

ENOVATE LIFESTYLES PRIVATE LIMITED
AUDITED FINANCIAL STATEMENTS

YEAR ENDED 31ST MARCH 2020

ENOVATE LIFESTYLES PRIVATE LIMITED

**501-502, OM SHAKTI SAMRAT CHS LTD
PLOT NO -21, SHAKTI NIWAS
RAMCHANDRA LANE EXTN,
MALAD (WEST), MUMBAI- 400064**

**STATUS
PAN No.
ASSESSMENT YEAR
ACCOUNTING YEAR**

**COMPANY
AACCE5828R
2020-2021
2019-2020**

COMPUTATION OF TOTAL INCOME

| PARTICULARS | AMOUNT | AMOUNT |
|---|---------------|------------------|
| I. INCOME FROM BUSINESS / PROFESSION | | |
| As Per Profit & Loss Account | (1,71,70,309) | |
| Add : Items Disallowed/Considered Separately | | |
| Provision for Taxation | 7,65,000 | |
| Interest on TDS Payments and Equalisation Levy Tax | 9,195 | |
| Provision for Gratuity | 12,82,052 | |
| Prior Period Expenses | 67,932 | |
| Depreciation as per Companies Act and Amortisation Expenses | 51,03,108 | |
| | (99,43,022) | |
| Less : Items Allowable / Considered Separately | | |
| Profit on Sale of Mutual Fund | 27,05,772 | |
| Depreciation under Income Tax Act | 51,00,854 | |
| | (1,77,49,648) | |
| Less : Carried Forward to Next Assessment Year | 1,77,49,648 | |
| II. INCOME FROM CAPITAL GAIN | | |
| Short Term Capital Gain on Sale of Mutual Fund | | 27,05,772 |
| TOTAL INCOME | | 27,05,772 |
| ROUNDED OFF | | 27,05,770 |
| Tax on Total Income | | 6,76,443 |
| Add : Education Cess @ 4% | | 27,058 |
| Total Tax Payable | | 7,03,501 |
| Less : Tax Deducted At Sources | | 77,344 |
| Net Tax Payable | | 6,26,157 |
| Add : Interest U/s | | |
| 234B | 25,046 | |
| 234C | 31,622 | 56,668 |
| Total Tax Payable | | 6,82,825 |
| Less : Self Assessment Tax Paid | | - |
| Balance Tax Payable | | 6,82,825 |

Note :

- 1 **Business Loss carry forward to next assessment year (As Per Income Tax)**

| Date of Return Filing | Assessment Year | Total Loss | Unabsorbed Depreciation Loss | Ordinary Business Loss |
|--|-----------------|-----------------------|------------------------------|------------------------|
| Eligible to Carry Forward | | | | |
| Carry Assessment Year | 2020-21 | (1,77,49,648) | (51,00,854) | (1,26,48,794) |
| 12-10-2019 | 2019-20 | (1,71,99,629) | (19,76,876) | (1,52,22,753) |
| 08-09-2018 | 2018-19 | (2,00,66,674) | (7,60,678) | (1,93,05,996) |
| 14-09-2017 | 2017-18 | (5,70,144) | (5,70,144) | - |
| 10-10-2016 | 2016-17 | (2,74,803) | (2,74,803) | - |
| 29-09-2015 | 2015-16 | (1,35,636) | (1,35,636) | - |
| Not Eligible to Carry Forward condition of Sec.79 was not complied. | | | | |
| 14-09-2017 | 2017-18 | (2,54,26,949) | | (2,54,26,949) |
| 10-10-2016 | 2016-17 | (2,11,87,043) | | (2,11,87,043) |
| 29-09-2015 | 2015-16 | (70,52,807) | | (70,52,807) |
| 27-10-2014 | 2014-15 | (25,35,833) | - | (25,35,833) |
| 26-09-2013 | 2013-14 | (9,08,041) | - | (9,08,041) |
| Total Rs. | | (11,31,07,207) | (88,18,991) | (10,42,88,216) |

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2 Business Loss carry forward to next assessment year (As Per Books)

| Assessment Year | Total Loss | Unabsorbed Depreciation Loss | Ordinary Business Loss |
|------------------|-----------------------|------------------------------------|------------------------|
| 2020-21 | (1,71,70,309) | (51,03,108) | (1,20,67,201) |
| 2019-20 | (1,93,60,972) | (17,47,396) | (1,76,13,576) |
| 2018-19 | (2,09,43,755) | (6,93,568) | (2,02,50,187) |
| 2017-18 | (2,59,40,430) | (5,13,482) | (2,54,26,948) |
| 2016-17 | (2,15,28,909) | (3,17,337) | (2,12,11,572) |
| 2015-16 | (72,32,213) | (1,78,406) | (70,53,807) |
| 2014-15 | (25,03,756) | (71,797) | (24,31,959) |
| 2013-14 | (9,00,792) | (4,017) | (8,96,775) |
| Total Rs. | (11,55,81,136) | (86,29,111) | (10,69,52,025) |

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ENOVATE LIFESTYLES PRIVATE LIMITED
CIN: U74900MH2010PTC211692
BALANCE SHEET AS AT 31ST MARCH, 2020

| | Notes | As at 31st March, 2020 Rupees | As at 31st March, 2019 Rupees |
|---------------------------------------|-------|-------------------------------------|-------------------------------------|
| ASSETS | | | |
| Non-Current Assets | | | |
| Property, Plant & Equipment | 2 | 2,17,47,747 | 94,34,463 |
| Financial Assets | | | |
| Investments | 3 | - | 2,55,00,000 |
| | | <u>2,17,47,747</u> | <u>3,49,34,463</u> |
| Current Assets | | | |
| Inventories | 4 | 5,10,99,655 | 3,20,12,944 |
| Financial Assets | | | |
| Trade Receivables | 5 | 1,73,18,897 | 1,07,11,277 |
| Cash and Cash Equivalents | 6 | 1,60,06,098 | 1,93,51,370 |
| Other Financial Assets | 7 | 9,70,000 | 8,70,000 |
| Other Current Assets | 8 | 2,96,46,881 | 1,62,18,128 |
| | | <u>11,50,41,530</u> | <u>7,91,63,719</u> |
| TOTAL ASSETS | | <u>13,67,89,277</u> | <u>11,40,98,182</u> |
| EQUITY AND LIABILITIES | | | |
| EQUITY | | | |
| Equity Share Capital | 9 | 33,00,580 | 33,00,580 |
| Other Equity | 10 | 3,42,68,708 | 5,14,39,017 |
| | | <u>3,75,69,288</u> | <u>5,47,39,597</u> |
| LIABILITIES | | | |
| Non Current Liabilities | | | |
| Financial Liabilities | | | |
| Borrowings | 11 | 1,91,25,000 | 1,16,25,000 |
| Current Liabilities | | | |
| Financial Liabilities | | | |
| Trade Payables | 12 | 3,76,86,954 | 2,33,13,978 |
| Other Current Liabilities | 13 | 3,81,29,839 | 2,21,88,462 |
| Provisions | 14 | 42,78,197 | 22,31,145 |
| | | <u>9,92,19,990</u> | <u>5,93,58,585</u> |
| TOTAL EQUITY & LIABILITIES | | <u>13,67,89,277</u> | <u>11,40,98,182</u> |

Summary of Significant Accounting Policies

1

The accompanying notes are an integral part of the financial statements.

As per our report of even date.

For DIWAN GOSALIA & ASSOCIATES,
Chartered Accountants.
Firm Registration No.: 111881W

(HITESH DIWAN)
Partner.

Membership No.35079

Mumbai, 10-07-2020

For and on behalf of the Board of Directors
for ENOVATE LIFESTYLES PRIVATE LIMITED


Directors.
Mumbai,

10/07/2020



ENOVATE LIFESTYLES PRIVATE LIMITED
CIN: U74900MH2010PTC211692
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2020

| | Notes | Current Year Rupees | Previous Year Rupees |
|---|-------|------------------------|-------------------------|
| INCOME | | | |
| Revenue from Operations | 15 | 55,74,33,751 | 30,45,98,241 |
| Other Income | 16 | 82,05,195 | 30,07,072 |
| Total Revenue (I) | | 56,56,38,946 | 30,76,05,312 |
| EXPENSES | | | |
| Purchases of Stock-in-Trade | 17 | 44,71,67,540 | 24,87,66,857 |
| Changes in inventories of finished goods, Stock-in trade & work in progress | 18 | (1,89,50,259) | (2,20,34,631) |
| Employee Benefits Expense | 19 | 3,83,25,152 | 2,71,79,123 |
| Finance Costs | 20 | 16,19,980 | 14,06,547 |
| Depreciation and Amortisation Expenses | 21 | 51,03,108 | 17,47,396 |
| Other Expenses | 22 | 10,87,78,734 | 6,99,00,991 |
| Total Expenses (II) | | 58,20,44,255 | 32,69,66,285 |
| Profit / (Loss) before Exceptional Items | | (1,64,05,309) | (1,93,60,972) |
| Exceptional Items | | - | - |
| Profit / (Loss) before Tax | | (1,64,05,309) | (1,93,60,972) |
| Tax Expense | | | |
| Current Tax | | 7,65,000 | - |
| (Excess)/Short Tax provision for earlier years | | - | - |
| Deferred Tax | | - | - |
| Total Tax Expense | | 7,65,000 | - |
| PROFIT/(LOSS) AFTER TAX | | (1,71,70,309) | (1,93,60,972) |
| Earnings per equity share [nominal value of share Rs.10/- (Previous Year: Rs. 10/-)] | 23 | (49) | (55) |

Summary of Significant Accounting Policies

1

The accompanying notes are an integral part of the financial statements.

For DIWAN GOSALIA & ASSOCIATES,
Chartered Accountants.
Firm Registration No.: 111881W

For and on behalf of the Board of Directors
for ENOVATE LIFESTYLES PRIVATE LIMITED


(HITESH DIWAN)
Partner.

Membership No.35079

Mumbai, 10-07-2020


Directors.

Mumbai,

10/07/2020



ENOVATE LIFESTYLES PRIVATE LIMITED
CIN: U74900MH2010PTC211692
STATEMENT OF CHANGES IN EQUITY

| PARTICULARS | As at 31st March, 2020 Rupees | As at 31st March, 2019 Rupees |
|---|-------------------------------------|---|
| A. EQUITY SHARE CAPITAL | | |
| Balance at the beginning of the reporting year | 33,00,580 | 25,32,580 |
| Changes in Equity Share Capital during the year | - | 7,68,000 |
| Balance at the end of reporting year | 33,00,580 | 33,00,580 |
| B. OTHER EQUITY | | |
| | Share Premium | Reserves & Surplus Profit & Loss C/f Bal. Total |
| Balance at the beginning of the reporting year | 14,98,49,843 | (9,84,10,826) 5,14,39,017 |
| Profit / (Loss) for the year | - | (1,71,70,309) (1,71,70,309) |
| Balance at the end of reporting year | 14,98,49,843 | (11,55,81,135) 3,42,68,708 |

For DIWAN GOSALIA & ASSOCIATES,
Chartered Accountants.
Firm Registration No.: 111881W


(HITESH DIWAN)

Partner.
Membership No.35079

Mumbai, 10-07-2020

For and on behalf of the Board of Directors
for ENOVATE LIFESTYLES PRIVATE LIMITED



Directors.

Mumbai,

10/07/2020



ENOVATE LIFESTYLES PRIVATE LIMITED
CIN: U74900MH2010PTC211692
CASH FLOW STATEMENT FOR THE YEAR ENDED 31st March,2020

| | Year 2019-20 | Year 2018-19 |
|---|----------------------|----------------------|
| A. Cash flow from operating activities: | | |
| Net (loss)/profit before tax but after exceptional/extraordinary items | (1,64,05,309) | (1,93,60,972) |
| Adjustments for: | | |
| Depreciation and Amortisation Expenses | 51,03,108 | 17,47,396 |
| Loss on Sale of Fixed Assets | - | 9,744 |
| Financial Cost | 16,19,980 | 14,06,547 |
| Profit on Sale of Investment (Mutual Fund) | (27,05,772) | - |
| Interest Income | (2,33,446) | (3,80,917) |
| Operating profit before working capital changes | (1,26,21,438) | (1,65,78,201) |
| Adjustments for changes in working capital : | | |
| - (INCREASE)/DECREASE in Trade Receivables | (66,07,620) | (70,67,597) |
| - (INCREASE)/DECREASE in Inventories | (1,90,86,711) | (2,28,25,190) |
| - INCREASE/(DECREASE) in Trade Payables | 1,43,72,975 | 98,55,924 |
| - INCREASE/(DECREASE) in Other Current Liabilities | 1,59,41,377 | 1,44,38,148 |
| - (INCREASE)/DECREASE in Other Financial Assets | (1,00,000) | (1,50,000) |
| - (INCREASE)/DECREASE in Other Current Assets | (1,34,28,753) | (1,16,26,912) |
| - INCREASE/(DECREASE) in Provisions | 12,82,052 | 13,68,937 |
| Cash Generated from Operations | (2,02,48,117) | (3,25,84,890) |
| Net cash flow from operating activities | (2,02,48,117) | (3,25,84,890) |
| B. Cash flow from Investing activities: | | |
| Purchase of Fixed Assets | (1,74,16,393) | (72,45,380) |
| Proceed from Sale of Fixed Assets | - | 15,000 |
| Redemption of Mutual Fund | 2,82,05,772 | - |
| Investments in Mutual Funds | - | (1,50,00,000) |
| Interest Income | 2,33,446 | 3,80,917 |
| Net cash used in investing activities | 1,10,22,825 | (2,18,49,463) |
| C. Cash flow from financing activities: | | |
| Interest Paid | (13,56,323) | (12,92,997) |
| Bank Charges | (2,63,657) | (1,13,550) |
| Proceeds from issue of Equity | - | 6,97,60,000 |
| (PY : Issue of Partly Paid up Equity Share Capital Rs.768000 at Share Premium of Rs.68992000) | 75,00,000 | - |
| Short Term Borrowing (Net) | 58,80,020 | 6,83,53,453 |
| Net cash used in financing activities | (33,45,272) | 1,39,19,099 |
| Net Increase/(Decrease) in Cash & Cash Equivalents | 1,93,51,370 | 54,32,271 |
| Opening Cash and cash equivalents | 1,60,06,098 | 1,93,51,370 |
| Closing Cash and cash equivalents | 1,60,06,098 | 1,93,51,370 |
| Cash and cash equivalents comprise | | |
| Cash, Cheques & Drafts (in hand) and Remittances in transit | 26,050 | 13,392 |
| Balance with Scheduled Banks (Including Deposits) | 1,59,80,048 | 1,93,37,978 |
| | 1,60,06,098 | 1,93,51,370 |

- Notes :** 1 The above Cash flow statement has been prepared under the indirect method setout in AS-3 issued by the Institute of Chartered Accountants of India.
2 Figures in brackets indicate cash outgo.
3 Figures of previous year are regroup wherever necessary.
The above Cash Flow Statement has been compiled from and is based on the audited
4 accounts of ENOVATE LIFESTYLES PRIVATE LIMITED. for the period ended 31.03.2020 reported upon by us.

For DIWAN GOSALIA & ASSOCIATES
Chartered Accountants.

Firm Registration No.: 111881W




(HITESH DIWAN)
Partner.

Membership No.35079

Mumbai, 10-07-2020

For and on behalf of the Board of Directors
for ENOVATE LIFESTYLES PRIVATE LIMITED



Directors.

Mumbai,

10/07/2020



ENOVATE LIFESTYLES PRIVATE LIMITED
CIN: U74900MH2010PTC211692

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

1. SIGNIFICANT ACCOUNTING POLICIES

(a) **Background of the Company :**

Enovate Lifestyles Private Limited ('the Company') is a private limited company domiciled & headquartered in India. It is incorporated under the Companies Act, 1956. The Company is in the business of sale Gold & Diamond Jewellery.

(b) **Basis of Preparation:**

The financial statements of the Company comply with all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

All assets and liabilities are classified as current or non-current as per the company's normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the company has ascertained its operating cycle as 12 months for the purpose of current/non-current classification of assets and liabilities.

The financial statements have been prepared under the historical cost convention on an accrual basis.

(c) **Use of estimates**

The preparation of the 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 amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected

(d) **Property, Plant & Equipment :**

Property, plant and equipment are stated at cost of acquisition, including any attributable cost for bringing the asset to its working condition for its intended use, less accumulated depreciation/amortisation and impairment loss.

Depreciation is provided on straight line method over the estimated useful life as determined by management which is in line with that prescribed under Schedule II of the Act. Depreciation is provided on a pro-rata basis i.e. from the month on which asset is ready for use. The useful lives are reviewed by the management at each financial year-end and revised, if appropriate.

(e) **Inventories:**

Inventories which comprise of stock-in-trade and packing materials are carried at cost.

In determining the cost, weighted average cost method is used.



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

(f) Foreign Currency Transactions :

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

(g) Revenue recognition

Revenue from sale of goods in the course of ordinary activities is recognised when property in the goods or all significant risks and rewards of their ownership are transferred to the customer and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of the goods and regarding its collection. The amount recognised as revenue is exclusive of goods and services tax (GST), and is net of returns, trade discounts and quantity discounts.

(h) Employee benefits

Provident Fund Scheme

The Company makes specified monthly contribution along with employees contribution towards Employee Provident Fund scheme.

Gratuity Scheme

The Company's gratuity benefit scheme is defined benefit plan. The Company's net obligation in respect of a defined benefit plan is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods ; that benefit is discounted to determine its present value. The calculation of the Company's obligation under plan is performed annually by a qualified independent actuary using the projected unit credit method.

(i) Fair Value measurement

Fair value of cash and short-term deposits, trade and other short term receivables, trade payables, other current liabilities, short term loans from banks and other financial institutions approximate their carrying amounts largely due to short term maturities of these instruments.

(j) Provisions and contingent Liabilities

The Company recognises a provision when there is a present obligation as a result of a past event, it is probable that an outflow of resources will be required to settle the obligation and in respect of which reliable estimate can be made.

A disclosure for contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation and the likelihood of outflow of resources is remote, no provision or disclosure is made.


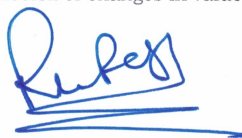
(k) Earnings per share

Basic earnings per share is calculated by dividing the profit attributable to owners of the Company by the weighted average number of equity shares outstanding during the financial year.

For the purpose of calculating diluted earnings per share, diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares

(l) Cash and Cash Equivalents

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



NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

2. PROPERTY, PLANT & EQUIPMENT :

| Sr. No. | Description of Assets | GROSS BLOCK (AT COST) | | | | DEPRECIATION | | | NET BLOCK | | |
|---------|-----------------------------------|---------------------------------|-------------------------------------|--------------------------------------|----------------------------------|--------------------------------|-----------------------------------|------------------------------------|---------------------------------|----------------------------------|----------------------------------|
| | | I | II | III | IV | V | VI | VII | VIII | IX | X |
| | | As at 1st April, 2019 Rupees | Additions during the Year Rupees | Deductions during the Year Rupees | As at 31st March, 2020 Rupees | Upto 1st April, 2019 Rupees | Deductions/ Adjustments Rupees | Provided during the year Rupees | Upto 31st March, 2020 Rupees | As at 31st March, 2020 Rupees | As at 31st March, 2019 Rupees |
| | <u>Tangible Assets :</u> | | | | | | | | | | |
| 1. | Computer | 28,21,410 | 7,41,331 | - | 35,62,741 | 12,41,726 | - | 8,82,794 | 21,24,520 | 14,38,221 | 15,79,684 |
| 2. | Office Equipments | 14,10,374 | 6,40,611 | | 20,50,985 | 7,70,432 | | 2,52,667 | 10,23,099 | 10,27,886 | 6,39,942 |
| 3. | Furniture and fixtures | 15,82,528 | 4,93,851 | | 20,76,379 | 5,45,035 | | 1,78,983 | 7,24,018 | 13,52,361 | 10,37,493 |
| 4 | Plant & Machinery | 18,34,784 | 11,59,648 | | 29,94,432 | 1,87,767 | | 1,65,608 | 3,53,375 | 26,41,057 | 16,47,017 |
| 5 | Electric Installation | 1,51,069 | 71,393 | | 2,22,462 | 46,843 | | 15,672 | 62,515 | 1,59,947 | 1,04,226 |
| | <u>Intangible Assets :</u> | | | | | | | | | | |
| 1 | Website | 14,14,645 | 68,43,783 | | 82,58,428 | 1,61,125 | | 12,07,836 | 13,68,961 | 68,89,467 | 12,53,520 |
| 2 | Brand | 36,77,518 | 74,65,776 | | 1,11,43,294 | 5,04,937 | | 23,99,548 | 29,04,485 | 82,38,809 | 31,72,581 |
| | TOTAL | 1,28,92,327 | 1,74,16,393 | - | 3,03,08,720 | 34,57,865 | - | 51,03,108 | 85,60,973 | 2,17,47,747 | 94,34,463 |
| | PREVIOUS YEAR | 57,24,726 | 72,45,380 | 77,779 | 1,28,92,327 | 17,63,503 | 53,035 | 17,47,396 | 34,57,865 | 94,34,463 | 39,61,223 |



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ENOVATE LIFESTYLES PRIVATE LIMITED

CIN: U74900MH2010PTC211692

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

3. Investments

| | Current | |
|---|-------------|-------------|
| | As at 31st | As at 31st |
| | March, 2020 | March, 2019 |
| | Rupees | Rupees |
| Investments in Mutual Funds - Quoted | | |
| HDFC Liquid Growth Fund | - | 2,15,00,000 |
| (Units as on 31/03/2020 : Nil , 31/03/2019 : 6252.637) | | |
| SBI Premium Liquid Growth Fund | - | 40,00,000 |
| (Units as on 31/03/2020 : Nil , 31/03/2019 : 1496.106) | | |
| Total | - | 2,55,00,000 |
| Aggregate amount of quoted investments - At Cost | - | 2,55,00,000 |
| Aggregate amount of quoted investments - At Market Value | - | 2,72,49,634 |

4. Inventories (valued at lower of cost and net realisable value) :

| | As at 31st | As at 31st |
|----------------------------------|-------------|-------------|
| | March, 2020 | March, 2019 |
| | Rupees | Rupees |
| Finished and Semi Finished Stock | 4,99,44,794 | 3,09,94,535 |
| Packing Material | 11,54,861 | 10,18,409 |
| Total | 5,10,99,655 | 3,20,12,944 |











ENOVATE LIFESTYLES PRIVATE LIMITED

CIN: U74900MH2010PTC211692

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

5. Trade Receivables :

| | As at 31st March, 2020 Rupees | As at 31st March, 2019 Rupees |
|--|-------------------------------------|-------------------------------------|
| Unsecured, Considered Good unless stated otherwise | | |
| Outstanding for a period exceeding six months from the date they are due for payment : | 1,06,206 | 96,429 |
| Others | 1,82,12,691 | 1,16,14,848 |
| | 1,83,18,897 | 1,17,11,277 |
| Less: Provision for Doubtful Receivables | 10,00,000 | 10,00,000 |
| Total | 1,73,18,897 | 1,07,11,277 |

6. Cash and Bank Balances :

| | As at 31st March, 2020 Rupees | As at 31st March, 2019 Rupees |
|-----------------------------------|-------------------------------------|-------------------------------------|
| Cash and Cash Equivalents | | |
| Cash on hand | 26,050 | 13,392 |
| Balances with Banks: | | |
| In Current Accounts | 1,09,80,048 | 41,84,578 |
| Other Balances with Banks: | | |
| Short Term Bank Deposits | 50,00,000 | 1,51,53,400 |
| Total | 1,60,06,098 | 1,93,51,370 |

7. Other Financial Assets

| | Current | |
|-------------------------------|-------------------------------------|-------------------------------------|
| | As at 31st March, 2020 Rupees | As at 31st March, 2019 Rupees |
| Security Deposits | | |
| Unsecured and Considered Good | 9,70,000 | 8,70,000 |
| Total | 9,70,000 | 8,70,000 |

8. Other Current Assets :

| | As at 31st March, 2020 Rupees | As at 31st March, 2019 Rupees |
|----------------------|-------------------------------------|-------------------------------------|
| Prepaid Expenses | 9,22,092 | 4,69,227 |
| Sales Tax Receivable | 1,71,664 | 1,71,664 |
| GST Receivable | 2,73,05,917 | 1,36,51,757 |
| TDS Receivable | 1,15,436 | 38,092 |
| Other Receivable | 11,31,773 | 18,87,389 |
| Total | 2,96,46,881 | 1,62,18,128 |











ENOVATE LIFESTYLES PRIVATE LIMITED
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NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

9. Share Capital

| | As at 31st March, 2020 Rupees | As at 31st March, 2019 Rupees |
|---|-------------------------------------|-------------------------------------|
| Authorised Shares | | |
| Equity Share Capital | | |
| 400,000 Equity Shares of Rs. 10 each | 40,00,000 | 40,00,000 |
| | <u>40,00,000</u> | <u>40,00,000</u> |
| Issued, subscribed and fully paid-up shares | | |
| 1,89,258 Equity Shares of Rs.10 each Fully Paid Up (March,2019: 1,89,258 Equity Shares of Rs.10 each Fully Paid Up) | 18,92,580 | 18,92,580 |
| Issued, subscribed and partly paid-up shares | | |
| 1,60,000 Partly paid Equity shares of face value Rs.10 each having paid up value Rs. 8.80 per share (March,2019: 1,60,000 Equity Shares of face value Rs.10 each having paid up value Rs.8.80 per share) | 14,08,000 | 14,08,000 |
| | <u>33,00,580</u> | <u>33,00,580</u> |

(a) Reconciliation of the Equity shares outstanding at the beginning and at the end of the reporting period

| Equity Shares | 31st March, 2020 Nos. | Rupees | 31st March, 2019 Nos. | Rupees |
|--|--------------------------|-----------|--------------------------|-----------|
| At the beginning of the Year | | | | |
| 1,89,258 Equity shares of Rs.10/- each fully paid up | 1,89,258 | 18,92,580 | 1,89,258 | 18,92,580 |
| 1,60,000 Equity shares of Rs.10 each, called up & paid up Rs.8.80 per share (Previous year Rs. 4 per share) | 1,60,000 | 14,08,000 | 1,60,000 | 6,40,000 |
| Issued during the year | - | - | - | - |
| Further Called up & Paid up during the year | | | | |
| On 1,60,000 Equity shares of Rs.10 each partly paid up share, additional call money of Rs.4.80 per share called up and paid up during the year with premium of Rs.431.20 per share | - | - | - | 7,68,000 |
| At the end of the Year | | | | |
| 1,89,258 Equity shares of Rs.10 each fully paid up | 1,89,258 | 18,92,580 | 1,89,258 | 18,92,580 |
| 1,60,000 Equity shares of Rs.10 each, called up & paid up Rs.8.80 per share (Previous year Rs. 8.80 per share) | 1,60,000 | 14,08,000 | 1,60,000 | 14,08,000 |






(b) Terms/ rights attached to Equity shares

The Company has two classes of Equity Shares, 189258 Equity Shares of face value Rs.10 fully paid up and 160000 Partly Paid up Equity Share of face value Rs.10 called up and paid up Rs.8.80. (Previous year Rs. 8.80 per share.)

Each holder of fully paid equity share carries one vote and is entitled to dividend that may be recommended by the Board of Directors, which is subject to the approval of the shareholders in the Annual General Meeting. Partly paid up equity shares shall not carry any voting rights till the same are fully paid up as provided in the Articles of Association of Company.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held and the paid up value of shares by the shareholders

(c) Details of shareholders holding more than 5% shares in the Company (as per the register of members of the Company)

| Name of the Equity Shareholder | 31st March, 2020 | | 31st March, 2019 | |
|---|------------------|------------------------|------------------|------------------------|
| | Nos. of Shares | % holding in the class | Nos. of Shares | % holding in the class |
| <u>Equity shares of Rs.10/- each fully paid</u> | | | | |
| Mr Brijesh Chandwani | - | - | 34,809 | 18.39% |
| Mr Rupesh Jain | 79,488 | 42.00% | 79,488 | 42.00% |
| Mr Subram Kapoor | - | - | 8,721 | 4.61% |
| Kalyan Jewellers India Ltd | 1,09,770 | 58.00% | 66,240 | 35.00% |
| <u>Equity shares of Rs.10/- each partly paid, called up & paid up Rs.8.80 per share</u> | | | | |
| <u>(March,2018 : Called up & paid up Rs.4.00 per share)</u> | | | | |
| Kalyan Jewellers India Ltd | 1,60,000 | 100.00% | 1,60,000 | 100.00% |

Call money received on partly paid up 1,60,000 Equity Share :

Out of face value Rs.10 each Rs.8.80 was called up and paid up with premium of Rs.677.20 per share till 31st March,2020.



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NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

10. Other Equity

| | As at 31st March, 2020 | | | As at 31st March, 2019 | | |
|--|------------------------|-----------------------|--------------------|------------------------|----------------------|--------------------|
| | Share Premium | Profit & Loss A/c | Total | Share Premium | Profit & Loss A/c | Total |
| Balance at the beginning of the reporting year | 14,98,49,843 | (9,84,10,826) | 5,14,39,017 | 8,08,57,843 | (7,90,49,855) | 18,07,988 |
| Add : Premium of Rs.246 per share on 1,60,000 Equity Shares of Rs.10 each, Rs.4 paid up and called up on the shares issued during the year. | - | - | - | - | - | - |
| Add : Premium of Rs.431.20 per share on 1,60,000 Equity shares of Rs.10 each partly paid up share on additional call money of Rs.4.80 per share called up and paid up during the year on the shares issued in previous year. | - | - | - | 6,89,92,000 | - | 6,89,92,000 |
| Profit / (Loss) for the year | - | (1,71,70,309) | (1,71,70,309) | - | (1,93,60,972) | (1,93,60,972) |
| Balance at the end of reporting year | 14,98,49,843 | (11,55,81,135) | 3,42,68,708 | 14,98,49,843 | (9,84,10,826) | 5,14,39,017 |



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ENOVATE LIFESTYLES PRIVATE LIMITED
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NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

| 11. Borrowings : | Current | |
|------------------------|---------------------------|---------------------------|
| | As at 31st March, 2020 | As at 31st March, 2019 |
| | Rupees | Rupees |
| Unsecured Loans | | |
| From Shareholder | 1,91,25,000 | 1,16,25,000 |
| Total | 1,91,25,000 | 1,16,25,000 |

| 12. Trade Payables : | | |
|------------------------------------|---------------------------|---------------------------|
| | As at 31st March, 2020 | As at 31st March, 2019 |
| | Rupees | Rupees |
| Due to Micro and small Enterprises | 11,41,618 | 5,23,810 |
| Due to Others | 3,65,45,336 | 2,27,90,168 |
| Total | 3,76,86,954 | 2,33,13,978 |

| 13. Other Current Liabilities : | | |
|---------------------------------|---------------------------|---------------------------|
| | As at 31st March, 2020 | As at 31st March, 2019 |
| | Rupees | Rupees |
| Advances from Customers | 3,70,84,933 | 2,09,79,114 |
| Statutory Liabilities | 10,44,906 | 12,09,348 |
| Total | 3,81,29,839 | 2,21,88,462 |

| 14. Provisions : | | |
|--------------------------|---------------------------|---------------------------|
| | As at 31st March, 2020 | As at 31st March, 2019 |
| | Rupees | Rupees |
| Provision for Gratuity | 35,13,197 | 22,31,145 |
| Provision for Income Tax | 7,65,000 | - |
| Total | 42,78,197 | 22,31,145 |











ENOVATE LIFESTYLE PRIVATE LIMITED

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NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

15. Revenue from Operations :

| | Current Year Rupees | Previous Year Rupees |
|--------------------------------|--------------------------------|---------------------------------|
| Revenue from Operations | | |
| Sale of Goods - Domestic | 54,90,06,335 | 29,24,00,788 |
| Sale of Goods - Exports | 84,27,416 | 1,21,97,453 |
| Revenue from Operations | 55,74,33,751 | 30,45,98,241 |

16. Other Income :

| | Current Year Rupees | Previous Year Rupees |
|--|--------------------------------|---------------------------------|
| Advertisement Income | 27,10,000 | - |
| Profit on Sale of Investment (Mutual Fund) | 27,05,772 | - |
| Interest Income | 2,33,446 | 3,80,917 |
| Exchange Rate Difference | 34,791 | 5,46,778 |
| Insurance Claims Received | 14,35,428 | 2,22,267 |
| Sundry Balance written off | - | 13,83,596 |
| Other Income | 10,85,758 | 4,73,515 |
| Total | 82,05,195 | 30,07,072 |

17. Purchases :

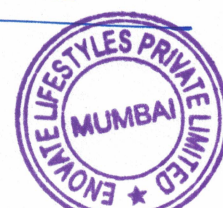
| | Current Year Rupees | Previous Year Rupees |
|--------------|--------------------------------|---------------------------------|
| Purchases | 44,71,67,540 | 24,87,66,857 |
| Total | 44,71,67,540 | 24,87,66,857 |

18. (Increase) / Decrease in Inventories:

| | Current Year Rupees | Previous Year Rupees |
|---|--------------------------------|---------------------------------|
| Inventories at the beginning of the year | | |
| Finished and Semi Finished Stock | 3,09,94,535 | 89,59,904 |
| | 3,09,94,535 | 89,59,904 |
| Inventories at the end of the year | | |
| Finished and Semi Finished Stock | 4,99,44,794 | 3,09,94,535 |
| | 4,99,44,794 | 3,09,94,535 |
| (Increase)/Decrease | (1,89,50,259) | (2,20,34,631) |

19. Employee Benefits Expense

| | Current Year Rupees | Previous Year Rupees |
|---|--------------------------------|---------------------------------|
| Salaries, Wages, Bonus and other Benefits | 3,43,94,045 | 2,40,53,227 |
| Contribution to Provident Fund | 8,38,590 | 4,48,921 |
| Staff Welfare Expenses | 18,10,465 | 13,08,038 |
| Gratuity | 12,82,052 | 13,68,937 |
| Total | 3,83,25,152 | 2,71,79,123 |



ENOVATE LIFESTYLES PRIVATE LIMITED

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NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2020

20. Finance Costs :

| | Current Year Rupees | Previous Year Rupees |
|-------------------|--------------------------------|---------------------------------|
| Bank Charges | 2,63,657 | 1,13,550 |
| Interest Expenses | 13,56,323 | 12,92,997 |
| Total | 16,19,980 | 14,06,547 |

21. Depreciation and Amortisation Expenses :

| | Current Year Rupees | Previous Year Rupees |
|------------------------|--------------------------------|---------------------------------|
| Depreciation on Assets | 51,03,108 | 17,47,396 |
| Total | 51,03,108 | 17,47,396 |

22. Other Expenses :

| | Current Year Rupees | Previous Year Rupees |
|--|--------------------------------|---------------------------------|
| Advertisement Expenses | 4,24,72,568 | 3,02,30,584 |
| Travelling and Conveyance | 3,72,411 | 7,04,732 |
| Rent Rates and Taxes | 59,09,836 | 31,48,903 |
| Legal and Professional Charges | 26,12,321 | 10,22,795 |
| Insurance Charges | 4,62,612 | 2,30,064 |
| Repairs and Maintenance | 6,57,282 | 3,90,283 |
| Office Expenses | 1,12,609 | 2,970 |
| Commission Expenses | 1,68,55,522 | 97,48,641 |
| Postage & Courier Charges | 63,86,715 | 52,29,277 |
| Payment to Auditor (Refer details below) | 4,06,500 | 2,52,500 |
| Telephone Expenses | 4,06,077 | 2,98,360 |
| Printing and Stationery | 2,95,162 | 2,18,836 |
| Electricity Charges | 15,42,390 | 12,11,400 |
| Miscellaneous Expenses | 55,12,934 | 34,75,787 |
| Recruitment Charges | 3,15,446 | 3,26,414 |
| Loss on Sale of Fixed Assets | - | 9,744 |
| Manufacturing Expenses | 1,14,25,941 | 54,89,392 |
| Packing Materials Consumed | 33,02,814 | 17,54,545 |
| Sales Promotion Expenses | 4,29,596 | 3,55,765 |
| Directors Remuneration | 93,00,000 | 58,00,000 |
| Total | 10,87,78,734 | 6,99,00,991 |

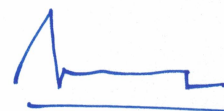
Payment to Auditor :

| | Current Year Rupees | Previous Year Rupees |
|---------------------------|--------------------------------|---------------------------------|
| As Auditor: | | |
| Audit Fees | 2,25,000 | 1,34,000 |
| In other capacity: | | |
| Taxation & Other Fees | 1,81,500 | 1,18,500 |
| Total | 4,06,500 | 2,52,500 |











ENOVATE LIFESTYLES PRIVATE LIMITED
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NOTES TO FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2020

23. Earnings Per Share (EPS):

The following reflects the profit and share data used in the basic and diluted EPS computations:

| | Current Year Rupees | Previous Year Rupees |
|--|------------------------|-------------------------|
| Profit after Tax as per Statement of Profit and Loss | (171,70,309) | (193,60,972) |
| Net Profit for calculation of Basic / Diluted EPS | <u>(171,70,309)</u> | <u>(193,60,972)</u> |
| | Nos. | Nos. |
| No of Equity Shares at the year end | 3,49,258 | 3,49,258 |
| Weighted average number of Equity Shares outstanding | 330,058 | 330,058 |
| Effect of Dilution | - | - |
| Weighted average number of Equity Shares in calculating diluted EPS | <u>3,30,058</u> | <u>3,30,058</u> |
| Basic Earnings per equity share [nominal value of share Rs.10/- (Previous Year: Rs. 10/-)] | (49.16) | (55.43) |
| Diluted Earnings per equity share [nominal value of share Rs.10/- (Previous Year: Rs. 10/-)] | (52.02) | (58.66) |

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ENOVATE LIFESTYLES PRIVATE LIMITED
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NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2020

24. Related Party Disclosures

(a) Names of related parties and related party relationships:

1. Key Management Personnel and their Relatives:

Key Management Personnel:

Mr Rupesh Jain
Mr Subram Kapoor
Mr Sanjay Raghuraman
Mr Arun Sankar

2. Enterprises over which key Management Personnel and their relatives have significant influence:

Kalyan Jewellers Private Limited

(b) Transactions with Key Management Personnel and their Relatives :

| Nature of Transactions | For the year Ended on 31st March, 2020 (Rupees) | For the year Ended on 31st March, 2019 (Rupees) |
|---|--|--|
| 1. Loans Taken | | |
| Kalyan Jewellers India Limited | 75,00,000 | - |
| 2. Loan Outstanding | | |
| Kalyan Jewellers India Limited | 1,91,25,000 | 1,16,25,000 |
| 3. Trade Payable | | |
| Kalyan Jewellers India Limited | 94,61,588 | - |
| 4. Interest Accrued & Due on Borrowing | | |
| Kalyan Jewellers India Limited | 34,27,536 | 22,16,614 |
| 5. Expenditure | | |
| Interest | | |
| Kalyan Jewellers India Limited | 13,45,478 | 12,78,750 |
| Purchases (Including GST) | | |
| Kalyan Jewellers India Limited | 3,76,77,041 | - |
| Director Remuneration | | |
| Rupesh Jain | 93,00,000 | 58,00,000 |

25. Details of Dues to Micro and Small Enterprises as defined under the the MSMED Act, 2006 :

Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006 are provided in Note 12 to the extent the Company has received intimation from the suppliers regarding their status under the Act.

26. Previous Year Figures:

Previous Year figures have been regrouped/reclassified, where necessary to conform to this year's classification.

For DIWAN GOSALIA & ASSOCIATES,
Chartered Accountants.
Firm Registration No.: 111881W



(HITESH DIWAN)

Partner.

Membership No.35079

Mumbai, 10-07-2020

For and on behalf of the Board of Directors
for ENOVATE LIFESTYLES PRIVATE LIMITED







Directors.
Mumbai,

10/07/2020



