customer default, and considers the credit quality of trade receivables that are not past due or impaired to be good.

Therefore, the Group does not expect any material risk on account of non-performance by any of the Group's counterparties.

The credit risk for cash and cash equivalents, bank deposits, security deposits and loans is considered negligible, since the counterparties are reputable organisations with high quality external credit ratings."



Notes

Forming part of the Consolidated Financial Statements for the year ended March 31, 2022

(Amounts in ₹ million, except for shares data or as otherwise stated)

Liquidity risk

The Group requires funds both for short-term operational needs as well as for long-term expansion programmes. The Group remains committed to maintaining a healthy liquidity ratio, deleveraging and strengthening the balance sheet. The Group manages liquidity risk by maintaining adequate support of facilities from its holding Group, and by continuously monitoring forecast and actual cash flows and by matching the maturity profiles of financial assets and liabilities.

The Group's treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management.

The Group's financial liability is represented significantly by long-term and short-term borrowings from banks and trade payables. The maturity profile of the Group's short-term and long-term borrowings and trade payables based on the remaining period from the date of balance sheet to the contractual maturity date is given in the table below.

The figures reflect the contractual cash obligations of the Group

Particulars	As at							
	March 31, 2022				March 31, 2021			
	Less than 1 year	1-3 year	More than 3 year	Total	Less than 1 year	1-3 year	More than 3 year	Total
Borrowings	18,421.01	242.72	-	18,663.73	19,398.65	201.49	-	19,600.14
Metal gold loan	14,968.13	-	-	14,968.13	14,179.52	-	-	14,179.52
Lease liabilities	993.93	1,951.98	3,715.43	6,661.34	860.12	2,720.49	3,402.02	6,982.63
Trade payable	6,565.90	-	-	6,565.90	6,901.06	-	-	6,901.06
Other financial liabilities	327.54	-	-	327.54	1,273.51	-	-	1,273.51
Total	41,276.51	2,194.70	3,715.43	47,186.64	42,612.86	2,921.98	3,402.02	48,936.86

(d) Capital management

The Group's capital management objectives are

- to ensure the Group's ability to continue as a going concern
- to create value for shareholders by facilitating the meeting of long-term and short-term goals of the Group

The Group determines the amount of capital required on the basis of annual business plan coupled with long-term and short-term strategic expansion plans. The funding needs are met through equity, cash generated from operations, long-term and short-term bank borrowings.

The Group monitors the capital structure on the basis of net debt to equity ratio and maturity profile of the overall debt portfolio of the Group. Net debt includes interest bearing borrowings less cash and cash equivalents and other bank balances (including non-current earmarked balances).

The table below summarises the capital, net debt and net debt to equity ratio (Gearing ratio) of the Group

Particulars	As at March 31, 2022	As at March 31, 2021
Equity share capital	10,300.53	10,300.53
Other equity	21,069.74	17,959.77
Non-controlling interests	9.44	4.96
Total equity [A]	31,379.71	28,265.26
Non-current borrowings	242.72	201.49
Current borrowings	18,421.01	19,399.00
Gross debts* [B]	18,663.73	19,600.49
Total capital [A + B]	50,043.44	47,865.75

Notes

Forming part of the Consolidated Financial Statements for the year ended March 31, 2022

(Amounts in ₹ million, except for shares data or as otherwise stated)

Particulars	As at March 31, 2022	As at March 31, 2021
Gross debts as above	18,663.73	19,600.49
Less: Cash and cash equivalents	(1,490.22)	(3,648.56)
Less: Bank balances other than cash and cash equivalents	(6,281.79)	(7,317.64)
Net debts [C]	10,891.72	8,634.29
Net gearing ratio (times)	0.35	0.31

* excluding metal gold loan (refer note 19)

37 ADDITIONAL INFORMATION AS REQUIRED BY PARAGRAPH 2 OF THE GENERAL INSTRUCTIONS FOR PREPARATION OF CONSOLIDATED IND AS FINANCIAL STATEMENTS TO SCHEDULE III TO THE COMPANIES ACT, 2013

For the year ended March 31, 2022:

Name of the entity	Net Assets i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	₹ in million	As % of Consolidated profit or loss	₹ in million	As % of Consolidated other comprehensive income	₹ in million	As % of consolidated total comprehensive income	₹ in million
Parent Company:								
Kalyan Jewellers India Limited	103.07%	32,342.03	92.15%	2064.38	26.95%	228.6	74.24%	2,292.98
Indian Subsidiary:								
Enovate Lifestyles Private Limited	-0.02%	(5.00)	-0.42%	(9.42)	0.00%	-	-0.31%	(9.42)
Foreign Subsidiary								
Kalyan Jewellers FZE, UAE	-3.08%	(966.99)	8.35%	187.17	73.05%	619.5	26.12%	806.67
Kalyan Jewellers, Inc., USA	0.00%	0.23	0.00%	(0.04)	0.00%	-	0.00%	(0.04)
Non-controlling interests in Indian subsidiary	0.03%	9.44	-0.08%	(1.79)	0.00%	-	-0.06%	(1.79)
Total	100.00%	31,379.71	100.00%	2240.3	100.00%	848.1	100.00%	3088.4

For the year ended March 31, 2021:

Name of the entity	Net Assets i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	₹ in million	As % of Consolidated profit or loss	₹ in million	As % of Consolidated other comprehensive income	₹ in million	As % of consolidated total comprehensive income	₹ in million
Parent Company:								
Kalyan Jewellers India Limited	106%	29,879.62	-2022%	1,228.09	35%	(216.90)	-150%	1,011.19
Indian Subsidiary:								
Enovate Lifestyles Private Limited	0%	1.33	-50%	30.45	0%	-	-5%	30.45
Foreign Subsidiary								
Kalyan Jewellers FZE, UAE	-5%	(1,533.52)	2152%	(1,306.99)	65%	(396.00)	253%	(1,702.99)
Kalyan Jewellers, Inc., USA	0%	(87.13)	24%	(14.59)	0%	-	2%	(14.59)
Non-controlling interests in Indian subsidiary	0%	4.96	-4%	2.31	0%	-	0%	2.31
Total	100%	28,265.26	100%	(60.73)	100%	(612.90)	100%	(673.63)



Notes

Forming part of the Consolidated Financial Statements for the year ended March 31, 2022

(Amounts in ₹ million, except for shares data or as otherwise stated)

38 LEASES

The Group has adopted Ind AS 116 'Leases' with the date of initial application being April 1, 2019. Ind AS 116 replaces Ind AS 17 - Leases and related interpretation and guidance. The Group has applied Ind AS 116 using the modified retrospective approach, under which the cumulative effect of initial application is recognised in retained earnings at April 1, 2019.

- (i) The Group has applied a single discount rate to a portfolio of leases with reasonably similar characteristics.
- (ii) The Group has treated the leases with remaining lease term of less than 12 months as if they were "short-term leases". Expense relating to such short-term leases recognised in Profit & Loss account amounts to ₹323.76 million (March 31, 2020: ₹388.12 million).
- (iii) The Group has not applied the requirements of Ind AS 116 for leases of low value assets.
- (iv) The Group has used hindsight, in determining the lease term if the contract contains options to extend or terminate the lease.

39 During the years ended March 31, 2022 and March 31, 2021, the Company renegotiated with certain landlords on the rent reduction/ waiver due to COVID-19 pandemic. The Management believes that such reduction/ waiver in rent is short-term in nature and also meets the other conditions specified in the notification issued by the Central Government in consultation with National Financial Reporting Authority dated July 24, 2020 as Companies (Indian Accounting Standards) Amendment Rules, 2020 with effect from April 1, 2020. Thus, in accordance with the said notification, the Company has elected to apply exemption as the reduction/ waiver does not necessitate a lease modification as envisaged in the Standard by recording in the "Other income" (net of rent expenses). Accordingly, the Company has recognised ₹40.68 million during the year ended March 31, 2022 (March 31, 2021 - ₹225.99 million) in the statement of profit and loss.

40 The Group has transactions or balances during current year with following companies whose names have been struck off by Registrar of Companies.

Name of the struck off company	Nature of transactions with struck off company	Balance outstanding	Relationship with the struck off company
ASTHA GEMS INDIA PRIVATE LIMITED	Purchases	1.42	None
ANN NEWS PRIVATE LIMITED	Purchases	-	None

41 OTHER STATUTORY INFORMATION:

- i) The entities in Group does not have any Benami property and there are no proceeding initiated or pending against the Company or any of the subsidiaries for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.
- ii) The Group has not traded or invested in crypto currency or virtual currency during the current year and previous year.
- iii) There entities in the Group does not have any transactions which are not recorded in the books of account that have been surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 during the current year and previous year.
- iv) There are no Schemes of Arrangements which are either pending or have been approved by the Competent Authority in terms of Sections 230 to 237 of the Companies Act, 2013 during the current year and previous year.

Notes

Forming part of the Consolidated Financial Statements for the year ended March 31, 2022

(Amounts in ₹ million, except for shares data or as otherwise stated)

42 Approval of consolidated financial statements: The consolidated financial statements were approved for issue by the board of directors on May 11, 2022.

For and on behalf of Board of Directors

T.S. Kalyanaraman
Managing Director
DIN: 01021928

T.K. Ramesh
Director
DIN: 01021868

T.K. Seetharam
Director
DIN: 01021898

Sanjay Raghuraman
Chief Executive Officer

V. Swaminathan
Chief Financial Officer

Jishnu R.G.
Company Secretary

Place: Thrissur
Date: May 11, 2022

Kalyan Jewellers India Limited

CIN -L36911KL2009PLC024641

Registered Office -TC-32/204/2, Sitaram Mill Road, Punkunnam, Thrissur, Kerala - 680 002

Web: www.kalyanjewellers.net, Telephone No - 0487 2437333, Email - cs@kalyanjewellers.net

Notice

Notice is hereby given that the 14th Annual General Meeting (AGM) of the Members of Kalyan Jewellers India Limited will be held on Thursday September 22, 2022 at 11.30 A.M. IST through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM") to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt:
 - a. The Audited Financial Statement of the Company for the financial year ended 31st March, 2022 together with the Reports of the Board of Directors and Auditors thereon; and
 - b. The Audited Consolidated Financial Statement of the Company for the financial year ended 31st March, 2022 and the Report of Auditors thereon.
2. To appoint a Director in place of Mr. TS Kalyanaraman (DIN: 01021928), who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS

3. Appointment of Mr. Vinod Rai (DIN -00041867) as Chairman & Non-Executive Independent Director of the Company:

To consider and if thought fit, with or without modification, the following resolution as a Special Resolution

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152, Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ("Act") read with the Companies (Appointment and Qualification of Directors) Rules, 2014, applicable provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulation"), Articles of Association of the Company, receipt of regulatory clearances, the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors of the Company, Mr. Vinod Rai (DIN -00041867) who was appointed as Chairman and Additional (Non-Executive & Independent) Director on the Board of the Company w.e.f. July 01, 2022 and in respect of whom the Company has received a notice in writing under Section 160 of the Act, proposing his candidature for the

office of a Director, be and is hereby appointed as 'Chairman & Non-Executive Independent Director' of the Company to hold office for a term of three consecutive years with effect from July 01, 2022, not liable to retire by rotation."

"RESOLVED FURTHER THAT pursuant to the provisions of Sections 149, 197, 198 and other applicable provisions of the Act, Mr. Vinod Rai be paid such fees and remuneration and profit related commission as the Board may approve from time to time subject to such limits prescribed by the Act, and as approved by the Members at the general meeting of the Company."

"RESOLVED FURTHER THAT any one of the Directors or Company Secretary of the Company be and are hereby authorized to do all necessary acts, deeds and things, which may be usual, expedient or proper to give effect to the above resolution."

4. Continuation of directorship of Mr. TS Anantharaman (DIN: 00480136), as Non-Executive Independent Director in terms of Regulation 17 (1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

To consider and if thought fit, to pass, with or without modification the following resolution as a Special Resolution

"RESOLVED THAT pursuant to Regulation 17 (1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended and other applicable provisions, if any, of the Companies Act, 2013 and Rules framed thereunder, consent of the Members be and is hereby accorded for continuation and holding of office by Mr. TS Anantharaman (DIN: 00480136) who will attain 75 years of age on June 26, 2023, as Non-executive Independent Director of the Company till his current tenure of appointment i.e. up to December 14, 2023."

"RESOLVED FURTHER THAT any one of the Directors or Company Secretary of the Company be and are hereby authorized to do all necessary acts, deeds and things, which may be usual, expedient or proper to give effect to the above resolution."

5. Reappointment of Ms. Kishori Udeshi (DIN -01344073) as an Independent Director for a second term of three (3) years

To consider and if thought fit, to pass, with or without modification the following resolution as a Special Resolution

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and any other applicable provisions of the Companies Act, 2013 ('Act') (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the Companies (Appointment and Qualification of Directors), Rules, 2014, and Regulation 17 and any other applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, ('SEBI Listing Regulations') as amended from time to time, and the Articles of Association of the Company, Ms. Kishori Udeshi (DIN -01344073), who holds office up to January 17, 2023, and who is eligible for re-appointment and who meets the criteria for independence as provided in Section 149(6) of the Act along with the rules framed thereunder and Regulation 16(1)(b) of the SEBI Listing Regulations and who has submitted a declaration to that effect and in respect of whom the Company has received a notice in writing under Section 160(1) of the Act proposing her candidature for the office of Director, and whose appointment as an Independent Director is recommended by the Nomination and Remuneration Committee and the Board of Directors of the Company, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a second term of 3 (Three) years commencing from January 17, 2023 till January 16, 2026."

"RESOLVED FURTHER THAT any one of the Directors or Company Secretary of the Company be and are hereby authorized to do all necessary acts, deeds and things, which may be usual, expedient or proper to give effect to the above resolution."

6. Payment of Commission to the Non - Executive Directors of the Company.

To consider and if thought fit, to pass, with or without modification the following resolution as a Special Resolution

"RESOLVED THAT pursuant to the provisions of Sections 197, 198 and other applicable provisions of the Companies Act, 2013 ('the Act') and Rules made thereunder and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and the Articles of Association of the Company, approval of the Members be and is hereby accorded for payment

of profit related commission to the Non-executive Directors of the Company (i.e. Directors other than the Managing Director, Whole-time Directors or Nominee Directors) for the Financial Year ending March 31, 2022 and thereafter, to be determined by the Board of Directors of the Company or any Committee of the Board ('the Board') for each of such Non-executive Director and to be distributed among such Non-executive Directors in such a manner as the Board may determine within the overall maximum limit of 1% (one percent) per annum or such other percentage as may be specified by the Act from time to time in this regard, of the net profits of the Company to be calculated in accordance with the provisions of Section 198 of the Act.

"RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds and things and to sign all such documents and writings as may be necessary to give effect to this resolution and for matters connected therewith or incidental thereto."

(By Order of the Board)
for **Kalyan Jewellers India Limited**

Jishnu R G
Company Secretary
ACS No. 32820

Place: Thrissur
Date: 04.08.2022

NOTES:

1. The Ministry of Corporate Affairs ('MCA') has vide its circulars dated April 8, 2020, April 13, 2020, May 5, 2020 read with circular dated May 5, 2022 (collectively referred to as 'MCA Circulars') permitted the holding of the Annual General Meeting ('AGM') through VC/OAVM, without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 ('Act'), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations') and MCA Circulars, the AGM of the Company is being held through VC/OAVM.
2. The relevant Explanatory Statement pursuant to Section 102 of Act, setting out material facts in respect of businesses under item nos. 3 to 6 of the Notice, is annexed hereto. Details pursuant to Regulation 36(3) of the SEBI Listing Regulations and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of the Director seeking appointment/re-appointment at this AGM are also annexed.
3. Pursuant to the provisions of the Companies Act, 2013 ("Act") a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his / her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars and SEBI Circular No. SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated 13th May, 2022 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, Attendance Slip and route map of the AGM are not annexed to this Notice
4. The Company has availed the services of Central Depository Services (India) Limited ("CDSL") for conducting the AGM through VC/OAVM and enabling participation of members at the meeting thereto and for providing services of remote e-voting and e-voting during the AGM.
5. The Members can join the AGM in the 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 AGM through VC/OAVM will be made available to atleast 1000 members on first come first served basis. This will not include 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. who are allowed to attend the AGM without restriction on account of first come first served basis.
6. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
7. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.kalyanjewellers.net. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. www.evotingindia.com.
8. The cut-off date for the purpose of determining the members eligible for participation in remote e-voting and voting during the AGM is September 15, 2022. Please note that a person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on cut-off date only shall be entitled to avail the facility of remote e-voting or e-voting during the Meeting. If members opt for remote e-voting, then they should not vote at the Meeting. However, once an e-vote on a resolution is cast by a member, such member is not permitted to change it subsequently or cast the vote again. Members who have cast their vote by remote e-voting prior to the date of the Meeting can attend the Meeting and participate in the Meeting but shall not be entitled to cast their vote again.
9. The Company has fixed September 15, 2022 as the 'Cut-off Date' to record the entitlement of the shareholders to cast their voting through remote e-voting/ e-voting during the AGM
10. The recorded transcript of the AGM will be hosted on the website of the Company.
11. The Securities and Exchange Board of India ("SEBI") vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated November 03, 2021 mandated furnishing of PAN, KYC details (i.e., Postal Address with Pin Code, email address, mobile number, bank account details) and nomination details by holders of securities. Effective from January 01, 2022, any service requests or complaints received from the member, will not be processed by RTA till the aforesaid details/ documents are provided to RTA. On or after April 01, 2023, in case any of the above cited documents/ details are not available in the Folio(s), RTA shall be constrained to freeze such Folio(s). Relevant details and forms prescribed by SEBI in this regard are available on the website of the Company at www.kalyanjewellers.net
12. 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 during the AGM.
13. Corporate Members are required to send by e-mail - cs@kalyanjewellers.net, a certified true copy of the Board Resolution and authorization letter, pursuant to Section 113 of the Act, authorizing their representatives to attend and vote on their behalf at the Meeting.
14. All documents referred to in the accompanying Notice and the Statement setting out material facts can be obtained for inspection by writing to the Company at its email ID cs@kalyanjewellers.net till the date of AGM.
15. The annual accounts of the subsidiary companies are made available on the website of the Company www.kalyanjewellers.net.
16. The SEBI has mandated submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in demat form are, therefore, requested to submit the PAN to their respective Depository Participant(s). Members holding shares in physical form can submit their PAN details to the Company or to the RTA (Link Intime India Private Limited).
17. The Board of Directors of the Company have appointed Mr. CS MR Thiagarajan Company Secretary in Practice, Coimbatore as the Scrutinizer to scrutinize the remote e-voting process and voting through electronic voting system at the AGM in a fair and transparent manner.
18. The Scrutinizer will, after the conclusion of e-voting at the AGM, scrutinize the votes cast at the AGM and votes cast through remote e-voting, make a consolidated Scrutiniser's Report and submit the same to the Chairman or a person authorised by him in writing, who shall countersign the same and declare results (consolidated) within two working days from the conclusion of the AGM
19. Voting through Electronic Means
 - a) Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), SEBI and MCA Circulars in this regard the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM.

For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized
 - b) The remote voting period commences on September 19, 2022 (9:00 a.m. IST) and ends on September 21, 2022 (5:00 p.m. IST). During this period, Members holding shares either in physical form or in dematerialized form, as on September 15, 2022 i.e., cut-off date, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Members have the option to cast their vote on any of the resolutions using the remote e-voting facility either during the period commencing, September 19, 2022 to September 21, 2022 or e-voting during the AGM. Members who have voted on some of the resolutions during the said voting period are also eligible to vote on the remaining resolutions during the AGM.
 - c) The Members who have cast their vote by remote e-voting prior to the AGM may attend / participate in the AGM through VC / OAVM but shall not be entitled to cast their vote on such resolution again.
 - d) The voting rights of Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date.

THE INTRUCTIONS FOR SHAREHOLDERS FOR E-VOTING AND JOINING VIRTUAL AGM ARE AS UNDER:

Step 1 : Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

Step 2 : Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

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.

E-voting facility has been enabled 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.

Step 1: Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

- (i) 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.
- (ii) Pursuant to abovesaid SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode CDSL/NSDL is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL Depository	<ol style="list-style-type: none"> Users who have opted for CDSL 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 URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on 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 able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders holding securities in demat mode with NSDL Depository	<ol style="list-style-type: none"> 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. If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsd.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.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 (DP)	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 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 toll free no. 1800 22 55 33
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

Step 2 : Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

- (i) Login method for e-Voting and joining virtual meetings for Physical shareholders and shareholders other than individual holding in Demat form.
- (i) The shareholders should log on to the e-voting website www.evotingindia.com.
- (ii) Click on "Shareholders" module.
- (iii) Now enter your User ID
- For CDSL: 16 digits beneficiary ID,
- For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
- Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- (iv) Next enter the Image Verification as displayed and Click on Login.
- (v) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
- If you are a first-time user follow the steps given below:

Login type	Helpdesk details
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. • 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.

- (ii) After entering these details appropriately, click on "SUBMIT" tab.

- (iii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders 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.
- (iv) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (v) Click on the EVSN (220817030) for the relevant Kalyan Jewellers India Limited on which you choose to vote.
- (vi) 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.
- (vii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (viii) 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.
- (ix) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (x) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xi) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xii) There is also an optional provision to upload BR/ POA if any uploaded, which will be made available to scrutinizer for verification.

(xiii) **Additional Facility for Non - Individual Shareholders and Custodians -For Remote Voting only.**

- 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 will be mapped automatically & can be delink in case of any wrong mapping.
- It is Mandatory that, 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 mandatory 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 mrthiagarajan@gmail.com/cs@kalyanjewellers.net, 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 AGM THROUGH VC/OAVM & E-VOTING DURING MEETING 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 e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN (220817030) of Company will be displayed after successful login as per the instructions mentioned above for 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. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. 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.

7. Members who would like to express their views/ ask questions during the meeting may register themselves as a speaker and send their request mentioning their name, demat account number/ folio number, email id, mobile number to cs@kalyanjewellers.net between 9.00 a.m. on September 14, 2022 and 5.00 p.m. on September 16, 2022. The speaker members are requested to maintain a time limit of 5 minutes to complete their views/questions. The members who do not wish to speak during the AGM but have queries may send their queries in advance 7 days prior to meeting mentioning their name, demat account number/ folio number, email id, mobile number at cs@kalyanjewellers.net. These queries will be replied by the company suitably by email.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.
9. 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.
10. 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 may be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.
11. 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 toll free no. 1800 22 55 33

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. 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 toll free no. 1800 22 55 33.

(By Order of the Board)
for **Kalyan Jewellers India Limited**

Jishnu R G
Company Secretary
ACS No. 32820

Place: Thrissur
Date: 04.08.2022

EXPLANATORY STATEMENT PURSUANT TO THE PROVISIONS OF SECTION 102 OF THE COMPANIES ACT, 2013 ANNEXED TO THE NOTICE OF THE 14TH ANNUAL GENERAL MEETING OF THE COMPANY IN RESPECT OF ITEM NO(S): 3, 4, 5 AND 6 OF THE SAID NOTICE.

ITEM NO.3:

The Board of Directors of the Company, based on the recommendations of the Nomination and Remuneration Committee of the Board, and pursuant to the provisions of Sections 149, 161(1) of the Companies Act, 2013 ("Act") and Rules made thereunder, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and Articles of Association of the Company and pursuant to receipt of regulatory clearance, has appointed Mr. Vinod Rai (DIN - 00041867) as Chairman & Additional Director (Non- Executive Independent) of the Company w.e.f. July 01, 2022 for a period of three (3) consecutive years, subject to the approval of the Members of the Company.

In accordance with the provisions of Section 149 read with Schedule IV to the Companies Act, 2013, appointment of Independent Directors requires approval of the Shareholders of the Company. Further, in terms of the Regulation 17(1C) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), effective 1st January, 2022, a Listed Entity shall ensure that approval of shareholders for appointment of a person on the Board of Directors is taken at the next general meeting or within a time period of three months from the date of appointment, whichever is earlier. As per Regulation 17(1A) and Regulation 25(2A) and of the Listing Regulations also provide that the appointment of an Independent Director of a listed entity, shall be subject to the approval of shareholders by way of a special resolution. Further, Mr. Vinod Rai will be attaining the age of seventy-five years during his first term of appointment as an Independent Director, his appointment is proposed to be passed as a Special resolution, in terms of the Regulation 17(1A) of the SEBI Listing Regulations.

The Company has received a notice in writing from a member in terms of Section 160(1) of the Act, proposing the candidature of Mr. Vinod Rai for the office of Independent Director of the Company. The Board of Directors of the Company vide circular resolution passed on July 01, 2022, upon recommendation of the Nomination and Remuneration Committee has considered and recommended the appointment of Mr. Vinod Rai as Chairman and Independent Director with effect from July 01, 2022 for a period of Three (3) years subject to the approval of shareholders by means of a Special Resolution at the ensuing AGM and he is not liable to retire by rotation.

Mr. Vinod Rai is the former comptroller and auditor general of India and former chair of the United Nations Panel of External Auditors. Mr. Vinod Rai has held various positions within the Indian government as well as in the

state government of Kerala. Mr Rai has been instrumental in many reforms in India, including in overhauling the administrative structure of Indian railways, which includes introducing accrual accounting. He was also chairman of the Banks Board Bureau, a body set up by the Indian government to reform public banking in India. He has served as a director on the boards of a range of financial institutions, including ICICI Bank, the State Bank of India and the Life Insurance Corporation of India, and is a distinguished visiting research fellow at the Institute of South Asian Studies, National University of Singapore. Mr Rai has Master's degrees from the University of Delhi and from Harvard University.

The Company has received from Mr. Vinod Rai (i) consent in writing to act as director in Form DIR-2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules, 2014; (ii) intimation in Form DIR-8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under Section 164(2) of the Act, and (iii) a declaration under Section 149 (7) of the Act and Regulation 25(8) of the Listing Regulations to the effect 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 and (iv) a declaration that he is not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact his ability to discharge his duties with an objective independent judgment and without any external influence. At present he is neither disqualified from being appointed as a Director in terms of Section 164 of the Act nor is debarred from holding the office of Director pursuant to any SEBI Order. He is also registered with the database of Independent Directors at Indian Institute of Corporate Affairs (IICA) constituted by Ministry of Corporate Affairs pursuant to the relevant notifications.

The Nomination and Remuneration Committee and the Board has assessed the veracity of the said declarations and other documents furnished by Mr. Vinod Rai and based on the same, has opined that he fulfils the conditions / criteria specified in the Act, the Rules and the Listing Regulations and determined that he is independent of the Management and possesses appropriate skills, experience and knowledge to be appointed as an Independent Director of the Company.

The copy of the letter of appointment of Mr. Vinod Rai setting out the terms and conditions of appointment shall be available for inspection by the members through electronic mode.

Additional information in respect of Mr. Vinod Rai, pursuant to Regulation 36 (3) of the Listing Regulations and the Secretarial Standard on General Meetings

(SS-2), and brief profile of Mr. Vinod Rai is given at Annexure to this Notice.

Interest of Directors & Key Managerial Personnel:

None of the Directors nor any Key Managerial Personnel of the Company or their relatives except Mr. Vinod Rai and his relatives is directly or indirectly concerned or interested, financially or otherwise in the resolution.

The Board recommends the Special Resolution set out in Item No. 3 of this Notice for the approval of the Shareholders

ITEM NO.4:

Regulation 17(1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI LODR Regulations”) provides that no listed company shall appoint or continue the directorship of any person as Non-Executive Director who has attained the age of 75 (Seventy-Five) years, unless a Special Resolution is passed to that effect and justification thereof is disclosed in the explanatory statement annexed to the Notice for such appointment.

Mr. TS Anantharaman was appointed as a Non-Executive Independent Director on the Board of the Company for a period of five years with effect from December 15, 2018 and the same was approved by the Members of the Company at their Extra-Ordinary General Meeting held on December 15, 2018. Mr. Anantharaman will attain the age of 75 years on June 26, 2023 and his appointment as approved by the Members of the Company is valid up to December 14, 2023. Accordingly, to comply with the provisions of Regulations 17(1A) of the SEBI LODR Regulations, Company is seeking approval of the Members through Special Resolution.

A brief justification for his continuation as Non-Executive Independent Director on the Board of the Company is as under:

Mr. T. S. Anantharaman is an Independent Director of the Company. He has been on the Board of Kalyan Jewellers India Ltd., since 2018. He has been appointed as a director of Kalyan Jewellers FZE and Kalyan Jewellers LLC UAE, the material subsidiaries of the Company in terms of Regulation 24 of the SEBI Listing Regulations, with effect from August 3, 2020. Mr. T. S. Anantharaman holds a bachelor of commerce degree from University of Kerala. He was admitted as an associate member of the Chartered Management Institute, formerly known as the British Institute of Management on June 22, 1976 and as a fellow of the Institute of Chartered Accountants of India on July 31, 1974. He has several years of experience in various sectors, such as banking and teaching management and accounting.

Considering the vast experience, expertise and valuable contribution of Mr. Anantharaman, the Nomination and Remuneration Committee and the Board of Directors of the Company have recommended the continuation of Mr. Anantharaman as “Non-executive

Independent Director” on the Board of the Company. Mr. Anantharaman fulfills all conditions specified under the applicable laws for the position of Non-Executive Independent Director of the Company. The Company has also received necessary declarations from him that he meets the criteria of independence as prescribed under the applicable laws including but not limited to Listing Regulations. He is not disqualified to act as Director in terms of Section 164 of the Companies Act, 2013. He is not debarred from holding the office of Director by virtue of any SEBI order or any such authority.

Details of Mr. Anantharaman pursuant to the provisions of (i) SEBI LODR Regulations and (ii) Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India are provided in the ‘Annexure’ to the Notice.

Interest of Directors & Key Managerial Personnel:

None of the Directors nor any Key Managerial Personnel of the Company or their relatives except Mr. TS Anantharaman and his relatives is directly or indirectly concerned or interested, financially or otherwise in the resolution.

The Board recommends the Special Resolution set out in Item No. 4 of this Notice for the approval of the Shareholders.

ITEM NO.5:

Ms. Kishori Udeshi (DIN: 01344073) was appointed as a Women Independent Director of the Company pursuant to Section 149 of the Act, read with Companies (Appointment and Qualification of Directors) Rules, 2014, by the members of the Company at the Extra Ordinary General Meeting, to hold office for a term of 5 (five) years effective from January 17, 2018 up to January 16, 2023. Accordingly, her term of appointment concludes on January 16, 2023.

The Board of Directors at its meeting held on August 04, 2022, based on the recommendation of the Nomination and Remuneration Committee and subject to shareholders’ approval, recommended the re-appointment of Ms. Kishori Udeshi (DIN: 01344073) as an Independent Director for a second term of three years with effect from January 17, 2023 till January 16, 2026. The Company has received a notice in writing under section 160(1) of the Act proposing appointment of Ms. Kishori Udeshi (DIN: 01344073) as a Director of the Company.

Ms. Kishori Udeshi has given her consent to act as Director of the Company and further, has given a declaration that she meets the criteria of independence provided under the Companies Act, 2013 (“Act”) and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) 19 Notice 2022 Regulations, 2015 (“Listing Regulations”) and that she is not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact her ability to discharge her duties as an Independent

Director of the Company. She has confirmed that she is neither disqualified in terms of section 164 of the Act from being appointed as a Director nor debarred from holding office of director by virtue of any SEBI order or any other such authority.

The Board recommends the re-appointment on the basis of her performance evaluation and after considering her skills and expertise in various fields. The Board is of the view that considering the background, experience and contributions made by Ms. Kishori Udeshi during her tenure, her continued association would be beneficial and in the interest of the Company and it is desirable to continue to avail her services as an Independent Director. In the opinion of the Board, Ms. Kishori Udeshi fulfils the conditions specified in the Act and Listing Regulations for such re-appointment and is independent of the Management. Accordingly, it is proposed to appoint Ms. Kishori Udeshi as an Independent Director of the Company, not liable to retire by rotation and to hold office for a second term of 3 (three) years on the Board of the Company with effect from January 17, 2023 till January 16, 2026. Ms. Kishori Udeshi had already attained the age of seventy-five years and her appointment is proposed to be passed as a Special resolution, in terms of the Regulation 17(1A) of the SEBI Listing Regulations.

The draft copy of the letter of appointment of Ms. Kishori Udeshi setting out the terms and conditions of appointment shall be available for inspection by the members through electronic mode.

A brief profile of Ms. Kishori Udeshi and other information as required under Regulation 36 of SEBI Listing Regulations and Secretarial Standard-2 on General Meetings issued by the Institute of Company Secretaries of India is provided as Annexure to this Notice.

Interest of Directors & Key Managerial Personnel:

None of the Directors nor any Key Managerial Personnel of the Company or their relatives except Ms. Kishori Udeshi and her relatives is directly or indirectly concerned or interested, financially or otherwise in the resolution.

The Board recommends the Special Resolution set out in Item No. 5 of this Notice for the approval of the Shareholders.

ITEM NO.6:

Considering the rich experience and enhanced level of participation brought in by the Non-Executive Directors and in appreciation of the services and contribution made by them, the Board of Directors at their meeting held on May 11, 2022, on the recommendation of the Nomination and Remuneration Committee of the Board of Directors, recommended the payment of profit

related commission to the Non-Executive Directors (i.e. Directors other than the Managing Director, Whole-time Directors or Nominee Directors), subject to approval of Members of the Company for the Financial Year ending March 31, 2022, to be determined by the Board of Directors of the Company or any Committee of the Board (“the Board”) for each of such Non-executive Director and to be distributed among such Non-executive Directors in such a manner as the Board may determine within the overall maximum limit of 1% (one percent) (taken together for all the Non-Executive Directors) of the Net Profit of the Company for the Financial Year ending March 31, 2022, as computed in the manner laid down in Section 198 of the Companies Act, 2013. This remuneration shall be in addition to the sitting fees payable to the Non-Executive Directors for attending the meetings of the Board of Directors or its Committees or for any other purpose whatsoever and/or reimbursement of expenses for participation in the Board and other meetings. Accordingly, to comply with the provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, approval of Members is sought for payment of above-mentioned profit related commission.

Interest of Directors & Key Managerial Personnel:

The Non-Executive Director(s) are interested in resolution set out at Item No. 6 of the Notice. The relatives of the Non-Executive Director(s) may be deemed to be interested in the resolution to the extent of their shareholding, if any, in the Company. None of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution.

The Board recommends the Resolution set out in Item No. 6 of this Notice for the approval of the Shareholders.

(By Order of the Board)

for **Kalyan Jewellers India Limited**

Jishnu R G

Company Secretary
ACS No. 32820

Place: Thrissur
Date: 04.08.2022

DETAILS OF DIRECTORS SEEKING APPOINTMENT AND RE-APPOINTMENT AT THE 14TH ANNUAL GENERAL MEETING PURSUANT TO REGULATION 36(3) OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND SECRETARIAL STANDARD ON GENERAL MEETINGS (SS-2) ISSUED BY THE INSTITUTE OF COMPANY SECRETARIES OF INDIA.

Sl. No	Name of the Director	Mr. TS Kalyanaraman
1	Director Identification Number (DIN)	01021928
2	Date of Birth & Age	May 23, 1947, Age 75 years
3	Date of First Appointment on Board	January 29, 2009
4	Date of Last Reappointment as Director	June 20, 2019
5	Expertise in Specific Functional Areas	Over 45 years of retail experience, of which over 25 years is in the jewellery industry.
6	Qualifications	Bachelor of commerce from University of Calicut
7	Brief Profile	Mr. T.S. Kalyanaraman is one of our Promoters and the Chairman (till 30.06.2022) and Managing Director of the Company. He has been associated with the Company since its incorporation and has been associated with the brand 'Kalyan Jewellers' since 1993. He completed his bachelor's in commerce from University of Calicut and has over 45 years of retail experience, of which over 25 years is in the jewellery industry
8	Shareholding in the Company	21,56,89,376 fully paid-up equity shares of ₹10/- each.
9	Number of Meetings of the Board attended during the year 2021-2022	All the Board Meetings. Five Board Meetings in total
10	Terms and Conditions of Appointment or Reappointment along with details of Remuneration sought to be paid and the Remuneration last drawn	Re-appointment in terms of Section 152(6) of the Companies Act, 2013. The remuneration last drawn (FY-2021-22) was ₹ 60.6 million. The Remuneration sought to be paid is as per existing approved terms of appointment.
11	Directorships held in other Companies	Yuvasakthi Kuries Pvt Ltd
12	Listed entity from which Director has resigned in last three years	Nil
13	Memberships/ Chairmanships of committees of other Companies (includes only Audit Committee and Stakeholders Relationship Committee)	Nil
14	Relationship with other Directors/KMP	Father of Mr. TK Seetharam and Mr. TK Ramesh Whole time Directors of the Company. Not related to any other director /Key Managerial Personnel.

Sl. No	Name of the Director	Mr. Vinod Rai
1	Director Identification Number (DIN)	00041867
2	Date of Birth & Age	May 23, 1948, Age 74 years
3	Date of First Appointment on Board	July 01, 2022
4	Date of Last Reappointment as Director	Nil
5	Expertise in Specific Functional Areas	Ex-Comptroller and Auditor General of India. Expert in Audit, Banking, Finance and Corporate Governance.
6	Qualifications	M.A in Economics from University of Delhi and Masters in Public Administration from Harvard University
7	Brief Profile	Mr. Vinod Rai is the former comptroller and auditor general of India and a former chair of the United Nations Panel of External Auditors. Mr. Vinod Rai has held various positions within the Indian government as well as in the state government of Kerala. Mr. Vinod Rai has been instrumental in many reforms in India, including in overhauling the administrative structure of Indian railways, which includes introducing accrual accounting. He was also chairman of the Banks Board Bureau, a body set up by the Indian government to reform public banking in India. He has served as a director on the boards of a range of financial institutions, including ICICI Bank, the State Bank of India and the Life Insurance Corporation of India, and is a distinguished visiting research fellow at the Institute of South Asian Studies, National University of Singapore.
8	Shareholding in the Company	Nil

Sl. No	Name of the Director	Mr. Vinod Rai
9	Number of Meetings of the Board attended during the year 2021-2022	NA
10	Terms and Conditions of Appointment or Reappointment along with details of Remuneration sought to be paid and the Remuneration last drawn.	Mr. Vinod Rai is proposed to be appointed as Chairman and Independent Director for a period of 3 years with effect from July 01, 2022 and not liable to retire by rotation. He shall be paid sitting fees and reimbursement of expenses for attending the meetings of the Board and its Committees, as well as Commission on profit as approved by the shareholders.
11	Directorships held in other Companies	a. Apollo Tyres Limited, b. Unity Small Finance Limited, c. Lava International Limited and d. Shubham Housing Development Finance Company Limited.
12	Listed entity from which Director has resigned in last three years	Nil
13	Memberships/ Chairmanships of committees of other Companies (includes only Audit Committee and Stakeholders Relationship Committee)	Audit Committee Chairman and member in Apollo Tyres Limited.
14	Relationship with other Directors/KMP	Mr. Vinod Rai is not related to any Director and Key Managerial Personnel
15	Skills and capabilities required for the role of the Independent Director as identified by the Nomination and Remuneration Committee (NRC) and the manner in which the proposed person meets such requirements	The NRC had set the following skills and capabilities required for the role of the Independent Director: Knowledge of Sector, understanding of government legislation/legislative process, experience in Audit and Accounting, Finance, Public relations, Strategy development and implementation, Strategic thinking/planning from a governance perspective, Compliance focus, Profile/reputation and behavioural competencies. Mr. Vinod Rai, former comptroller and auditor general of India who has more than 45 years of experience, has met all the skills and capacities required.

Sl. No	Name of the Director	Mr. T.S. Anantharaman
1	Director Identification Number (DIN)	00480136
2	Date of Birth & Age	June 26, 1948, Age 74 years
3	Date of First Appointment on Board	December 15, 2018
4	Date of Last Reappointment as Director	Nil
5	Expertise in Specific Functional Areas	He has several years of experience in various sectors, such as banking, teaching, management and accounting.
6	Qualifications	Mr. T.S Anantharaman holds a bachelor of commerce degree from University of Kerala and a fellow of the Institute of Chartered Accountants of India.
7	Brief Profile	Mr. T.S. Anantharaman is an Independent Director of our Company. He has been on our Board since 2018. He has been appointed as a director of Kalyan Jewellers FZE and Kalyan Jewellers LLC, our material subsidiaries in terms of Regulation 24 of the SEBI Listing Regulations, with effect from August 3, 2020. Mr.T.S Anantharaman holds a bachelor of commerce degree from University of Kerala. He was admitted as an associate member of the Chartered Management Institute, formerly known as the British Institute of Management on June 22, 1976 and as a fellow of the Institute of Chartered Accountants of India on July 31, 1974. He has several years of experience in various sectors, such as banking and teaching management and accounting. During the course of his career, Mr. Anantharaman has been associated with various institutions such as The Catholic Syrian Bank Limited, Motilal Oswal Financial Services Limited, Sree Sakthi Paper Mills Limited, St. Thomas College, Thrissur and the International Labour Office (United Nations). He was awarded the Lifetime Achievement Award in the Businessonline Kerala Business Summit 2019, the TMA-Manappuram Group Lifetime Achievement Award 2016 by the Thrissur Management Association and the Life Time Achievement Award by JEMECE (School of Management Studies, University of Calicut, Dr. John Matthai Centre, Thrissur) in 2014
8	Shareholding in the Company	Nil
9	Number of Meetings of the Board attended during the year 2021-2022	All the Board Meetings. Five Board Meetings in total

Sl. No	Name of the Director	Mr. T.S. Anantharaman
10	Terms and Conditions of Appointment or Reappointment along with details of Remuneration sought to be paid and the Remuneration last drawn	As per Resolution at Item No. 4 of the accompanying Notice of AGM read with Explanatory Statement thereto. He shall be paid sitting fees and reimbursement of expenses for attending the meetings of the Board and its Committees, as well as Commission on profit as approved by the shareholders. The details of remuneration last drawn was disclosed in the Corporate Governance Report annexed with the Annual Report.
11	Directorships held in other Companies	a. Trichur Heart Hospitals Ltd b. Gosree Finance Ltd c. Polyclinic Pvt Ltd d. Inbot Properties Pvt Ltd
12	Listed entity from which Director has resigned in last three years	Nil
13	Memberships/ Chairmanships of committees of other Companies (includes only Audit Committee and Stakeholders Relationship Committee)	a. Chairman & Member of Stakeholders Relationship Committee of Kalyan Jewellers India Limited.
14	Relationship with other Directors/KMP	Mr. TS Anantharaman is not related to any Director and Key Managerial Personnel

Sl. No	Name of the Director	Ms. Kishori Jayendra Udeshi
1	Director Identification Number (DIN)	01344073
2	Date of Birth & Age	October 13, 1943, Age 78 years
3	Date of First Appointment on Board	January 17, 2018
4	Date of Last Reappointment as Director	Nil
5	Expertise in Specific Functional Areas	She has several years of experience in policy and banking sectors. During the course of her career, Ms. Udeshi has held prestigious positions with various institutions and government bodies. She was the first woman Deputy Governor of the RBI and a director of the RBI to be nominated on the board of directors of the State Bank of India.
6	Qualifications	She holds a master's degree in arts with specialization in economics from the Bombay University
7	Brief Profile	Ms. Udeshi has held prestigious positions with various institutions and government bodies. She was the first woman Deputy Governor of the RBI and a director of the RBI to be nominated on the board of directors of the State Bank of India. As the Deputy Governor of the RBI, she was also on the board of directors of SEBI, NABARD, Exim Bank and has acted as the chairman of the Bharatiya Reserve Bank Note Mudran Private Limited. Ms. Udeshi was also appointed by the RBI to act as the chairman of The Banking Codes and Standards Board of India. Ms. Udeshi has also acted as the chairman of the Deposit Insurance and Credit Guarantee Corporation.
8	Shareholding in the Company	Nil
9	Number of Meetings of the Board attended during the year 2021-2022	Four out of Five meetings
10	Terms and Conditions of Appointment or Reappointment along with details of Remuneration sought to be paid and the Remuneration last drawn	As per Resolution at Item No. 5 of the accompanying Notice of AGM read with Explanatory Statement thereto. She shall be paid sitting fees and reimbursement of expenses for attending the meetings of the Board and its Committees, as well as Commission on profit as approved by the shareholders. The details of remuneration last drawn was disclosed in the Corporate Governance Report annexed with the Annual Report.
11	Directorships held in other Companies	a) Thomas Cook (India) Limited b) Elantas Beck India Limited c) Haldyn Glass Limited d) Shriram Transport Finance Company Limited e) ION Exchange (India)Limited f) CarTrade Tech Limited g) Shriram Automall India Limited h) SOTC Travel Limited
12	Listed entity from which Director has resigned in last three years	Nil

Sl. No	Name of the Director	Ms. Kishori Jayendra Udeshi
13	Memberships/ Chairmanships of committees of other Companies (includes only Audit Committee and Stakeholders Relationship Committee)	a) Chairperson and Member of Audit Committee of CarTrade Tech Limited and Shriram Automall India Limited b) Member of Audit Committee of Haldyn Glass Limited, Shriram Transport Finance Company Limited, Thomas Cook (India) Limited. c) Member of stakeholders relationship Committee of ION Exchange India Limited
14	Relationship with other Directors/KMP	Ms. Udeshi is not related to any Director and Key Managerial Personnel
15	Skills and capabilities required for the role of the Independent Director as identified by the Nomination and Remuneration Committee (NRC) and the manner in which the proposed person meets such requirements	The NRC had set the following skills and capabilities required for the role of the Independent Director: Knowledge of Sector, understanding of government legislation/legislative process, experience in Audit and Accounting, Finance, Public relations, Strategy development and implementation, Strategic thinking/planning from a governance perspective, Compliance focus, Profile/reputation and behavioural competencies. Ms. Kishori Udeshi, was the first woman Deputy Governor. She has more than 35 years of experience and has met all the skills and capacities required.

(By Order of the Board)
for **Kalyan Jewellers India Limited**

Jishnu R G
Company Secretary
ACS No. 32820

Place: Thrissur
Date: 04.08.2022



KALYAN JEWELLERS INDIA LIMITED

Registered & Corporate Office
TC-32/204/2, Sitaram Mill Road,
Punkunnam, Thrissur, Kerala - 680 002
Tel: +91 487 24 37 333
Fax: +91 487 24 37 334
Website: www.kalyanjewellers.net
CIN: L36911KL2009PLC024641