



ANNUAL REPORT

**KALYAN JEWELLERS INDIA LIMITED 2019 -
2020**

Corporate Information

Board of Directors

Mr. T.S. Kalyanaraman - Chairman & Managing Director
Mr. T.K Seetharam - Whole-time Director
Mr. T. K Ramesh - Whole-time Director
Mr. Salil Nair - Non-Executive Director
Mr. Anish Saraf - Non-Executive, Nominee Director
Mr. A.D.M Chavali - Independent Director
Mr. Mahalingam Ramaswamy - Independent Director
Mr. T.S. Anantharaman - Independent Director
Ms. Kishori Jayendra Udeshi - Independent Director
Mr. Anil Sadasivan Nair - Independent Director

Audit Committee

Mr. A.D.M Chavali - Chairman
Mr. Anish Saraf
Mr. Mahalingam Ramaswamy

Nomination & Remuneration Committee

Mr. Mahalingam Ramaswamy - Chairman
Mr. A.D.M Chavali
Mr. Anish Saraf

Corporate Social Responsibility Committee

Mr. T.S. Kalyanaraman - Chairman
Mr. Mahalingam Ramaswamy
Mr. T.K Seetharam
Mr. T. K Ramesh

Risk Management Committee

Mr. Salil Nair - Chairman
Mr. Anil Sadasivan Nair
Mr. T.K Seetharam

Stakeholders Relationship Committee

Mr. T.S. Anantharaman - Chairman
Mr. T.K Seetharam
Mr. T. K Ramesh

Chief Financial Officer

Mr. V Swaminathan

Chief Executive Officer

Mr. Sanjay Raghuraman (appointed as CEO w.e.f 01st July 2020)

Company Secretary & Compliance Officer

Mr. Jishnu RG (designated as Compliance Officer w.e.f 01st July 2020)

Statutory Auditors

Deloitte Haskins & Sells LLP

7th Floor, Times Square,

Door No. 62,

A.T.T. Colony Road,

Coimbatore - 641018

Registered & Corporate Office

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

Punkunnam, Thrissur, Kerala - 680 002

Registrar and Transfer Agent

Link Intime India Private Limited

C-101, 1st Floor, 247 Park

Lal Bahadur Shastri Marg

Vikhroli (West), Mumbai 400083

DIRECTORS REPORT

Dear Shareholders

Your Directors have pleasure in submitting their 12th Annual Report of Kalyan Jewellers India Limited (“the Company”) together with Audited Statement of Accounts for the financial year ended on **31st March, 2020**.

1. Financial Results

(Rs. in Millions)

Particulars	Standalone		Consolidated	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Revenue from operations	78,458.26	74,481.66	1,01,009.18	97,707.62
Other Income	982.97	584.16	800.08	432.67
Total	79,441.23	75,065.82	1,01,810.16	98,140.29
Expenditure	77,087.92	74,421.46	99,601.29	97,767.98
Profit before taxes	2353.31	644.36	2,208.87	372.31
Tax Expenses	789.76	195.02	786.12	195.02
Profit for the year	1563.56	449.34	1,422.75	177.29
Earning per equity share	1.86	0.54	1.70	0.23

During the Financial Year 2019-20, the Company has registered net revenue from operations of Rs. 78,458.26 Million, as compared to Rs. 74,481.66 Million in the previous year on a standalone basis. Profit before Tax for the year under review was 2353.31 Million and Profit after Tax for the year under review was Rs. 1563.56 Million.

2. Dividend

Your Directors have not recommended any dividend on equity shares for the financial year 2019-20.

3. Transfer to Reserves

The entire profits after tax is retained in the profit and loss account and no transfer to separate General Reserve Account is made.

4. Change in Capital Structure of the Company

The authorized Capital of the company had increased from 1400,00,00,000 to 1400,50,00,000 Pursuant to a confirmation order dated August 7, 2019 under Section 233 of the Companies Act, by the Regional Director, Ministry of Corporate Affairs, Chennai for the scheme of amalgamation between Kalyan Jewellers Mini Stores Private Limited and the Company. During the year under review, your Company had not

made any fresh issue of shares. The Company has not issued any equity shares with differential rights, sweat equity shares or bonus shares.

5. Board of Directors

A. Composition of the Board

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.

The list of directors of the company is provided below:

SI 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 J Udeshi	Independent Director
8	T.S Anantharaman	Independent Director
9	Anil S Nair*	Independent Director
10	Salil Nair*	Non-Executive Director

**appointed w.e.f 29th May 2020.*

B. Change in directors of the Company during the year under review.

Mr. Anil S Nair and Mr. Salil Nair were appointed as the Independent Director and Non-Executive Director respectively w.e.f 29th May 2020. There was no other change in the Directors of the Company during the year under review.

C. Committees of the Board of Directors

The Sub-Committees of the Board comprises of Audit Committee, Nomination and Remuneration Committee, Corporate Social Responsibility (CSR) Committee, Risk Management Committee, Stakeholder Relationship Committee, IPO Committee and Executive Committee.

The composition of the above said sub-committees of the board are as follows:

Name of the Committee	Members of the Committee
Audit Committee	Mr. A.D.M. Chavali Mr. M. Ramaswamy Mr. Anish Saraf
Nomination & Remuneration Committee	Mr. M. Ramaswamy Mr. A.D.M. Chavali Mr. Anish Saraf
Corporate Social Responsibility Committee	Mr. M. Ramaswamy Mr. T.S. Kalyanaraman Mr. T.K. Seetharam Mr. T.K. Ramesh
Risk Management Committee	Mr. Salil Nair Mr. Anil Sadasivan Nair Mr. T.K Seetharam
Stakeholders Relationship Committee	Mr. T.S. Anantharaman Mr. T.K Seetharam Mr. T. K Ramesh
Executive Committee	Mr. T.S. Kalyanaraman Mr. T.K. Seetharam Mr. T.K. Ramesh
IPO Committee	Mr. T.K. Seetharam Mr. T.K. Ramesh Mr. Anish Kumar Saraf

D. Declarations by Independent Directors

The Company has received necessary declarations from the Independent Directors stating that they meet the criteria of independence as specified in Section 149(6) of the Companies Act, 2013 and qualify to act as Independent Director of the Company. As per General Circular No. 11 /2020 dated 24th March 2020 issued by the Ministry of Corporate affairs, the Company was given relaxation for holding a separate meeting of Independent Directors for the year 2019-2020, hence no separate meeting of Independent Directors was held for the year.

E. Changes in Key Managerial Persons

Mr. Sanjay Raghuraman was appointed as the CEO of the Company w.e.f 01st July 2020.

F. Number of meetings of the Board

The Board meets at regular intervals to adopt financial results and consider and decide business policies and strategic proposals apart from other items of business. The Board and Committee meetings are pre-scheduled and a tentative annual calendar of meetings is circulated to the Directors in advance to ensure participation of all Directors. During the year under review, five Board meetings were held (20th June 2019, 23rd July 2019, 24th September 2019, 02nd December 2019 and 19th February 2020) and meetings of Sub-committees were also held. The intervening gap between the meetings was within the period prescribed under the Act. The Company provides all the Board members the facility to participate the meetings of Board and Sub-committees through Video Conferencing / Other Audio Visual Means.

6. Extract of Annual Return

The extract of Annual Return prepared in Form MGT 9 of the Company for the financial year ended on 31st March, 2020 is annexed with this report as **Annexure 1**.

7. Particulars of Loans, Guarantees or investments under Section 186 of the Companies Act, 2013 (“Act”)

During the year under review, the Company has provided loans to its subsidiaries Kalyan Jewellers FZE and Enovate Lifestyles Pvt Ltd. Further, Corporate Guarantee and guarantee by way of standby letters of credit were also provided on behalf of Kalyan Jewelles FZE.

The details of above said loans, investments and guarantee are as follows:

- (a) Loans** – The Company has provided unsecured loan of an amount of INR 417.98 MM to M/s. Kalyan Jewellers FZE and INR 7.50 MM to Enovate Lifestyles Pvt Ltd.
 - (b) Investments** –The Company during the financial year under review has invested an aggregate amount of INR 60 MM in the share capital of Enovate Life Styles Private Limited, by acquisition of shares from the existing shareholders of the Company.
 - (c) Guarantee** – The Company has provided/ continued the corporate guarantee on behalf of Kalyan Jewellers FZE/ Kalyan Jewellers LLC during the financial under review for an aggregate amount of AED 615 Million.
 - (d) Standby Letter of Credit (SBLC)** – The Company during the year had issued/renewed SBLCs on behalf of Kalyan Jewellers FZE in connection with
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the financial facilities availed by Kalyan Jewellers FZE and the total amount of SBLCs outstanding as at the end of the financial year is USD 29.26 Million.

The details of all the subsidiaries in AOC -1 are listed as **Annexure -2**

8. Details relating to Deposits Covered under Chapter V of the Act

The Company used to run purchase advance scheme, in which the amounts in installments were accepted from customers for purchase of jewellery at the end of the tenure of the scheme. Such schemes were exempted under the Companies Act, 1956. However, as per the Companies Act, 2013 and the rules made thereunder, which came in to effect from 1st April, 2014, the scope of the term “deposit” was enlarged and therefore a view was taken that the purchase advance schemes offered by the Company to its customers would be treated as public deposits. Therefore, the Company had discontinued running the earlier purchase advance scheme, which was coming within the definition of deposits under Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014.

Under the Companies (Acceptance of Deposits) Rules, 2014, a company is permitted to accept deposits subject to applicable provisions, to the extent of 25% of the aggregate paid-up share capital and free reserves, after obtaining prior approval by way of a special resolution from the shareholders in this behalf.

In pursuance thereof, the requisite approval was obtained from the shareholders of the Company and a new scheme for jewellery purchase was launched in November 2016 in compliance with the Deposit Regulations.

The details relating to deposits, covered under Chapter V of the Companies Act, 2013 are as under:

- a) accepted during the year: NIL
 - b) remained unpaid or unclaimed as at the end of the year: NIL
 - c) whether there has been any default in repayment of deposits or payment of interest thereon during the year and if so, number of such cases and the total amount involved-
 - (i) at the beginning of the year: NIL
 - (ii) maximum during the year: NIL
 - (iii) at the end of the year: NIL
 - (iv) the details of deposits which are not in compliance with the requirements of Chapter V of the Act: NIL
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The advances received by us from customers under our purchase advance schemes, against which the customers have not claimed or purchased jewellery or gold coins within the time specified in the terms and conditions of these schemes, and which were outstanding as at March 31, 2020, aggregated to ₹ 429.73 million. Due to the COVID-19 outbreak and associated actions such as country-wide lockdowns and restrictions on travel and business operations, we were unable to appropriate these outstanding advances against the supply or sale of jewellery or gold coins within a period of 365 days from the date of acceptance of each of such advances. We are in discussion with the concerned regulators regarding our inability to comply with such timeline specified under the applicable provisions of the Companies Act, 2013, read with the Companies (Acceptance of Deposits) Rules, 2014, as amended].

9. Particulars of Contracts or Arrangements with related parties.

The details of the Contracts or Arrangements with related parties are provided in Form AOC 2 annexed with this report as **Annexure 3**.

10. Directors Responsibility Statement

Directors hereby declare and confirm that:

- (i) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
 - (ii) the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
 - (iii) the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
 - (iv) the directors have prepared the annual accounts on a going concern basis; and
 - (v) the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and such systems are adequate and operating effectively.
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11. Details of Material Changes and Commitments affecting the financial position of the Company between the end of the financial year and the date of this report.

There have been no material changes and commitments for the likely impact affecting financial position between end of the financial year and the date of the report except for the impact arising out of COVID-19.

Since March 2020, the COVID-19 outbreak and the related preventative and protective actions have impacted our businesses in the locations we operate. As a result of the government mandated lockdown we had to temporarily close all of our showrooms in India and in the Middle East and “My Kalyan” centres in India for approximately two months’ time between March 2020 to May 2020. However our pan-India presence, strong supply chain network and the capabilities and depth of our management team enabled us to restart our operations quickly after the lockdown. Throughout the COVID-19 crisis, we prioritized and continue to prioritize the health and safety of our employees and customers. We have implemented strict procedures at all our showrooms and facilities to contain the spread of the virus, which include staggered work shifts, safe distancing protocols, regular temperature screening and regular health checks, among others. We have also taken steps and implemented policies to safeguard our communities from the threats posed by the COVID-19 pandemic.

12. Corporate Social Responsibility (CSR) Policy

In compliance with the provisions of Section 135 of the Act and Companies (Corporate Social Responsibility) Rules, 2014, the board of directors of the Company at its meeting held on 15th April, 2014 (subsequently reconstituted on 26th July, 2016) had constituted a CSR Committee. The said committee at its meeting held on 9th June, 2014 formulated and recommended to the board a CSR Policy, which was approved and adopted by the board of directors, as the CSR Policy of the Company at the board meeting held on the same day.

An annual report on CSR activities as per the requirement of Companies (Corporate Social Responsibility) Rules, 2014 is annexed with this report as **Annexure 4**.

13. Vigil Mechanism/ Whistle Blower Policy

In compliance with the provisions of Section 177(9) of the Act and Rule 7 of the Companies (Meeting of Board and its Powers) Rules, 2014, the board of directors of the Company at its meeting held on 15th April, 2014 had adopted a Vigil Mechanism Policy for inter alia establishing mechanism for employees reporting their concerns.

14. Reporting of frauds

During the year under review, neither the Statutory Auditors nor the Secretarial Auditors has reported to the Audit Committee, under Section 143(12) of the Act, any instances of fraud committed against the Company by its officers or employees.

15. Conservation of Energy, Technology Absorption and the details of Foreign Exchange Earnings and outgo.

The particulars as required under Section 134(3)(m) of the Act read with Companies (Accounts) Rules, 2014, are as under:

Foreign Exchange Earnings and outgo:

During the year under review, the Company has earned Rs. 358.34 Million as net gain on foreign currency transactions and translation.

16. Particulars of Remuneration details

The names and particulars of employees drawing remuneration of Rs. 10.2 million or above are listed below. This excludes the details of Directors & KMP whose details are separately shown in Extracts of Annual Return.

- a. Sanjay Mehrottra – Head Strategy & Corporate Affairs – Rs. 11.18 million
- b. Bhartendra Singh – Pilot – Rs. 11.46 million

17. Change in the nature of Business

There was no change in nature of business conducted by the company during the financial year ended on 31st March, 2020.

18. Statutory Auditors

The shareholders of the Company at the 11th Annual General Meeting (AGM) held on 30th September, 2019 have 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 - 641018 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.

19. Secretarial Auditors

The Board of Directors, pursuant to the provisions of Section 204 of the Companies Act, 2013, appointed of Mr. M R Thiagarajan, Company Secretary in Practice, as the Secretarial Auditor of the Company, to carry out the Secretarial Audit for the Financial Year 2019-20. Secretarial Audit Report, issued by the Secretarial Auditor in Form No. MR -3 forms part of this Report and is annexed herewith as **Annexure – 5**. There are no disqualifications, reservations, adverse remarks or disclaimers in secretarial auditor's report

20. Details in respect of adequacy of internal financial controls with reference to the Financial Statements.

The Company, during the year has reviewed its Internal Financial Control (IFC) systems and has continually contributed to establishment of more robust and effective IFC framework, prescribed under the ambit of Section 134(5) of Companies Act, 2013. The preparation and presentation of the financial statements is pursuant to the control criteria defined considering the essential components of Internal Control - as stated in the "Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI)". The control criteria ensures the orderly and efficient conduct of the Company's business, including adherence to its 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.

Based on the assessment carried out by the Management and the evaluation of the results of the assessment, the Board of Directors are of the opinion that the Company has adequate Internal Financial Controls system that is operating effectively as at 31st March 2020.

There were no instances of fraud which necessitates reporting of material misstatement to the Company's operations.

There has been no communication from regulatory agencies concerning non-compliance with or deficiencies in financial reporting practices.

21. Details of significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future

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. However, pursuant to a confirmation order dated August 7, 2019 under Section 233 of

the Companies Act, by the Regional Director, Ministry of Corporate Affairs, Chennai M/s. Kalyan Jewellers Mini Stores Private Limited the wholly owned subsidiary of the Company had amalgamated with the Company.

22. Risk Management

The Company manages, monitors and reports on the principal risks and uncertainties that can impact its ability to achieve its strategic objectives. Reporting of Frauds: There was no instance of fraud during the Financial Year under review, which required the Statutory Auditors to report to the Audit Committee and / or Board under Section 143(12) of the Companies Act 2013 and Rules framed thereunder.

23. Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company has in place the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress any complaint regarding sexual harassment.

The following is a summary of sexual harassment complaints received and disposed of during the Financial Year 2019-20:

- No. of complaints at the beginning of the year 2019-20: NIL
- No. of complaints received during the year 2019-20: NIL
- No. of complaints disposed off during the year 2019-20: NIL
- No. of complaints at the end of the year 2019-20: NIL

24. 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 and the employees of the Company.

On behalf of the Board of Directors

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

Place: Thrissur
Date: 13.07.2020

ANNEXURE - 1
Form No. MGT- 9
EXTRACT OF ANNUAL RETURN

As on the financial year ended on 31st March, 2020
[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies
(Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS

i) CIN	U36911KL2009PLC024641
ii) Registration date	January 29, 2009
iii) Name of the Company	Kalyan Jewellers India Limited
iv) Category/Sub-Category of the Company	Public company limited by shares (Indian non- company)
v) Address of the registered office and contact details	TC-32/204/2, Sitaram Mill Road, Punkunnam, Thrissur, Kerala - 680 002. Tel: 0487 - 2437100 Fax: 0487 - 2382833
vi) Whether listed company Yes/No	No
vii) Name, Address and Contact details of Registrar and Transfer Agent, if any	Link In Time India Private Limited C-101, 1st Floor, 247 Park Lal Bahadur Shastri Marg Vikhroli (West), Mumbai 400083 Telephone: +91 22 4918 6200

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company shall be stated: -

SI No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Manufacturing, Designing, Marketing and selling of jewellery	32111, 32112, and 32119	100

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

SI No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary / Associate	% Share s held	Applicabl e Section
1	Enovate Lifestyles Private Limited	U74900MH2010PTC211692	Subsidiary	77%	2(87)
2	Kalyan Jewellers FZE, UAE	Overseas Corporate Body	Subsidiary	100%	2(87)
3	Kalyan Jewellers LLC, UAE	Overseas Corporate Body	Subsidiary	100%	2(87)
4	Kalyan Jewellers For Golden Jewelry Company, W.L.L., Kuwait	Overseas Corporate Body	Subsidiary	100%	2(87)
5	Kalyan Jewellers LLC, Qatar	Overseas Corporate Body	Subsidiary	100%	2(87)
6	Kenouz Al Sharq Gold Ind. LLC, UAE	Overseas Corporate Body	Subsidiary	100%	2(87)
7	Kalyan Jewellers LLC, Oman	Overseas Corporate Body	Subsidiary	100%	2(87)
8	Kalyan Jewelers,INC, USA	Overseas Corporate Body	Subsidiary	100%	2(87)

**Excluding Kalyan Jewellers Bahrain W.L.L., Bahrain, which is in the process of incorporation and, inter alia, awaits regulatory approvals for its incorporation and commencement of operations.*

f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (Specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1)	-	-	-	-	-	-	-	-	-
2. Non-institutions									
a) Bodies Corp.	-	-	-	-	-	-	-	-	-
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	201417984	-	201417984	24	201417984	-	201417984	24	-
b) Individuals	-	-	-	-	-	-	-	-	-
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	-	-	-	-	-	-	-	-	-
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	-	-	-	-	-	-	-	-	-
c) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(2)	201417984	-	201417984	24	201417984	-	201417984	24	-
Total Public Shareholding (B)=(B)(1)+ (B)(2)	201417984	-	201417984	24	201417984	-	201417984	24	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	839241600	-	839241600	100	839241600	-	839241600	100	-

* Includes shareholding of the members of the promoter group (as defined under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended).

ii) Shareholding of Promoters & Promoter group

SI No	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year*
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	T.S.Kalyanaraman	218088480	25.99	Nil	218088480	25.99	Nil	-
2	T.K.Seetharam	138323492	16.48	Nil	138323492	16.48	Nil	-
3	T.K.Ramesh	138323492	16.48	Nil	138323492	16.48	Nil	-
4	N.V.Ramadevi	35772038	4.26	Nil	35772038	4.26	Nil	-
5	Maya Ramakrishnan	35772038	4.26	Nil	35772038	4.26	Nil	-
6	Deepa Harikrishnan	35772038	4.26	Nil	35772038	4.26	Nil	-
7	T.K.Radhika	35772038	4.26	Nil	35772038	4.26	Nil	-

iii) Change in Promoters' Shareholding (please specify, if there is no change)

There were no changes in aggregate promoters shareholding during the year.

iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

SI No.	Name of the Share Holder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% Holding	No. of Shares	% Holding
1	Highdell Investment Ltd	201417984	24	201417984	24
2	N.V.Ramadevi	35772038	4.26	35772038	4.26
3	Maya Ramakrishnan	35772038	4.26	35772038	4.26
4	DeepaHarikrishnan	35772038	4.26	35772038	4.26
5	T.K.Radhika	35772038	4.26	35772038	4.26

v) Shareholding of Directors and Key Managerial Personnel (KMP):

SI No.	Name of the Director/KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	T.S.Kalyanaraman	218088480	25.99	218088480	25.99
2	T.K.Seetharam	138323492	16.48	138323492	16.48
3	T.K.Ramesh	138323492	16.48	138323492	16.48

V. INDEBTNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment(For details refer Annual Report of the Company)

(Rs in Million)

	Secured Loans excluding deposits*	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	16406.87	-	-	
ii) Interest due but not paid	-	-	-	
iii) Interest accrued but not due	-	-	-	
Total (i+ii+iii)	16406.87	-	-	
Change in Indebtedness during the financial year				
Addition	3079.63	-	-	
Reduction	424.21	-	-	
Net Change	2655.42	-	-	
Indebtedness at the end of the financial year				
i) Principal Amount	19062.29	-	-	
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	19062.29	-	-	-

* Apart from the above Company is having Metal Gold Loan Rs. 6021.55 Million as on 31st March 2020.

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(INR in million)

Particulars of Remuneration	Name of MD/WTD/Manager			Total Amount
	T.S.Kalyanaraman	T.K.Seetharam	T.K.Ramesh	
Gross salary	Managing Director	Whole-time Director	Whole-time Director	
(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	105	105	105	315
(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
(c) Profits in lieu of salary under section 17(3) Income tax Act, 1961	-	-	-	-
Stock Option	-	-	-	-
Sweat Equity	-	-	-	-
Commission - as % of profit	-	-	-	-
- Others, specify...	-	-	-	-
Total				315
Ceiling as per the Act – 10% of the net profits of the Company calculated as per Section 198 of the Companies Act, 2013 is Rs 235.3 million. The Company had passed special resolution for making managerial remuneration in excess of 10% of the net profits and had obtained approval of members.				

B. Remuneration to other Directors

in million

Sl. No	Particulars of Remuneration	Mr. ADM Chavali	Mr. M Ramaswamy	Mrs. Kishori Udeshi	Mr. TS Anantharaman
	Independent Directors				
	Fee for attending Board/Committee meetings	0.50	0.50	0.50	0.50
	Commission	0.50	0.50	0.50	0.50
	Others	0	0	0	0
	Total	1.0	1.0	1.0	1.0
	Total	4.00			
	Ceiling as per the Act	Being 1% of the net profits of the Company calculated as per Section 198 of the Companies Act, 2013 is Rs. 23.53 Million. The payment of commission is well within the above limit			

C. Remuneration to Key Managerial Personnel(KMP)

(INR in Million)

Particulars of Remuneration	Key Managerial Personnel			
	CEO	CS Jishnu RG	CFO V Swaminathan	Total
Gross salary				
(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	NA	1.26	15	15
(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-		-	-
(c) Profits in lieu of salary under section 17(3) Income tax Act, 1961	-			
Stock Option	-	-	-	-
Sweat Equity	-	-	-	-
Commission				
- as % of profit	-	-	-	-
- Others, specify...	-	-	-	-
Total	-	1.26	15.00	16.26

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: NIL

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
Penalty	Not Applicable	-	-	-	-
Punishment	Not Applicable	-	-	-	-
Compounding	Not Applicable	-	-	-	-
C. OTHER OFFICERS IN DEFAULT					
Penalty	Not Applicable	-	-	-	-
Punishment	Not Applicable	-	-	-	-
Compounding	Not Applicable	-	-	-	-

Annexure 2
Form AOC – 1
Part A – Subsidiaries

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

1	Name of the Subsidiary	Enovate Lifestyles Private Limited	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
2	Reporting period	31st March, 2020	31st March, 2020	31st March, 2020	31st March, 2020	31st March, 2020	31st March, 2020
3	Reporting currency	INR	AED	AED	KWD	QAR	RO
4	Share capital	33,00,580	150,000,000	300,000	50,000	200,000	250,000
5	Reserves & surplus	3,42,68,708	(5,442,850)	101552782	-	-	(178203)
6	Total assets	13,67,89,277	834,749,223	946471274	8,199,980	225,719,831	13,319789
7	Total Liabilities	13,67,89,277	480,519,700	509498492	5,675,356	48,202,192	10,233,909
8	Investments	0	36,61,58,940	289433679	-	-	-
9	Turnover	55,74,33,751	115,837,456	846,210,160	9,540,019	177,640,240	11,481,909
10	Profit/(loss) before taxation	(1,64,05,309)	(4,541,278)	12299108	(210,219)	984,322	116,785
11	Profit after taxation	(1,71,70,309)	(4,541,278)	12299108	(210,219)	984,322	140833

*As per the Audited financials of each entity

Details of subsidiaries which are yet to commence operations - Kalyan Jewellers INC, a wholly owned subsidiary of the Company and Kalyan Jewellers WLL Bahrain a subsidiary of the Company is yet to commence operations as on 31st March 2020. No audited financials were available for Kenouz Al Sharq Gold Ind. LLC, UAE

Part B: Associates and Joint Ventures:

NIL

Annexure 3
Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act 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 arms length transactions under third proviso thereto.

1. Details of contracts or arrangements or transactions not on arms length basis – NIL
2. Details of contracts or arrangements or transactions at arm's length basis

(Rs in Million)

Particulars	Key Managerial Personnel (KMP)	Related entities	Total
Transactions during the year			
Sales			
Enovate Lifestyles Private Limited		36.58	36.58
T.S Kalyanraman	1.41		1.41
T.K Seetharam	6.55		6.55
T.K Ramesh	6.24		6.24
Staff Welfare Items Purchased			
M/s. Kalyan Textiles	-	28.36	28.36
Salary Paid			
T.S.Kalyanaraman	105.00		105.00
T.K.Seetharam	105.00		105.00
T.K.Ramesh	105.00		105.00
Sanjay Raghuraman	8.91		8.91
V Swaminathan	15.23		15.23
Jishnu RG	1.21		1.21
Commission & Sitting Fee (Non Executive Directors)			
ADM Chavali	1.00		1.00
M Ramaswami	1.00		1.00
Kishori Udeshi	1.00		1.00
TS Anantharaman	1.00		1.00
Reimbursement of Expenses			
Kalyan Jewellers LLC, UAE	-	51.01	51.01
Sanjay Raghuraman	0.87	-	0.87
T.K.Seetharam	0.19	-	0.19
T.K.Ramesh	1.84	-	1.84
Sanjay Raghuraman	0.87		0.87
V Swaminatahn	0.12		0.12
Interest on Loan Accrued but not due			
Kalyan Jewellers FZE		264.44	264.44
Enovate Lifestyles Private Limited		1.35	1.35

Loans & Advances given to subsidiaries:			
Kalyan Jewellers FZE		417.98	417.98
Enovate Lifestyles Private Limited		7.50	7.50
Investment in Share Capital			
Enovate Lifestyles Private Limited		60.00	60.00

Note -

Duration of transactions - on going

Salient Terms - Based on Transfer Pricing Guidelines

Appropriate approvals have been taken for related party transactions

ANNEXURE - 4
ANNUAL REPORT ON CSR ACTIVITIES

1. Brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs:

The Board of Directors in their meeting held on 9th June, 2014, adopted CSR Policy and the policy enables the Company to carry out all the activities which are mentioned in the Schedule VII to the Act. The CSR initiatives carried out by the Company during the year under review are mainly in relation to promotion of education, eradication of poverty, and activities relating to health care. Further, all the projects undertaken during the Financial Year 2019-20 were within the broad framework of Schedule VII to the Companies Act, 2013. The Company would implement the CSR Programmes through Company personnel or through external implementing agencies and ensure proper governance, monitoring and reporting thereof. The detailed CSR policy is also available on the Company's website – www.kalyanjewellers.net.

2. Composition of the CSR Committee

SI No	Name of the Member	Position	Category of Directors
1	T.S.Kalyanaraman	Chairman	Managing Director
2	T.K.Seetharam	Member	Whole-Time Director
3	T.K.Ramesh	Member	Whole-Time Director
4	M. Ramaswamy	Member	Independent Director

3. Average net profits of the Company for last three financial years: 1306.01 million

4. Prescribed CSR Expenditure: 26.12 million

5. Details of CSR spent during the year.

(a) Total amount to be spent for the financial year: Rs.26.12 million

(b) Amount unspent: Rs. 0.08 million

(c) Manner in which the amount is spent during the financial year is detailed below:

SI No	CSR Project or Activity Identified	Sector in which the project is covered (Reference of the activities provided in Schedule VII)	Projects or programs (1)Local area or other (2)Specify the State and district where Projects or programs where undertaken	Amount outlay (budget) Project or Program wise (Rs)	Amount spend on the projects or programs Sub-heads: Direct Expenditure on projects or programs Overheads (Rs)	Cumulative expenditure up to the reporting period (Rs)	Amount spent: Direct or through implementing agency
1	Various poverty eradication activities	Eradication of poverty	Thrissur, Kerala	18,25,100	18,25,100	18,25,100	Directly spent by the Company
2	Meeting educational expenses of unprivileged children	Promoting education, including special education and employment enhancing vocation skills especially among children	Thrissur, Kerala	46,76,300	46,76,300	46,76,300	Directly spent by the Company
5	Construction of house for houseless.	Measures for reducing inequalities faced by socially and economically backward groups.	Thrissur, Kerala	15,16,269	15,16,269	15,16,269	Directly spent by the Company under the "Bhoomigeetham Project" of the Government of Kerala

6	Contribution to YAS Public Charitable Trust	Promoting education	Thrissur, Kerala	5,00,000	5,00,000	5,00,000	Spent through implementing agency – YAS Public Charitable Trust
7	Flood Relief	Promoting health care including preventive health care	All over Kerala	13,750,000	13,750,000	13,750,000	Directly spent by the Company
9	Construction of home for Old age person.	Measures for reducing inequalities faced by old age persons.	Thrissur, Kerala	20,70,000	20,70,000	20,70,000	Directly spent by the Company under the “Home for homeless Project”
10	Medical Support	Various medical activities	Various Places in Kerala	16,00,000	16,00,000	16,00,000	Directly spent by the Company & Through various agencies
11	Kalyan Jewellers Foundation	Various medical activities	Thrissur, Kerala	100,000	100,000	100,000	Through own Foundation – Kalyan Jewellers Foundation

6. Reasons for not spending the entire amount as mentioned in para 5(a) above, in case company has failed to spend the prescribed amount.

The Company could not completely spend the minimum amount required to be spent for CSR activities for the financial year ended on 31st March, 2020 as some of the projects for which the spending was proposed to be done could not be completed prior to the end of the quarter as these CSR activities got delayed primarily due to unexpected COVID-19 related lockdown. This resulted a minor shortfall of Rs.0.08

million in CSR spending. However, the Company was able to spend Rs. 26.04 million out of the total CSR obligation of Rs. 26.12 million.

7. Responsibility statement of the CSR Committee

We hereby confirm that, the CSR Policy, as approved by the Board, has been implemented and the CSR Committee monitors the implementation of CSR Projects and activities in compliance with our CSR objectives.

Annexure 5
SECRETARIAL AUDIT REPORT
for the Financial Year Ended March 31, 2020
(Pursuant to section 204 (1) of the Companies Act, 2013 and Rule# 9 of the
Companies (Appointment and Remuneration of Managerial Personnel) Rules,
2014)

SECRETARIAL AUDIT REPORT
for the Financial Year Ended March 31, 2020
(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: U36911KL2009PLC024641)

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 authorised representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2020 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 31st March 2020 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
 - (ii) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment and Overseas Direct Investment;
-

(iii) Industry specific acts, rules specifically applicable to the Company namely:

1. Bureau of Indian Standards (BIS) (Hallmarking)
2. The Legal Metrology Act ,2009

I further report that based on the information received, explanations given, process explained, records maintained, statutory compliance and internal audit reports, there are adequate systems and process in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with the applicable labour laws, rules, regulations and guidelines.

I have also examined compliance with the applicable clauses of the Secretarial Standards issued by The Institute of Company Secretaries of India with respect to board and general meetings.

During the 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 Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice was given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance or with shorter notice as permitted under the Act 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.

All decisions at Board Meetings and Committee meetings and general meetings during the Audit Period were carried through unanimously as recorded in the minutes of the meeting of the Board of Directors or Committee of the Board / general meetings, as the case may be.

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 the Company had:

I further report that during the audit period the Company had:

- received confirmation pursuant to section 233 of the Companies Act, 2013 from the Central Government vide order dated 07.08.2019 for the amalgamation of its wholly owned subsidiary-Kalyan Jewellers Mini Stores Private Limited, of the Company which is effective from 16th August 2019
- obtained on 23rd March 2020, the approval of general meeting by special resolution under section 186 of the Companies Act, 2013 for giving loans, giving guarantees or providing securities or making investments which shall not exceed the sum of Rs. 2500 crores over and above the limit of 60% of the Paid-up capital, free reserves and securities premium account of the Company or 100% of its free reserves and securities premium account whichever is more as prescribed under section 186 of the Companies Act, 2013.
- altered at the Extra ordinary General meeting held on 20th December 2019 its Articles of Association by passing special resolution by inserting new article in place of existing Article-1 Shareholders' Agreement and Article 103.

M R THIAGARAJAN

ACS No: 5327 CP No: 6487

UDIN: A0053278000445008

Place: Coimbatore

Date: July, 13 2020

This Report is to be read with my letter of even date which is annexed as *Annexure -A* (given below) and forms an integral part of this report.

'Annexure A'

To:

The Members

Kalyan Jewellers India Limited (CIN: U36911KL2009PLC024641)

My report of even date is to be read along with this letter.

1. Maintenance of Secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. I believe that the process and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, I have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.
5. 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 procedure on test basis.
6. 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.

M R THIAGARAJAN
(ACS No: 5327 - CP No: 6487)
UDIN: A0053278000445008

Place: Thrissur
Date: 13 July 2020
