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Independent Auditors' Report
To the Members of
ENOVATE LIFESTYLES PRIVATE LIMITED
Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of ENOVATE LIFESTYLES PRIVATE LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2024, the Statement of Profit and Loss, Statement of Changes in Equity and the Statement of Cash Flow for the year ended on that date and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by 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, 2024, the loss, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the 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 Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence 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 we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the 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 7 "Inventory" to the Standalone Financial Statements.</p> <p>The Company's inventories primarily comprises of Gold, Silver, jewellery of gold, diamonds, gemstones etc. ("inventory")</p> <p>We have considered existence of inventory to be a key focus area for our audit due to:</p> <ol style="list-style-type: none"> 1. The high value and nature of inventory involved could lead to a significant risk of loss of inventory 2. Inventory being held at various locations across the country and third party job workers. 	<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 physical verification of inventories including the appropriateness of the Company's procedures for conducting, reconciling and recording physical verification of inventories. • Understanding of relevant controls and the effectiveness of controls over conducting, reconciling and recording physical verification of inventories. Understanding of system of controls around the IT systems for recording of inward and outward movements of inventory. • 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 the year end. ○ Also checked on a sample basis reconciliation of inventories as per physical inventory verification and book records. ○ We also verified the cartage of the jewellery on a sample basis during our attendance at the physical verification. • For stock held with the third-party job workers, we obtained independent confirmations of inventories held with them.

Information other than the Financial Statements and Auditors Report There on

The Company's Board of Directors are responsible for the other information. The other information comprises the Directors report to be included in the Company's annual report, but does not include the financial statements and our auditors' report thereon. The other information is expected to be made available to us after the date of this auditor's report.

Our opinion on the 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the 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 Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Company's Board of Directors is responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the Audit of the Financial Statements

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

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

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



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

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the 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 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.

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

Report on Other Legal and Regulatory Requirements

- (1) As required by the Companies (Auditors' Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in "Annexure 1", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- (2) As required by Section 143(3) of the Act, we report that:



- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- c. The Balance Sheet, the Statement of Profit and Loss including other comprehensive income, the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- d. In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act;
- e. On the basis of written representations received from the directors as on March 31, 2024, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 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, we give our separate Report in "Annexure 2". 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:

Based upon the audit procedures performed and the information and explanations given by the management, the Company has paid managerial remuneration during the year. However, as per Section 197 of the Act managerial remuneration is applicable only to public company hence not commented upon.

- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us;
 - (i) There is no pending litigation as at March 31, 2024 as result no impact on its financial position in its 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) 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.

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.

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.

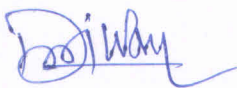
(v) The company has not declared or paid any dividend during the year and thus sec 123 of Companies Act,2013 is not applicable.

(vi) Based on our examination, which included test checks, the Company has used accounting softwares for maintaining its books of account for the financial year ended March 31, 2024 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the softwares. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with.

For DIWAN GOSALIA AND ASSOCIATES

Chartered Accountants

ICAI Firm Registration Number: 111881W



Hitesh Diwan

Partner

Membership Number - 35079



Place: Mumbai

Date: 09.05.2024

UDIN: 24035079BKGTQP2493

“Annexure 1” to the Independent Auditors’ Report

The Annexure referred to in our Independent Auditors’ Report to the members of the Company on the financial statements for the year ended March 31, 2024 we report that:

(i) In respect to Company’s Fixed Assets:

- a) A) The Company has maintained proper records showing full particulars including quantitative details and situation of Property Plant and Equipment, capital work in progress and relevant details of right-of-use assets on the basis of available information.
B) The Company has maintained proper records showing full particulars of intangible assets on the basis of available information.
- b) The Company has a program of physical verification of property, plant and equipment and right-of-use assets so to cover all the assets 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 program, certain property, plant and equipment and right-of-use assets 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) The Company does not own any Immovable Assets. Accordingly, provisions of paragraph 3(i)(c) of the Order in respect of Title Deeds of the Immovable Properties are not applicable to the Company and hence not commented upon.
- d) The Company has not revalued its Property Plant and Equipment or intangible assets or both and so provisions of paragraph 3(i)(d) of the Order in respect of Revaluation of the Property Plant and Equipment are not applicable to the Company and hence not commented upon.
- e) According to the information and explanation given to us by the company no proceedings have been initiated or are pending against the company for holding Benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder. As provisions of paragraph 3(i)(e) of the Order in respect to holding Benami property under the Benami Transactions are not applicable to the Company and hence not commented upon.

(ii) In respect to Company’s Inventory:

- 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 the 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.

- b) The Company has not sanctioned any working capital limits in excess of five crore rupees, in aggregate from banks or financial institutions on the basis of security of current asset. Thus provisions of paragraph 3(ii)(b) of the Order in respect to this are not applicable to the Company and hence not commented upon.
- (iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under Section 189 of the Act. Accordingly, the provisions of paragraph 3(iii) of the Order are not applicable to the Company.
- (iv) The company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans granted, investment made and gurantees and securities provided, as applicable
- (v) The company has not accepted any deposits from the public and hence the directives issued by the Reserve bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- (vi) The maintenance of cost records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the Company. Thus reporting under clause of the Order is not applicable.
- (vii) (a) According to the information and explanations given to us and on the basis of our verification of the records of the Company, undisputed statutory dues including sales tax, income tax, custom duty, wealth tax, excise duty, cess, Goods and Service Tax and other statutory dues have been generally regularly deposited with the appropriate authority.
- (b) According to the information and explanations given to us no undisputed amounts payable in respect of the aforesaid dues were in arrears as at March 31, 2024 for a period of more than six months from the date they became payable.
- (c) According to the information and explanations given to us, there are no dues of Income tax or Sales tax or Service tax or Goods & Service tax or duty of Customs or duty of Excise or Value added taxes which have not been deposited by the Company on account of disputes.
- (viii) According to information and explanation given to us, none of the transaction not recorded in books of account have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961). Accordingly, paragraph 3(viii) of the Order is not applicable.
- (ix) The Company does not have any loans or borrowings from any financial institution, banks and government or has not issued any debentures. Accordingly, paragraph 3(ix) of the Order is not applicable.



- (x) (a) In our opinion and according to the information and explanations given to us, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3[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) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year. Hence reporting under clause (x)(b) of the Order is not applicable to the Company.
- (xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, the provisions of paragraph 3(xii) of the Order are not applicable to the Company and hence not commented upon.
- (xiii) According to the information and explanations given to us, the transactions with the related parties are in compliance with Section 177 and 188 of the Act where applicable and the details of such transactions have been disclosed in the Financial Statements as required under Indian Accounting Standards (IND AS) 24, Related party Disclosures specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (xiv) (a) According to the information and explanations given to us, the Company has an adequate internal control system which has been commensurate with the size and nature of its business.
- (b) The Company does not meet the criteria specified for internal audit by the internal auditor as specified in Section 138 of Companies Act 2013. Thus paragraph 3[xiv (b)] of the Order is not applicable.
- (xv) According to the information and explanations given to us, the Company did not enter into any non-cash transactions with directors or persons connected with directors during the year. Accordingly, the paragraph 3(xv) of the Order is not applicable to the Company.
- (xvi) According to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.
- (xvii) The Company has incurred cash losses in two consecutive financial years approximately amounting to Rs 51.79 Million and Rs 76.08 Million respectively. The Company has obtained a letter of financial support from the holding Company to provide financial assistance as and when required for ongoing business and future business activities of the company.
- (xviii) During the year, no resignation was received from statutory auditor thus the paragraph 3(xviii) of the Order is not applicable to the Company.



(xix) On the basis of financial ratios , ageing and expected dates of realization 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 and assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on 31st March 2024 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 subject to Note 1B of the financial statement. 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) In our opinion and according to the information and explanations given to us, the company does not exceed the limit as specified under sec 135 of the companies act, Thus paragraph 3(xx) of the Order is not applicable and hence not commented upon.

(xxi) In our opinion and according to the information and explanations given to us, consolidation of the financial statements as per section 129 (3) of Companies Act, 2013 is not applicable to the Company, Thus paragraph 3(xxii) of the Order is not applicable and hence not commented upon

For DIWAN GOSALIA AND ASSOCIATES

Chartered Accountants

ICAI Firm Registration Number: 111881W

Hitesh Diwan

Partner

Membership Number - 35079



Place: Mumbai

Date: 09.05.2024

UDIN: 24035079BKGTQP2493

“Annexure 2” to the Independent Auditors’ Report

The Annexure referred to in our Independent Auditors’ Report to the members of the Company on the financial statements for the year ended March 31, 2024 we report that:

Report on the Internal Financial Controls 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 ENOVATE LIFESTYLE PRIVATE LIMITED (“the Company”) as of March 31, 2024 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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 (“ICAI”). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. 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

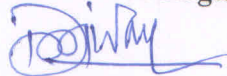
Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal 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, 2024, 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.

For DIWAN GOSALIA AND ASSOCIATES
Chartered Accountants

ICAI Firm Registration Number: 111881W



Hitesh Diwan

Partner

Membership Number - 35079

Place: Mumbai

Date: 09/05/2024

UDIN: 24035079BKGTQP2493





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To The Board of Directors of Enovate Lifestyles Private Limited

Report on the Audit of Annual Financial Results

Opinion

We have audited the accompanying annual financial results of **Enovate Lifestyles Private Limited** (hereinafter referred to as the "Company") for the year ended 31 March 2024, attached herewith, being submitted by the Company for the consolidation of **Kalyan Jewellers India Limited** (the "Group") pursuant to the requirement of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid annual financial results:

- are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards, and other accounting principles generally accepted in India, of the net loss and other financial information for the year ended 31 March 2024.

Basis of Opinion

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Companies Act, 2013 ("the Act"). Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Annual Financial Results 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 together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act, and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us, is sufficient and appropriate to provide a basis for our opinion on the annual financial results.



Management's and Board of Director's Responsibilities for the Annual Financials Results

These annual financial results have been prepared on the basis of the annual financial statements.

The Company's Management and the Board of Directors are responsible for the preparation and presentation of these annual financial results that give a true and fair view of the net profit/loss and other financial information in accordance with the recognition and measurement principles laid down in Indian Accounting Standards prescribed under Section 133 of the Act and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively presentation of the annual financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the annual financial results, the Management and the Board of Directors are 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Annual Financials Results

Our objectives are to obtain reasonable assurance about whether the annual financial results 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 annual financial results.

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

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

– Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are



also responsible for expressing our opinion through a separate report on the complete set of financial statements on whether the company has adequate internal financial controls with reference to financial statements 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 in the annual financial results made by the Management and Board of Directors.

– Conclude on the appropriateness of the Management and Board of Directors' 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 appropriateness of this assumption. 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 annual financial results 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 annual financial results, including the disclosures, and whether the annual financial results represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

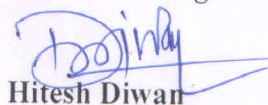
Other Matter

The annual financial results include the results for the quarter ended 31 March 2024 being the balancing figure between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year along with quarter ended 31st December 2023 and 31st March 2023 which were subject to limited review by us.

For DIWAN GOSALIA AND ASSOCIATES

Chartered Accountants

ICAI Firm Registration Number: 111881W


Hitesh Diwan

Partner

Membership Number - 35079

Place: Mumbai

Date: 09/05/2024

UDIN: 240350798KGTQQ1511




ENOVATE LIFESTYLES PRIVATE LIMITED
CIN: U74900MH2010PTC211692
BALANCE SHEET AS AT 31ST MARCH 2024

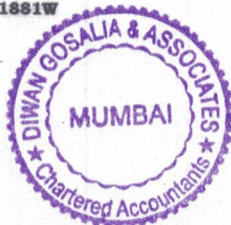
Particulars	Notes	As At	
		31st March, 2024	31st March, 2023
		Rs in Million	Rs in Million
ASSETS			
Non-Current Assets			
Tangible Assets			
Property, Plant & Equipment	2	53.26	29.48
Intangible Assets			
Website Development, Digital Content & Website Infomedia	2	18.81	20.63
Capital Work in Progress	3	1.18	6.52
Right of Use Assets	4	85.12	44.52
Financial Assets			
Investments	5	44.00	43.50
Other Financial Asset	6	28.47	6.22
Deferred tax asset (net)	23	57.88	37.42
Total Non Current Assets		288.71	188.28
Current Assets			
Inventories	7	252.66	217.00
Financial Assets			
Trade Receivables	8	76.06	97.34
Cash and Cash Equivalents	9	95.47	38.96
Other Financial Assets	10	2.13	1.84
Current Tax Asset (Net)	22	3.86	6.09
Other Current Assets	11	119.05	95.01
Total Current Assets		549.25	456.24
TOTAL ASSETS		837.96	644.51
EQUITY AND LIABILITIES			
EQUITY			
Equity Share Capital	12	3.82	3.82
Other Equity	13	42.92	113.68
Total Equity		46.75	117.50
Long-term Provisions			
LIABILITIES			
Non Current Liabilities			
Financials Liabilities			
Long Term Borrowings	14	400.99	295.80
Lease Liabilities	15	74.74	37.84
Provisions	16	12.66	9.64
Total Non Current Liabilities		488.39	343.28
Current Liabilities			
Financial Liabilities			
Trade Payables	17	192.98	66.08
Other Financial Liabilities	18	16.48	8.93
Other Current Liabilities	19	92.13	107.53
Provisions	20	1.24	1.20
Current tax liabilities (net)	21	-	-
Total Current Liabilities		302.83	183.74
TOTAL EQUITY & LIABILITIES		837.96	644.51

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


HITESH DIWAN
Partner.
Membership No.35079
Mumbai,
Date: 09th May 2024




Sanjay Raghuraman
Director
DIN: 06589868
Date: 09th May 2024


Rupesh Babulal Jain
Director
DIN: 05285555
Date: 09th May 2024



ENOVATE LIFESTYLES PRIVATE LIMITED
CIN: U74900MH2010PTC211692
STATEMENT OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2024

Particulars	Notes	For The Quarter Ended			For The Year Ended	
		31st March, 2024	31st December, 2023	31st March, 2023	31st March, 2024	31st March, 2023
		Rs in Million	Rs in Million	Rs in Million	Rs in Million	Rs in Million
INCOME						
Revenue from Operations	24	358.17	286.95	320.12	1,303.47	1,567.26
Other Income	25	4.17	1.84	3.78	9.36	13.92
Total Revenue (I)		362.34	288.79	323.90	1,312.83	1,581.19
EXPENSES						
Cost of Goods Sold						
Cost of Material Consumed	26	6.47	9.38	65.16	131.54	371.32
Purchase of Traded Goods	26	294.77	290.87	155.50	957.28	972.58
Changes in inventories of Finished Goods, Traded Goods and Semi Finished Goods	27	-28.44	-77.22	38.30	-61.08	-40.31
Total Cost of Goods Sold		272.80	223.03	258.96	1,027.74	1,303.59
Employee Benefits Expense	28	41.38	39.83	39.15	160.90	139.56
Finance Costs	29	11.57	8.74	7.37	36.88	19.92
Depreciation and Amortisation Expenses	30	12.11	9.36	8.32	39.44	28.66
Other Expenses	31	32.52	30.29	46.15	139.10	194.18
Total expenses (II)		370.38	311.25	359.95	1,404.06	1,685.93
Profit / (Loss) before Exceptional Items (I-II)		-8.05	-22.46	-36.05	-91.23	-104.74
Exceptional Items		-	-	-	-	-
Profit / (Loss) before Tax		-8.05	-22.46	-36.05	-91.23	-104.74
Tax Expense		-8.05	-22.46	-36.05	-91.23	-104.74
Current Tax		-	-	-	-	-
(Excess)/Short provision for earlier years		-	-0.01	-0.01	-0.01	-0.00
Deferred Tax		-0.99	-4.79	-16.73	-20.47	-26.52
Total Tax Expense		-0.99	-4.79	-16.74	-20.47	-26.53
PROFIT/(LOSS) AFTER TAX		-7.06	-17.67	-19.32	-70.75	-78.21
Earnings per equity share [nominal value of share Rs.10/- (Previous Year: Rs. 10/-)]	32	-18	-46	-51	-185	-205

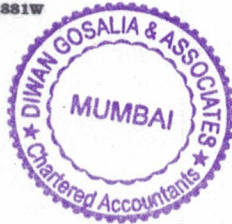
Summary of Significant Accounting Policies 1

*The figure for the year ended are the audited figures

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


For Diwan Gosalia & Associates
Chartered Accountants
Firm Registration No.: 111881W


HITESH DIWAN
Partner.
Membership No. 35079
Mumbai,
Date: 09th May 2024



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


Sanjay Raghunathan
Director
DIN: 06539868
Date: 09th May 2024


Rupesh Babulal Jain
Director
DIN: 05285555
Date: 09th May 2024



ENOVATE LIFESTYLES PRIVATE LIMITED
CIN: U74900MH2010PTC211692
CASH FLOW STATEMENT FOR THE PERIOD ENDED 31ST MARCH 2024

	Year Ended 31st March, 2024	Year Ended 31st March, 2023
	A. Cash flow from operating activities:	
Net (loss)/profit before tax but after exceptional/extraordinary items	(91.23)	(104.74)
Adjustments for:		
Depreciation and Amortisation Expenses	39.44	28.66
Financial Cost	36.88	19.92
Interest Income	(3.65)	(1.40)
Gain on Sale of Mutual Fund	(0.60)	-
Customer Credit balance W/off	-	(11.24)
Loss on Sale of Fixed Assets	0.17	0.01
Operating profit before working capital changes	(18.98)	(68.79)
Adjustments for changes in working capital :		
- (INCREASE)/DECREASE in Trade Receivables	21.27	(6.94)
- (INCREASE)/DECREASE in Inventories	(35.66)	(45.28)
- INCREASE/(DECREASE) in Trade Payables	126.91	(4.84)
- INCREASE/(DECREASE) in Other Current Liabilities	(15.40)	(1.14)
- (INCREASE)/(DECREASE) in Other Financial Liabilities	-	-
- (INCREASE)/DECREASE in Other Financial Assets	(22.89)	(5.48)
- (INCREASE)/DECREASE in Other Current Assets	(24.04)	(27.83)
- INCREASE/(DECREASE) in Provisions	3.06	4.17
Cash Generated from Operations	34.27	(156.14)
Less: Income Tax Paid	(3.86)	(6.09)
Less: Income Tax Amount received	6.10	4.94
Net cash flow from operating activities	36.51	(157.29)
B. Cash flow from investing activities:		
Capital Expenditure incurred for purchase of Property Plant and Equipment	(42.65)	(33.85)
Proceed from Sale of Fixed Assets	0.06	0.02
Proceed from Sale of Mutual Fund Investment	6.60	-
Investment in Mutual Fund	(6.50)	(37.50)
Interest Income	3.99	1.24
Net cash used in investing activities	(38.51)	(70.09)
C. Cash flow from financing activities:		
Interest Paid	(22.84)	(9.45)
Payment towards Lease Liability	(15.43)	(7.72)
Proceeds from Long Term and Short Term Borrowing (Net)	96.79	226.00
Net cash used in financing activities	58.52	208.83
Net Increase/(Decrease) in Cash & Cash Equivalents	56.52	(18.55)
Opening Cash and cash equivalents	38.96	57.51
Closing Cash and cash equivalents	95.47	38.96
Cash and cash equivalents comprise		
Cash, Cheques & Drafts (in hand) and Remittances in transit	0.14	0.14
Balance with Scheduled Banks (Including Deposits)	95.33	38.82
Closing Cash and Cash Equivalents.	95.47	38.96

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.

4 The above Cash Flow Statement has been compiled from and is based on the audited accounts of ENOVATE LIFESTYLES PRIVATE LIMITED. for the period ended 31st March 2024 reported upon by us.

For Diwan Gosalia & Associates
Chartered Accountants

Firm Registration No.: 111881W

HITESH DIWAN
Partner.
Membership No.35079
Mumbai,
Date: 09th May 2024



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

Rupesh Babulal Jain

Rupesh Babulal Jain
Director
DIN: 05285555
Date: 09th May 2024

Sanjay Raghuraman

Sanjay Raghuraman
Director
DIN: 06539868
Date: 09th May 2024



ENOVATE LIFESTYLES PRIVATE LIMITED
CIN: U74900MH2010FTC211692
STATEMENT OF CHANGES IN EQUITY FOR YEAR ENDED 31ST MARCH 2024

A. EQUITY SHARE CAPITAL

(Rs in Million)

Balance as at 1st April 2023	Changes in Equity Share Capital due to Prior Period Errors	Restate balance at the beginning of the current year	Changes in equity share capital during the year	Balance as at 31st March 2024
	3.82	-	3.82	-
				3.82

Balance as at 1st April 2022	Changes in Equity Share Capital due to Prior Period Errors	Restate balance at the beginning of the previous year	Changes in equity share capital during the previous year	Balance as at 31st March 2023
	3.82	-	3.82	-
				3.82

B. OTHER EQUITY

(Rs in Million)

Particulars	Equity component of compound financial instruments	Reserves and Surplus		Total
		Securities Premium	Retained Earnings	
Balance as at 1st April 2022	127.47	164.69	(178.48)	113.68
Total Comprehensive Income for the current year	-	-	(70.75)	(70.75)
Balance as at 31st March 2023	127.47	164.69	(249.23)	42.92

Particulars	Equity component of compound financial instruments	Reserves and Surplus		Total
		Securities Premium	Retained Earnings	
Balance as at 1st April 2022	127.47	164.69	(100.27)	191.89
Total Comprehensive Income for the current year	-	-	(78.21)	(78.21)
Balance as at 31st March 2023	127.47	164.69	(178.48)	113.68

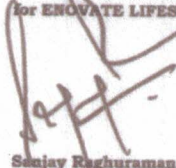
For **DIWAN GOSALIA & ASSOCIATES,**
Chartered Accountants.
Firm Registration No.: 111881W



HITESH DIWAN
Partner.
Membership No.35079
Mumbai,
Date: 09th May 2024



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



Sanjay Raghuraman
Director
DIN: 06539868
Date: 09th May 2024



Rupesh Babulal Jain
Director
DIN: 05285555
Date: 09th May 2024



ENOVATE LIFESTYLES PRIVATE LIMITED
CIN: U74900MH2010PTC211692
NOTES TO FINANCIAL STATEMENTS

1. A. 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 the subsidiary of Kalyan Jewellers India Limited. The Company is involved in manufacturing and sale of Gold & Diamond Jewellery and accessories through e-commerce platform.

(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 for the year.

(c) Use of estimates

The preparation of the financial statements in conformity with Ind AS requires management to make judgments, 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) Intangible Assets

Intangible assets comprises of website development, digital content & website infomedia and are stated at cost of acquisition less accumulated amortization/impairment loss. The assets are amortized on a straight line basis, over a period of 3 years.

(f) Inventories:

Inventories which comprise of raw materials, traded goods, finished goods, semi finished goods and packing materials are carried at cost or Market Value whichever is lower

In determining the cost, actual cost is used.

(h) 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.

(i) 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.

(j) 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.

(k) 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.

(l) 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.

The Company has granted Franchise Rights to various Franchisees for different locations to carry on business under the brand name of the Company. The Company has also entered into Franchise agreements with the relevant Franchisees for the same.

As a regular Accounting Policy, the Company settles the accounts of the Franchise business on annual basis from the date of entering into Franchise Agreement with the respective Franchisees.

Any profit/loss arising on such settlement is accounted in the year of settlement.

(m) 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.

(n) 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.

(n) Income Taxes

Income tax comprises of current tax and deferred tax.

Current Tax

Current Tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date. The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amount and where it intends either to settle on a net basis or to realise the asset and liability simultaneously. Significant judgments are involved in estimating budgeted profits for the purpose of paying advance tax, determining the provision for income taxes, including amount expected to be paid/recorded for uncertain tax position.

Deferred Tax

Deferred tax is recognized in respect of temporary difference between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognized in respect of carried forward tax losses and tax credits. The company assesses whether taxable profits will be available against which it can utilise a deductible temporary difference, it considers whether tax law restricts the source of taxable profits against which it may make deductions on the reversal of that deductible temporary difference. Deferred tax assets are reviewed at each reporting date to reassess realization. Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date. The recoverability of deferred income tax assets is based on estimates of taxable income and the period over which deferred income tax assets will be recovered. Any changes in future taxable income would impact the recoverability of deferred tax assets.

(o) Financial Instrument

As per Ind AS 32,

A financial instrument is an equity instrument rather than a financial liability if, and only if,

a) the instrument includes no contractual obligation:

- i) to deliver cash or another financial asset to another entity; or
- ii) to exchange financial instruments under unfavourable conditions.

b) if it will be settled in the issuer's own equity instruments:

- i) a non derivative without a contractual obligation to deliver a variable number of shares;
- ii) a derivative that will be settled by exchanging a fixed amount of cash or another financial asset for a fixed number shares.

Since both the above conditions are not met, the preference share is financial liability/financial asset.

Accounting treatment and disclosure as per IND AS 109

According to Ind AS 109, a long-term loan or receivable that carries no interest should be recognised at fair value measured as the present value of all future cash receipts discounted using the prevailing market rate of interest for similar instrument (currency, term, debt instrument etc.) with a similar credit rating. Any amount lent/borrowed exceeding the fair value of the loan should be accounted for according to its substance under other applicable Ind AS (Para B5.1.1). The difference between the fair value of such loan and the proceeds should be recognised as an increase in an investment in subsidiary (in separate financial statements of the parent) and an equity contribution (in separate financial statements of the subsidiary).

(p) Note on Lease

The company has recognized a right-of-use assets and a lease liability for the lease contracts entered into on or after 1st April 2022. 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.

B Going Concern

The financial statements are prepared on the basis of accounting policies applicable to a going concern evaluated during the year ended March 31, 2024. In spite of the facts that the Company's networth is negative and it continues to incur losses. The Company is in the process of expanding its presence through offline stores significantly in the next two to three years, which in the opinion of the management will enable the Company to have sufficient profitability and to have a turnaround in near future. However, for the reasons of financial stability, the Company has obtained a letter of financial support from the holding Company to provide financial assistance as and when required for ongoing business and future business activities of the company. Considering the expansion plans and the letter of financial assistance obtained from holding company, the Going Concern assumptions are evaluated only on a financial year end basis. This basis presumes that the Company will continue to receive the support of its holding company and that the realisation of the assets and settlement of liabilities will occur in the ordinary course of business of the Company

C Corporate Gurantee

The company has extended corporate guarantee of Rs 37.5 Million in favour of holding company to M/s. Tata Capital Financial Services Limited, for the financial assistance availed by the franchisee's of the holding company from M/s. Tata Capital Financial Services Limited, by way of creating lien on the mutual fund investment of the company.



NOTES TO FINANCIAL STATEMENTS

As at 31/03/2024

2. PROPERTY, PLANT & EQUIPMENT :

Sr. No.	Description of Assets	GROSS BLOCK (AT COST)			DEPRECIATION				NET BLOCK		
		I As at 1st April, 2023 Rupees in Million	II Additions during the Period Rupees in Million	III Deductions during the Period Rupees in Million	IV As at 31st Mar 2024 Rupees in Million	V As at 31st Apr 2023 Rupees in Million	VI Deductions/ Adjustments Rupees in Million	VII Provided during the Period Rupees in Million	VIII As at 31st Mar 2024 Rupees in Million	IX As at 31st Mar 2024 Rupees in Million	X As at 31st March, 2023 Rupees in Million
	Tangible Assets :										
1	Computer	14.05	3.97	-	18.02	8.44	-	4.28	12.72	5.29	5.60
2	Office Equipments	7.52	0.25	0.08	7.70	2.71	0.02	1.65	4.34	3.36	4.81
3	Furniture and fixtures	8.49	30.05	-	38.54	2.00	-	1.80	3.80	34.73	6.49
4	Plant & Machinery	4.65	0.25	0.15	4.75	1.13	0.03	0.33	1.43	3.32	3.52
5	Electric Installation	2.36	-	-	2.36	0.31	-	0.62	0.93	1.43	2.05
6	Leasehold Improvements	7.87	0.08	-	7.95	1.01	-	1.93	2.94	5.02	6.87
7	Vehicles	0.20	-	-	0.20	0.06	-	0.04	0.10	0.10	0.14
	Total of Tangible Assets	48.14	34.60	0.23	79.51	15.65	0.05	10.65	26.25	53.26	29.48
	Intangible Assets :										
1	Website	44.21	13.39	-	57.60	29.28	-	13.13	42.42	15.18	14.92
2	Digital Content & Website Infomedia	17.89	-	-	17.89	12.19	-	2.08	14.27	3.63	5.70
	Total of Intangible Assets	62.10	13.39	-	75.49	41.47	-	15.21	56.68	18.81	20.63
	TOTAL	107.24	47.99	0.23	155.01	57.13	0.05	25.86	82.94	72.07	50.11
	PREVIOUS YEAR : 31st March 2022	77.53	29.74	0.03	107.24	35.45	0.00	21.69	57.13	50.11	-

As at 31/03/2024

3. CAPITAL WORK IN PROGRESS

Sr. No.	Description of Assets	GROSS BLOCK (AT COST)			DEPRECIATION				NET BLOCK		
		I As at 1st April, 2023 Rupees in Million	II Additions during the Period Rupees in Million	III Deductions during the Period Rupees in Million	IV As at 31st Dec 2023 Rupees in Million	V As at 1st April, 2023 Rupees in Million	VI Deductions/ Adjustments Rupees in Million	VII Provided during the Period Rupees in Million	VIII As at 31st Dec 2023 Rupees in Million	IX As at 31st Dec 2023 Rupees in Million	X As at 31st March, 2023 Rupees in Million
1	Capital Work in Progress	6.52	6.05	11.39	1.18	-	-	-	-	1.18	6.52
	TOTAL	6.52	6.05	11.39	1.18	-	-	-	-	1.18	6.52
	PREVIOUS YEAR : 31st March 2022	2.41	12.21	8.11	6.52	-	-	-	-	6.52	-

2. PROPERTY, PLANT & EQUIPMENT :

As at 31/03/2023

Sr. No.	Description of Assets	GROSS BLOCK (AT COST)				DEPRECIATION				NET BLOCK
		I As at 1st April, 2022 Rupees in Million	II Additions during the Period Rupees in Million	III Deductions during the Period Rupees in Million	IV As at 31st March 2023 Rupees in Million	V As at 1st April, 2022 Rupees in Million	VI Deductions/ Adjustments Rupees in Million	VII Provided during the Period Rupees in Million	VIII As at 31st March 2023 Rupees in Million	IX As at 31st March 2023 Rupees in Million
	Tangible Assets:									
1	Computer	12.11	1.93	-	14.05	5.10	-	3.34	8.44	5.60
2	Office Equipments	4.29	3.24	-	7.52	1.80	-	0.91	2.71	4.81
3	Furniture and fixtures	3.92	4.57	-	8.49	1.28	-	0.72	2.00	6.49
4	Plant & Machinery	4.30	0.39	0.03	4.65	0.83	0.00	0.30	1.13	3.52
5	Electric Installation	0.89	1.47	-	2.36	0.15	-	0.17	0.31	2.05
6	Leasehold Improvements	1.29	6.58	-	7.87	0.24	-	0.77	1.01	6.87
7	Vehicles	0.20	-	-	0.20	0.02	-	0.04	0.06	0.14
	Total of Tangible Assets	27.00	18.17	0.03	45.14	9.41	0.00	6.25	15.66	29.48
	Intangible Assets:									
1	Website	35.19	9.02	-	44.21	16.65	-	12.63	29.28	14.92
2	Digital Content & Website Infomedia	15.34	2.55	-	17.89	9.39	-	2.81	12.19	5.70
	Total of Intangible Assets	50.53	11.57	-	62.10	26.04	-	15.44	41.47	20.63
	TOTAL	77.53	29.74	0.03	107.24	35.45	0.00	21.69	57.13	50.11

3. CAPITAL WORK IN PROGRESS

As at 31/03/2023

Sr. No.	Description of Assets	GROSS BLOCK (AT COST)				DEPRECIATION				NET BLOCK
		I As at 1st April, 2022 Rupees in Million	II Additions during the Period Rupees in Million	III Deductions during the Period Rupees in Million	IV As at 31st March 2023 Rupees in Million	V As at 1st April, 2022 Rupees in Million	VI Deductions/ Adjustments Rupees in Million	VII Provided during the Period Rupees in Million	VIII As at 31st March 2023 Rupees in Million	IX As at 31st March 2023 Rupees in Million
1	Capital Work in Progress	2.41	12.21	8.11	6.52	-	-	-	-	6.52
	TOTAL	2.41	12.21	8.11	6.52	-	-	-	-	6.52

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3A. Ageing of Capital Work In Progress

A) projects in progress

Particulars	As At	As At
	31st March, 2024	31st March, 2023
	Rs in Million	Rs in Million
Capital Work In Progress		
Less than 1 Year	1.18	6.52
> 1 year & Less than 2 Year		
> 2 year & Less than 3 Year		
More Than 3 Years		
Total	1.18	6.52

4. Right of Use Assets :

	As At	As At
	31st March, 2024	31st March, 2023
	Rs in Million	Rs in Million
Right-of-use assets (ROU) at the beginning of the period as per Ind AS 116	44.52	-
Add: Addition During the period on account of new leases	54.23	51.49
Less: Amortised during the period	-13.64	(6.97)
Closing Balance	85.12	44.52

Note: The company has recognized a right-of-use assets and a lease liability from 1st April 2022 for the lease contracts entered into on or after 1st April 2022

5. Investments :

	As At	As At
	31st March, 2024	31st March, 2023
	Rs in Million	Rs in Million
Investments in Mutual Funds - Quoted		
HDFC Liquid Growth Fund	-	6.00
HDFC Balanced Advantage Fund	6.50	-
(Units as on 31/03/2024 : 17795.238 having market value Rs 80,34,425.39/-)		
Bandhan Mutual Fund Investment	37.50	37.50
(Units as on 31/03/2024 : 786486.96 having market value Rs 4,05,86,344.77)		
The company has extended corporate guarantee of Rs 37.5 Million in favour of holding company to M/s. Tata Capital Financial Services Limited, for the financial assistance availed by the franchisee's of the holding company from M/s. Tata Capital Financial Services Limited, by way of creating lien on the above mutual fund investment of the company.		
Total	44.00	43.50

6. Other Financial Asset

	As At	As At
	31st March, 2024	31st March, 2023
	Rs in Million	Rs in Million
Security Deposit	17.50	-
Earmarked deposits with remaining maturity period greater than 12 months (As per Ind AS 116)	10.97	6.22
Total	28.47	6.22

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

	As At	As At
	31st March, 2024	31st March, 2023
	Rs in Million	Rs in Million
Raw Materials	9.46	32.50
Packing Material	2.85	5.22
Semi-Finished Goods	7.47	21.78
Finished Goods	46.09	94.58
Traded Goods	186.80	62.91
Total	252.66	217.00



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(Rupees in Million)

8. Trade Receivables :	As At 31st Mar, 2024					Total
	< 6 Months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivables – considered good	60.58	4.55	9.11	1.60	0.22	76.06
Undisputed Trade Receivables – considered doubtful	-	-	-	-	-	-
Disputed Trade Receivables considered good	-	-	-	-	-	-
Disputed Trade Receivables considered doubtful	-	-	-	-	-	-
Add:KJIL Retail Sales Reimbursement A/c	-	-	-	-	-	-
Less: Provision for doubtful debts	-	-	-	-	-	-
Net Trade Receivables- Debit Balances	60.58	4.55	9.11	1.60	0.22	76.06

Note: The total Receivables include overdue amounts receivable from market places for which the Company is in the process of reconciliation and discussions with the marketplace partners. Appropriate steps are being taken for the recoveries of the amounts. The Company has not made any provisions in the books for the Doubtful Recoveries as it is still following up and is hopeful of the recoveries.

(Rupees in Million)

(Rupees)

8. Trade Receivables :	As At 31st March, 2023					Total
	< 6 Months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivables – considered good	78.04	16.90	2.07	0.33	-	97.34
Undisputed Trade Receivables – considered doubtful	-	-	-	-	-	-
Disputed Trade Receivables considered good	-	-	-	-	-	-
Disputed Trade Receivables considered doubtful	-	-	-	-	-	-
Less: Provision for doubtful debts	-	-	-	-	-	-
Net Trade Receivables- Debit Balances	78.04	16.90	2.07	0.33	-	97.34



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NOTES TO FINANCIAL STATEMENTS

9. Cash and Bank Balances :

	As At 31st March,2024	As At 31st March, 2023
	Rs in Million	Rs in Million
Cash and Cash Equivalents		
Cash on hand	0.14	0.14
Balances with Banks:		
Bank Balances In Current Accounts	4.25	17.82
Other Balances with Banks:		
Short Term Bank Deposits	91.08	21.00
Total	95.47	38.96

10. Other Financial Assets

	As At 31st March,2024	As At 31st March, 2023
	Rs in Million	Rs in Million
Security Deposits		
Unsecured and Considered Good	2.13	1.84
Total	2.13	1.84

11. Other Current Assets :

	As At 31st March,2024	As At 31st March, 2023
	Rs in Million	Rs in Million
Prepaid Expenses	4.25	5.90
GST Receivable	81.46	56.75
TCS Receivable	0.85	1.22
Other Receivable	2.88	1.53
GST Refund Claim Receivable	29.62	29.62
Total	119.05	95.01

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NOTES TO FINANCIAL STATEMENTS

12. Share Capital:

	As At 31st March,2024	As At 31st March, 2023
	Rs in Million	Rs in Million
Authorised Share Capital		
Equity Share Capital		
400,000 Equity Shares of Rs. 10 each	4.00	4.00
	4.00	4.00
Issued, subscribed and fully paid-up Equity Share Capital		
3,82,130 Equity Shares of Rs.10 each Fully Paid Up	3.82	3.82
	3.82	3.82

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

Particulars	31st March,2024		As at 31st March, 2023	
	Nos.	Rupees in Million	Nos.	Rupees in Million
Equity Shares				
At the beginning of the Period				
3,82,130 Equity shares of Rs.10/- each fully paid up (Previous year : 3,82,130 shares)	3,82,130	3.82	3,82,130.00	3.82
Issued during the Year -Nil (Previous year- Nil)				
At the end of the Period				
3,82,130 Equity shares of Rs.10/- each fully paid up (Previous year 3,82,130) share fully paidup)	3,82,130	3.82	3,82,130.00	3.82

Terms/ rights attached to Equity shares

As of 31st March 2024, The Company has only one class of Equity Shares 3,82,130 Equity Shares of face value Rs.10 fully paid.

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,2024		As at 31st March, 2023	
	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 Rupesh Jain	57,320	15.00%	57,320	15.00%
Kalyan Jewellers India Ltd	3,24,810	85.00%	3,24,810	85.00%
Total Shareholding of The Company	3,82,130	100.00%	3,82,130	100.00%

Name of the Equity Shareholder	As at 31st December, 2023		As at 31st March, 2023	
	Nos. of Shares	% holding in the class	Nos. of Shares	% holding in the class
<u>Equity shares of Rs.10/- each fully paid</u>				
Name of The Promoter				
Mr Rupesh Jain				
Shares held at the begning of the Period	57,320	15.00%	57,320	15.00%
Shares held at the End of the period	57,320	15.00%	57,320	15.00%
Change in Shareholding percentage over opening holding	0.00%		0.00%	
Total Shareholding of The Company	3,82,130		3,82,130	

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NOTES TO FINANCIAL STATEMENTS

13. Other Equity

A Share Premium (Equity Shares)

	As At 31st March, 2024	As At 31st March, 2023
	Rs in Million	Rs in Million
Balance at the beginning of the period	164.69	164.69
Add : Nil (PY: Nil)		
Balance at the end of the period	164.69	164.69

B Investment By Holding Company

	As At 31st March, 2024	As At 31st March, 2023
	Rs in Million	Rs in Million
Balance at the beginning of the period		
Deemed Equity Component of Compounding Financial Instruments (Preference Shares)	127.47	127.47
Balance at the end of the period	127.47	127.47

Note 1: The preference shares are redeemable at a maximum rate of Rs.200 per share at the end of ten years from the date of allotment. Accordingly the Net Present value of the redemption amount is considered as borrowing and the difference between Issue Price and borrowing amount is considered as Other Equity in the Company.

C Profit & Loss A/c

	As At 31st March, 2024	As At 31st March, 2023
	Rs in Million	Rs in Million
Balance at the beginning of the period	(178.48)	(100.27)
Profit / (Loss) for the period	(70.75)	(78.21)
	(249.23)	(178.48)
Other Equity (A + B + C)	42.92	113.68

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NOTES TO FINANCIAL STATEMENTS

14. Borrowings

	As At 31st March,2024	As At 31st March, 2023
	Rs in Million	Rs in Million
I Long-term Borrowing		
A Loan From Holding Company	293.73	217.50
Interest Payable on Maturity	29.06	8.50
B Preference Shares - Non Cumulative Non Participating Redeemable	60.53	60.53
Add:-		
Provision for Interest Payable on Redemption	17.66	9.27
Total	400.99	295.80

Note 1: The preference shares are redeemable at a maximum rate of Rs.200 per share at the end of ten years from the issue date. Accordingly the Net Present Value of the redemption amount is considered as borrowing and the difference between the Issue Price and borrowing amount (Rs. 6,05,30,003/-) is considered as Deemed Other Equity in the Company and the same has been shown in Other Equity. The company has recognised notional interest expenditure at 11% p.a. to be provided on YOY basis to match the value of Borrowing component with the Redemption Value at the end of 10th year, i.e. the date of Redemption of Preference Shares.

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

Name of the Preference Shareholder	31st March,2024		As at 31st March, 2023	
	Nos. of Shares	% holding in the class	Nos. of Shares	% holding in the class
0.1% Non-Cumulative Non -Participating Redeemable Preference shares of Rs. 10 each				
Kalyan Jewellers India Ltd	9,39,985	100%	9,39,985	100%

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ENOVATE LIFESTYLES PRIVATE LIMITED

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NOTES TO FINANCIAL STATEMENTS**15. Lease Liabilities :**

	As At 31st March,2024	As At 31st Mar, 2023
	Rs in Million	Rs in Million
Opening Balance	46.77	-
Add: Addition during the period on account of new lease	54.23	51.49
Add: Finance cost on lease liability	5.64	3.00
Less: Lease Rent Expense	-15.43	(7.72)
Less: Current portion of lease liability	-16.48	(8.93)
Closing Balance	74.74	37.84

Note: The company has recognized a right-of-use assets and a lease liability from 1st April 2022 for the lease contracts entered into on or after 1st April 2022

16. Provisions- Non Current :

	As At 31st March,2024	As At 31st Mar, 2023
	Rs in Million	Rs in Million
Provision for Gratuity-Non Current	12.66	9.64
Total	12.66	9.64

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Rupees in Million

17. Trade Payables : (Raw Material and Traded Goods)	As At 31st Mar 2024				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
PARTICULARS					
MSME	-	-	-	-	-
Others	119.49	-	-	-	119.49
Disputed dues (MSMEs)	-	-	-	-	-
Disputed dues (Others)	-	-	-	-	-
Total	119.49	-	-	-	119.49

17. Trade Payables : (Others)	As At 31st Mar 2024				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
PARTICULARS					
MSME	8.60	-	0.34	-	8.93
Others	64.37	0.19	-	-	64.56
Disputed dues (MSMEs)	-	-	-	-	-
Disputed dues (Others)	-	-	-	-	-
Total	72.96	0.19	0.34	-	73.49
GRAND TOTAL	192.45	0.19	0.34	-	192.98

17. Trade Payables : (Raw Material and Traded Goods)	As At 31st March, 2023				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
PARTICULARS					
MSME	-	-	-	-	-
Others	35.20	-	-	-	35.20
Disputed dues (MSMEs)	-	-	-	-	-
Disputed dues (Others)	-	-	-	-	-
Total	35.20	-	-	-	35.20

17. Trade Payables : (Others)	As At 31st March, 2023				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
PARTICULARS					
MSME	10.01	-	-	-	10.01
Others	20.36	0.51	-	-	20.87
Disputed dues (MSMEs)	-	-	-	-	-
Disputed dues (Others)	-	-	-	-	-
Total	30.37	0.51	-	-	30.88
GRAND TOTAL	65.57	0.51	-	-	66.08



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NOTES TO FINANCIAL STATEMENTS

18. Other Financial Liabilities - current:

	As At 31st March,2024 Rs in Million	As At 31st Mar, 2023 Rs in Million
Lease Liability	16.48	8.93
Total	16.48	8.93

19. Other Current Liabilities :

	As At 31st March,2024 Rs in Million	As At 31st Mar, 2023 Rs in Million
Advances from Customers	89.05	104.08
Statutory Liabilities	3.08	3.44
Total	92.13	107.53

20.Provisions-Current :

	As At 31st March,2024 Rs in Million	As At 31st Mar, 2023 Rs in Million
Provision for Gratuity-Current	0.39	0.31
Provision for Rate Difference (DGRP)	0.85	0.89
Total	1.24	1.20

21. Current tax liabilities (Net):

	As At 31st March,2024 Rs in Million	As At 31st Mar, 2023 Rs in Million
Income Tax (Net)	-	-
	-	-

22. Current Tax Asset (Net)

	As At 31st March,2024 Rs in Million	As At 31st Mar, 2023 Rs in Million
Income Tax (Net)	3.86	6.09
	3.86	6.09

23. Deferred Tax Assets

	As At 31st March,2024 Rs in Million	As At 31st Mar, 2023 Rs in Million
Employee Benefit Obligations	4.35	2.90
Property, Plant and Equipment	4.76	2.89
Time Difference on account of carry forward business loss	48.78	31.63
	57.88	37.42

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24. Revenue from Operations :	For The Quarter Ended	For The Quarter Ended	For The Quarter Ended	For The Year Ended	For The Year Ended
	31st Mar, 2024	31st Dec, 2023	31st March, 2023	31st Mar, 2024	31st Mar, 2023
	Rs in Million	Rs in Million	Rs in Million	Rs in Million	Rs in Million
Revenue from Operations					
Revenue from sale of goods	380.01	319.57	318.95	1,355.46	1,561.68
Other Operating Revenue	0.85	0.82	1.17	4.15	5.58
	(22.69)	(33.44)	-	-56.14	-
Revenue from Operations	358.17	286.95	320.12	1,303.47	1,567.26
25. Other Income :					
	31st Mar, 2024	31st Dec, 2023	31st March, 2023	31st Mar, 2024	31st Mar, 2023
	Rs in Million	Rs in Million	Rs in Million	Rs in Million	Rs in Million
Other Direct Income	2.38	0.31	0.63	3.03	1.28
Order Cancellation Charges	0.31	0.64	-	1.41	-
Misc. Income	0.00	-	2.62	1.01	11.24
Interest on Fixed Deposit	1.47	0.65	0.52	3.07	1.40
Interest on IT Refund	-	0.24	-	0.24	-
Profit on Sale of Investment (Mutual Fund)	-	-	-	0.60	-
Total	4.17	1.84	3.78	9.36	13.92
26. Cost of Material Consumed					
	31st Mar, 2024	31st Dec, 2023	31st March, 2023	31st Mar, 2024	31st Mar, 2023
	Rs in Million	Rs in Million	Rs in Million	Rs in Million	Rs in Million
Opening Stock of Material	5.52	6.91	6.31	32.50	27.93
Add: Purchase of Material	10.41	7.99	91.35	108.50	375.89
Closing Stock of Material	9.46	5.52	32.50	9.46	32.50
Total Cost of Material Consumed	6.47	9.38	65.16	131.54	371.32
Purchase of Traded Goods	317.46	324.32	155.50	1,013.41	972.58
Less Inter Branch Purchase	22.69	33.44	-	56.14	-
Purchase of Traded Goods	294.77	290.87	155.50	957.28	972.58
27. (Increase) / Decrease in Inventories:					
	31st Mar, 2024	31st Dec, 2023	31st March, 2023	31st Mar, 2024	31st Mar, 2023
	Rs in Million	Rs in Million	Rs in Million	Rs in Million	Rs in Million
Inventories at the beginning of the period					
Finished Stocks	81.74	58.23	86.96	94.58	48.97
Semi Finished Stock	13.18	18.84	41.04	21.78	35.99
Traded Goods	116.99	57.62	89.59	62.91	54.01
	211.91	134.69	217.58	179.27	138.97
Inventories at the end of the period					
Finished Stocks	46.09	51.26	94.58	46.09	94.58
Semi Finished Stock	7.47	13.18	21.78	7.47	21.78
Traded Goods	176.55	116.99	62.91	176.55	62.91
	230.11	181.43	179.27	230.11	179.27
(Increase)/Decrease	-18.19	-46.74	38.30	-50.83	-40.31
Add -Branch stocks	10.25	30.48	-	10.25	-
Net Change in stocks	-28.44	-77.22	38.30	-61.08	-40.31
28. Employee Benefits Expense:					
	31st Mar, 2024	31st Dec, 2023	31st March, 2023	31st Mar, 2024	31st Mar, 2023
	Rs in Million	Rs in Million	Rs in Million	Rs in Million	Rs in Million
Salaries, Wages, Bonus and other Benefits	31.19	29.71	28.82	123.68	108.79
Contribution to Provident Fund	0.77	0.87	0.93	3.65	2.82
Staff Welfare Expenses	1.21	1.28	1.47	5.00	5.32
Leave Salary	0.90	1.53	0.15	2.88	0.60
Gratuity	1.51	0.63	1.69	3.74	3.81
Directors Remuneration	5.80	5.80	6.09	21.94	18.22
Total	41.38	39.83	39.15	160.90	139.56



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29. Finance Costs :	For The Quarter End	For The Quarter End	For The Quarter End	For The Year Ended	For The Year Ended
	31st March, 2024	31st Dec, 2023	31st Mar, 2023	31st March, 2024	31st March, 2023
	Rs in Million	Rs in Million	Rs in Million	Rs in Million	Rs in Million
Interest on Borrowings	9.22	7.54	6.25	31.24	16.92
Interest on Lease Liability	2.35	1.21	1.12	5.64	3.00
Other Finance Cost	-	-	-	-	0.01
Total	11.57	8.74	7.37	36.88	19.92
30. Depreciation and Amortisation Expenses :					
	31st March,2024	31st Dec, 2023	31st Mar, 2023	31st March, 2024	31st March, 2023
	Rs in Million	Rs in Million	Rs in Million	Rs in Million	Rs in Million
Depreciation on Property Plant & Equipment	3.19	5.80	1.60	10.59	6.25
Amortisation Of Intangible Assets	3.65	7.32	4.00	15.21	15.44
Depreciation on Rights of Use Assets	5.27	2.90	2.72	13.64	6.97
Total	12.11	16.22	8.32	39.44	28.66
31. Other Expenses :					
	31st March,2024	31st Dec, 2023	31st Mar, 2023	31st March, 2024	31st March, 2023
	Rs in Million	Rs in Million	Rs in Million	Rs in Million	Rs in Million
Advertisement Expenses	9.81	6.75	24.37	48.86	96.89
Travelling and Conveyance	0.20	0.22	0.33	0.92	1.42
Rent Rates and Taxes	4.60	3.72	1.84	12.56	7.40
Legal and Professional Charges	1.06	0.79	0.41	3.08	2.55
Insurance Charges	0.24	0.31	0.47	1.11	2.14
Repair and Maintenance	0.34	0.56	0.38	1.64	1.12
Office Expenses	0.61	0.67	0.80	2.63	3.12
Commission Expenses	3.96	6.47	5.03	22.72	28.58
Postage & Courier Expenses	2.46	2.54	2.87	10.12	12.28
Payment to Auditor (Refer details below)	0.24	0.27	0.37	1.11	1.19
Telephone Expenses	0.36	0.40	0.41	1.55	1.49
Printing and Stationery	0.07	0.09	0.14	0.33	0.58
Electricity Charges	0.86	0.99	1.05	4.10	3.80
Miscellaneous Expenses	0.76	(0.56)	1.09	0.65	1.90
Recruitment Charges	0.02	0.02	0.47	0.28	1.54
Packing Materials Consumed	1.58	1.13	1.64	5.16	8.57
Bad Debts	0.18	0.19	-	0.37	1.63
Software License Charges	2.68	3.17	-	11.04	3.50
Sales Promotion Expenses	0.76	0.20	0.80	2.23	2.13
Brand - Tech - Website Expenses	-	-	-	-	-
Server & Storage Expenses	1.64	2.03	3.41	7.98	11.77
Bank Charges	0.10	0.16	0.25	0.65	0.60
	-	0.15	-	-	-
Total	32.52	30.29	46.15	139.10	194.18
Payment to Auditor :					
	31st March, 2024	31st Dec, 2023	31st Mar, 2023	31st March, 2024	31st March, 2023
	Rs in Million	Rs in Million	Rs in Million	Rs in Million	Rs in Million
As Auditor:					
Audit Fees	0.09	0.08	0.10	0.62	0.53
In other capacity:					
Taxation & Other Fees	0.15	0.19	0.28	0.49	0.66
	-	-	-	-	-
Total	0.24	0.27	0.37	1.11	1.19

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32. Earnings Per Share (EPS):

The following reflects the profit attributable to ordinary shareholders- basic and diluted EPS :

	For The Quarter Ended			For The Year Ended	For The Year Ended
	31st Mar, 2024	31st December 2023	31st Mar, 2023	31st March, 2024	31st March, 2023
	Rs in Million	Rs in Million	Rs in Million	Rs in Million	Rs in Million
Profit after Tax as per Statement of Profit and Loss	(7.06)	(17.67)	(19.32)	(70.75)	(78.21)
Net Profit for calculation of Basic / Diluted EPS	(7.06)	(17.67)	(19.32)	(70.75)	(78.21)
	Nos.	Nos.	Nos.	Nos.	Nos.
No of Equity Shares at the Period end	3,82,130	3,82,130	3,82,130	3,82,130	3,82,130
Weighted average number of Equity Shares outstanding Effect of Dilution	3,82,130	3,82,130	3,82,130	3,82,130	3,82,130
Weighted average number of Equity Shares in calculating diluted EPS	3,82,130	3,82,130	3,82,130	3,82,130	3,82,130
Basic Earnings per equity share [nominal value of share Rs.10/- (Previous Year: Rs. 10/-)]	(18.46)	(46.24)	(50.55)	(185.16)	(204.68)
Diluted Earnings per equity share [nominal value of share Rs.10/- (Previous Year: Rs. 10/-)]	(18.46)	(46.24)	(50.55)	(185.16)	(204.68)

**33. Contingent Liabilities and Commitments
(to the extent not provided for):**

Estimated amount of contracts remaining to be executed on capital account and not provided for.

31st March, 2024	31st March, 2023
Rs in Million	Rs in Million
10.00	10.00

34. 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 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	31st March, 2024 Rupees	31st March, 2023 Rupees
1) Transactions during the period		
1. Loans Taken		
Kalyan Jewellers India Limited	76.23	217.50
Rupesh Jain		11.50
2. Loans Repayment		
Kalyan Jewellers India Limited		11.50
Rupesh Jain		
3. Expenditure		
Interest		
Kalyan Jewellers India Limited	31.24	9.44
Infrastructure Expenses on Stores by KJIL	30.00	-
Staff salaries & Rent for Stores paid by KJIL	5.30	-
4. Purchases (excl GST)		
Kalyan Jewellers India Limited		332.44
Rupesh Jain		
5. Reimbursement of Expenses/ Consultancy Charges		
Rupesh Jain	0.12	0.48
Vandana Jain	-	0.05
6. Staff cost Incurred		

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Nature of Transactions	31st March, 2024	31st March, 2023
Rupesh Jain		
7. Director Remuneration		
Rupesh Jain	21.94	18.22
8. Sales & Service (Excl GST)		
Kalyan Jewellers India Limited	0.60	0.60
Rupesh Jain	-	0.04
II) Details of balance outstanding as at the balance sheet date		
12. Loan Outstanding		
Kalyan Jewellers India Limited	371.93	278.03
13. Trade Payable		
Kalyan Jewellers India Limited	-	12.04
Rupesh Jain	-	0.17
14. Interest Accrued on Borrowings		
Kalyan Jewellers India Limited	29.06	8.50
15. Trade Receivables		
Kalyan Jewellers India Limited	0.05	0.12
16. Payable for Infrastructures, salaries and rent	46.21	-
17. Investment by Holding Co.		
Kalyan Jewellers India Limited	280.06	280.06

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33. Ratio Analysis

Particulars	31st March, 2024	31st March, 2023	%Change	Remarks
Current Ratio	1.81	2.48	-26.96%	As the Company is expanding its stores presence, the trade payables have increased due to purchase of traded goods.
Debt to Equity Ratio	16.93	4.49	-277.37%	The Company has raised long term debts from its parent Company which has led to higher debt equity ratio. The funds have been raised to meet its operating costs and Expansion program.
Debt Service Coverage Ratio	0.16	(1.49)	110.47%	The Gross profits of the Company has improved by 2.7% overprevious year. The Company has expanded its footprints in offline stores, and opened 11 new stores during the year, where the marging are comparatively higher and marketing costs are also lower as compared to online marketing costs. The double benefits of higher margins and lower makrketng costs should help Company to serve its debt.
Return on Equity	-1.51	-0.67	-127.39%	The Company is expandings its offline store business and is hopeful to improve its bottomline. The offline business will help the Company in achieving higher gross margins.
Inventory Turnover Ratio	4.45	6.71	-33.61%	The decline in the turnover of the Company by 17% during the year have resulted in lower ratio.
Trade Receivable Turnover Ratio	15.03	17.76	-15.35%	The decline in the turnover of the Company by 17% during the year have resulted in lower ratio.
Trade Payable Turnover Ratio	8.23	36.28	-77.32%	The Company is expanding its presence in physical stores which is resulting in higher purchases of inventories and payments.
Net Capital Turnover Ratio	5.33	5.80	-8.18%	
Net Profit Ratio	-5.43	-4.99	-8.77%	The Company is expanding its presence in the offline segment and expanded its store counts from 2 stores to 13 stores. The turnover in the offline segment will take some quarters to stabilise whereafter the company will see the margins improving.
Return on Capital Employed	-0.10	-0.18	44.83%	The Company hopes to see significant improvement in the offline segment in topline and bottomline as well in the next financial year.
Return on Investment	0.11	0.02	439.89%	The Company has switched some of the investments from liquid funds to Balanced Advantage Funds and the same have resulted positively

34. Additional Regulatory Information Required By Schedule III

- (i) All the Title Deeds of immovable properties are held in the name of the company.
- (ii) The Company has not revalued its Property Plant and Equipments during the year.
- (iii) Details of benami property held:
No proceedings have been initiated on or are pending against the Company for holding benami property under the prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formally the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)) and Rules made thereunder.
- (iv) Borrowing secured against current assets:
The Company does not have any borrowing from the financial institution
- (v) Willful defaulter:
The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
- (vi) Relationship with struck off companies:
The Company has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.
- (vii) Compliance with number of layers of companies
The Company has complied with the number of layers prescribed under the Companies Act, 2013.
- (viii) Compliance with approved scheme(s) of arrangements:
The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.
- (ix) Utilisation of borrowed funds and share premium:
The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the intermediary shall:
(a) 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
(b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries
The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
(a) 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
(b) provide any guarantee, security or the like on behalf of the ultimate beneficiaries.
- (x) Undisclosed income:
There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.
- (xi) Details of crypto currency or virtual currency:
The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.
- (xii) The borrowings obtained by the Company from banks and financial institutions, have been applied for the purpose for which such loans were taken.
- (xiii) There are no charges or satisfaction which are yet to be registered with Registrar of Companies beyond the satisfactory period.

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

Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006 are provided in Note 17 to the extent the Company has received intimation from the suppliers regarding their status under the Act.

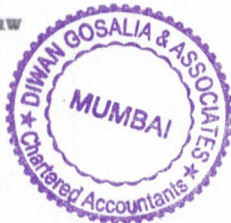
35. Previous Period/Year Figures:

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

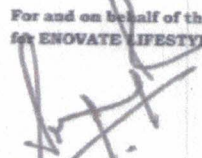
**For DIWAN GOSALIA & ASSOCIATES,
Chartered Accountants.
Firm Registration No.: 111881W**



**HITESH DIWAN
Partner.
Membership No.35079
Mumbai,
Date: 09th May 2024**



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



**Sanjay Raghuraman
Director
DIN: 06539868
Date: 09th May 2024**



**Rupesh Babulal Jain
Director
DIN: 05285555
Date: 09th May 2024**

