J. B. LIMBASIYA & CO.

CHARTERED ACCOUNTANTS

TAX AUDIT REPORT

F.Y. 2025-2026 | A.Y. 2026-2027

M/S. TANVI FINDINGS

OFFICE

Office No. 104-B, A-Wing, Shivalik-5, Makkam Chowk, Gondal Road, Rajkot - 360002

Email: efilingjbl@gmail.com **Contact No.:** +91 99209 18574

TANVI FINDINGS

Balance Sheet as at 31st March 2026

(Amount ₹)

	Particulars	Note	As at 31st March 2026 (Rupees)	As at 31st March 2025 (Rupees)
I	**EQUITY AND LIABILITIES**			
(i)	**Parnters' funds**			
	Partners Capital & Current Account	1	3,31,21,130	67,05,345
			3,31,21,130	**67,05,345**
(ii)	**Current laibilities**			
	Short Term Borrowing	2	7,11,08,297	7,06,92,934
	Trade Payable			
	(i) Total outstanding dues of micro, small and medium enterprises		-	-
	(ii) Total outstanding dues of creditors other than micro, small and medium enterprises	3	6,19,26,599	4,44,25,138
	Other Current Liabilities	4	87,95,414	27,73,873
	Short-term provisions		-	-
			14,18,30,310	**11,78,91,945**
	Total		**17,49,51,440**	**12,45,97,290**
II	**ASSETS**			
(i)	**Non-current assets**			
	Property, Plant and Equipment and Intangible assets			
	Property, Plant and Equipment	5	24,45,073	28,96,722
	Intangible assets		-	-
	Capital work-in-progress		-	-
	Intangible assets under development		-	-
	Other non-current assets		-	-
			24,45,073	**28,96,722**
(ii)	**Current assets**			
	Current investments		-	-
	Inventories	6	10,93,32,569	6,99,81,630
	Trade receivables	7	5,86,48,431	1,77,44,957
	Cash and bank balances	8	2,82,297	4,08,100
	Short - term loans and advances	9	42,43,070	3,35,65,881
			17,25,06,367	**12,17,00,568**
	Total		**17,49,51,440**	**12,45,97,290**

AS PER OUR REPORT OF EVEN DATE
FOR J B LIMBASIYA & CO.
CHARTERED ACCOUNTANT
FIRM REGISTRATION No. 132608W

J B LIMBASIYA & Co. CA INDIA M.NO.136581 RAJKOT Chartered Accountants

(JIGNESH B LIMBASIYA)
PROPRIETOR
M.No. 136581
UDIN:- 26136581IFKXKK7763
PLACE : RAJKOT
DATE : 24/08/2026

FOR,TANVI FINDINGS
ON BEHALF OF PARTNERS OF FIRM

TANVI FINDINGS SEAL RAJKOT

Bipinbhai G. Viradiya
Partner

PLACE : RAJKOT
DATE : 24/08/2026

On Behalf of Tanvi Exports India LTD

Hiteshbhai M Sardhara
Authorised Director
DIN :11568839

TANVI FINDINGS

Statement of profit and loss for the Year ended 31st March 2026

(Amount ₹)

	Particulars	Note	For the Year Ended 31-March-2026 (Rupees)	For the Year Ended 31-March-2025 (Rupees)
I	**Income**			
	Revenue from operations (gross)	10	56,18,55,974	55,55,81,137
	Revenue from operations (net)		56,18,55,974	55,55,81,137
II	Other income	11	1,49,590	3,06,317
III	**Total income (I + II)**		**56,20,05,564**	**55,58,87,454**
IV	**Expenses**			
	Cost of Material Consumed	12	53,74,23,181	52,52,66,279
	Purchases of stock-in-trade	13	-	1,86,90,652
	(Increase)/ Decrease in Stock of Finished Goods	14	87,40,502	(98,37,188)
	Employee benefit expense	15	10,10,838	38,01,480
	Other expenses	16	34,21,178	74,41,307
	Total		**55,05,95,699**	**54,53,62,531**
V	**Profit before interest , tax, depreciation & amortisation (III-IV)**		1,14,09,865	1,05,24,923
	Finance costs	17	73,92,636	70,16,974
	Depreciation and amortisation expense	5	5,05,900	10,37,117
VI	**Profit/(Loss) before exceptional, prior period items and tax**		**35,11,329**	**24,70,833**
	Exceptional items		-	-
VII	**Profit/(Loss) before prior period items and tax**		**35,11,329**	**24,70,833**
	Prior period items		-	-
VIII	**Profit/(Loss) before tax**		**35,11,329**	**24,70,833**
IX	**Tax Expense**			
	Current tax		10,95,544	7,70,899
X	**Profit/(Loss) for the year (VIII - IX)**		**24,15,785**	**16,99,934**

AS PER OUR REPORT OF EVEN DATE
FOR J B LIMBASIYA & CO.
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FOR,TANVI FINDINGS
ON BEHALF OF PARTNERS OF FIRM

TANVI FINDINGS SEAL RAJKOT

Bipinbhai G. Viradiya
Partner

PLACE : RAJKOT
DATE : 24/08/2026

On Behalf of Tanvi Exports India LTD

Hiteshbhai M Sardhara
Authorised Director
DIN :11568839

TANVI FINDINGS

CASH FLOW STATEMENT FOR THE PERIOD ENDED 31.03.2026

PARTICULARS	FOR THE YEAR ENDED 31st March 2026		FOR THE YEAR ENDED 31st March 2025	
	RUPEES	RUPEES	RUPEES	RUPEES
CASH FLOW FROM OPERATING ACTIVITY				
Net profit before Tax	35,11,329		24,70,833	
Adjustment for:				
Depreciation	5,05,900		10,37,117	
Interest & Other Related Expenses	73,92,636		70,16,974	
Bank FD Intrest Received/other intrest received	(1,49,590)		(85,918)	
Operating Profit before working capital changes	1,12,60,275		1,04,39,006	
(Increase) / Decrease in Trade Receivables	(4,09,03,474)		1,68,26,908	
(Increase) / Decrease in Inventory	(3,93,50,939)		1,46,64,363	
Increase / (Decrease) in Trade Payables	1,75,01,461		4,41,56,840	
Increase / (Decrease) in Current Liabilities & Provisions	60,21,541		6,66,820	
(Increase) / Decrease in Loans & Advances	2,93,22,811		(2,98,52,435)	
(Increase) / Decrease in Other Current Assets	-		-	
Cash Generated from Operation	(1,61,48,325)		5,69,01,502	
Taxes / Tax Paid As Adjusted By Deferred Tax	(10,95,544)		(7,70,899)	
Net Cash from Operating Activity		(1,72,43,869)		5,61,30,603
CASH FLOW FROM INVESTING ACTIVITY				
Purchase of Fixed Assets	(54,251)		(17,37,854)	
Proceeds From Sale of Fixed Assets	-		52,06,415	
Bank FD Intrest Received/other intrest received	1,49,590		85,918	
Net Cash from Investing Activity		95,339		35,54,479
CASH FLOW FROM FINANCING ACTIVITY				
Increase / (Decrease) in Borrowings	4,15,364		(1,92,97,811)	
Increase/(Decrease) in Capital	2,40,00,000		(3,65,22,084)	
Interest Paid	(73,92,636)		(70,16,974)	
Net Cash from Financing Activity		1,70,22,728		(6,28,36,869)
Net Increase/(Decrease) in Cash and Cash Equivalents		**(1,25,803)**		**(31,51,787)**
Opening Balance of Cash & Cash Equivalents as on 01.04.2023		4,08,100		35,59,887
Closing Balance of Cash & Cash Equivalents as on 31.03.2024		2,82,297		4,08,100
Net Increase/(Decrease) in Cash and Cash Equivalents		**(1,25,803)**		**(31,51,787)**

AS PER OUR REPORT OF EVEN DATE
FOR J B LIMBASIYA & CO.
CHARTERED ACCOUNTANT
FIRM REGISTRATION No. 132608W

J B LIMBASIYA & CO. CA INDIA M.NO.136581 RAJKOT Chartered Accountants

(JIGNESH B LIMBASIYA)
PROPRIETOR
M.No. 136581
UDIN:- 26136581IFKXKK7763
PLACE : RAJKOT
DATE : 24/08/2026

FOR,TANAVI FINDINGS
ON BEHALF OF PARTNERS OF FIRM

TANVI FINDINGS SEAL RAJKOT

Bipinbhai G. Viradiya
Partner

PLACE : RAJKOT
DATE : 24/08/2026

On Behalf of Tanvi Exports India LTD

Hiteshbhai M Sardhara
Authorised Director
DIN :11568839

TANVI FINDINGS

Notes to financial statements for the year ended 31st March 2026

NOTE-1

PARTNERS CAPITAL ACCOUNTS

(Amount ₹)

Name of the Partners	Ratio %	Opening Balance	Addition/ (Deletion)	Interest	Remuneration	Profit/(Loss)	Closing Balance
M/s Tanvi Exports India Ltd	99.00%	66,32,934	2,40,00,000	-	-	23,91,627	3,30,24,562
Mr. Bipinbhai G. Viradiya	1.00%	72,411	-	-	-	24,158	96,569
Total	**100.00%**	**67,05,345**	**2,40,00,000**	**-**	**-**	**24,15,785**	**3,31,21,130**

TANVI FINDINGS SEAL RAJKOT

J B LIMBASIYA & Co. CA INDIA M.NO.136581 RAJKOT Chartered Accountants

TANVI FINDINGS

Notes forming part of the Financial Statements for the year ended 31st March, 2026

5 **Property, Plant and Equipment and Intangible Assets (owned assets)** (Amount in ₹)

Particulars /Assets	TANGIBLE ASSETS					
	COMPUTER AND NETWROKING	FURNITURE	PLANT AND MACHINERY	OFFICE EQUIPMENT	Non Depreciable Asset	Total
Gross Block						
At 1 April 2024	2,52,621		17,67,916	1,75,448	52,06,415	74,02,400
Additions	94,407	71,600	14,84,480	87,367	-	17,37,854
Deductions/Adjustments	-		-	-	52,06,415	52,06,415
At 1 April 2025	3,47,028	71,600	32,52,396	2,62,815	-	39,33,839
Additions	54,251		-	-	-	54,251
Deductions/Adjustments	-		-	-	-	-
At 31 March 2026	**4,01,279**		**32,52,396**	**2,62,815**	-	**39,88,090**
At 31 March 2025	**3,47,028**	**71,600**	**32,52,396**	**2,62,815**	-	**39,33,839**
Depreciation/Adjustments						
At 1 April 2024	-		-	-		-
Additions	1,34,659	3,580	8,66,009	32,869	-	10,37,117
Deductions/Adjustments	-		-	-		-
At 1 April 2025	1,34,659	3,580	8,66,009	32,869		10,37,117
Additions	1,06,648	6,802	3,57,958	34,492		5,05,900
Deductions/Adjustments	-		-	-		-
At 31 March 2026	**2,41,307**		**12,23,967**	**67,361**		**15,43,017**
At 31 March 2025	**1,34,659**		**8,66,009**	**32,869**		**10,37,117**
Net Block						
At 31 March 2025	2,12,369		23,86,387	2,29,946		28,96,722
At 31 March 2026	**1,59,972**		**20,28,429**	**1,95,454**		24,45,073

TANVI FINDINGS SEAL RAJKOT

J B LIMBASIYA & CO. Chartered Accountants INDIA M.NO.136581 RAJKOT

TANAVI FINDINGS

Notes to financial statements for the year ended 31st March 2026

CURRENT LIABILITIES

(Amount ₹)

2.Short Term Borrowings	Current 31-Mar-26 (Rupees)	Current 31-Mar-25 (Rupees)
Secured		
Cash Credit From Bank		
ICICI Bank Limited - 084851000017	2,85,03,706	2,87,48,838
Unsecured Loans		
Anjuben D Mewada	72,53,168	65,45,971
Gaurav V Parsana	42,17,865	42,54,927
Kanchanben H Sardhara	52,03,515	64,52,726
Monaliben M Limbasiya	51,52,715	56,12,875
Nirmalaben A Hapaliya	75,30,446	69,22,753
Rajesh Tarpara	3,00,728	3,77,063
Ruchiben Ajani	48,27,413	44,19,898
Tanvi A Viradiya	15,85,784	10,24,530
Tushar Savaliya	-	4,78,185
Urvashiben Bhalara	63,54,587	58,55,168
Hareshbhai Sardhara	1,74,500	-
Raj A Bhalara	3,871	-
Total	**7,11,08,297**	**7,06,92,934**

3. Trade Payable	Current 31-Mar-26 (Rupees)	Current 31-Mar-25 (Rupees)
Total outstanding dues of micro, small and medium enterprises	-	-
Total outstanding dues of creditors other than micro, small and medium enterprises		
Sundry Creditors- (As per Grouping)		
-For Bullion	6,15,86,003	4,39,89,454
-For Expenses	3,40,596	4,35,684
Total	**6,19,26,599**	**4,44,25,138**

4. Other Current Liabilities	Current 31-Mar-26 (Rupees)	Current 31-Mar-25 (Rupees)
Advances Received from customers (As per Grouping)	81,60,324	26,05,721
Salary Payable	-	1,15,059
Other payables for		
-Statutory Liabilities		
TDS Payable 194C	3,762	3,613
TDS Payable 194J	5,000	32,500
TDS Payable 194Q	1,56,373	11,692
TDS Payable 194A	4,69,955	
TCS Payable	-	5,288
Total	**87,95,414**	**27,73,873**

TANVI FINDINGS SEAL RAJKOT

J B LIMBASIYA & Co. Chartered Accountants CA INDIA M.NO.136581 RAJKOT

TANAVI FINDINGS

Notes to financial statements for the year ended 31st March 2026

6. Inventories *(Valued at lower of cost and net realizable value, unless stated other wise)*	Current 31-Mar-26 (Rupees)	Current 31-Mar-25 (Rupees)
Raw Material		
Fine Gold	9,63,34,205	5,02,37,500
Silver	25,80,422	7,30,521
Alloy	5,57,264	4,12,429
	9,94,71,891	**5,13,80,450**
Finished Goods		
18KT Mixed Gold Ornaments	96,195	96,195
22KT Mixed Gold Ornaments	97,64,483	1,85,04,985
	98,60,678	**1,86,01,180**
Total	**10,93,32,569**	**6,99,81,630**

7. Trade Receivable	Current 31-Mar-26 (Rupees)	Current 31-Mar-25 (Rupees)
(i) Outstanding for period exceeding six months from the due date of payment		
(a) Secured Considered good	-	-
(b) Unsecured Considered good	-	-
(c) Doubtful	-	-
Less: Provision for doubtful receivables	-	-
	-	-
(ii) Outstanding for period not exceeding six months from the due date of payment		
(a) Secured Considered good	-	-
(b) Unsecured Considered good	5,86,48,431	1,77,44,957
(c) Doubtful	-	-
Less: Provision for doubtful receivables	-	-
	5,86,48,431	1,77,44,957
Total	**5,86,48,431**	**1,77,44,957**

TANVI FINDINGS

J B LIMBASIYA & Co. Chartered Accountants ICAI INDIA M.NO.136581 RAJKOT

TANAVI FINDINGS

Notes to financial statements for the year ended 31st March 2026

8. Cash and bank balances	Current 31-Mar-26 (Rupees)	Current 31-Mar-25 (Rupees)
Cash and cash equivalents		
Balances with banks		
-In current accounts		
ICICI Bank current A/c No. 777705221019	59,227	1,85,240
Cash on hand	2,23,070	2,22,860
Total	**2,82,297**	**4,08,100**

9. Loans and Advances	Current 31-Mar-26 (Rupees)	Current 31-Mar-25 (Rupees)
Balance With Statutory Authorities		
GST Receivable	19,49,967	3,28,927
Income Tax Refundable 24-25	-	12,88,215
Income Tax Refundable 25-26	82,520	-
	20,32,487	**16,17,141**
Deposits		
FD with ICICI Bank- FD no. 084813009207	5,81,030	5,42,190
FD with ICICI Bank- FD no. 084813009289	5,57,339	5,28,496
FD with ICICI Bank- FD no .084813011030	10,04,213	-
	21,42,582	**10,70,686**
Loans to Parties		
Bipinbhai Viradiya	-	65,60,200
Harshbhai Sardhara	-	90,12,853
Raj A Bhalara	-	64,76,080
Sandipbhai Hapaliya	-	37,82,530
Tanvi Exports India Ltd	-	49,50,000
	-	**3,07,81,662**
Other Advances		
Advance to Employees	-	40,000
Advance to Supplier	68,001	56,391
	68,001	**96,391**
Total	**42,43,070**	**3,35,65,881**

TANVI FINDINGS SEAL RAJKOT

J B LIMBASIYA & CO. Chartered Accountants ICAI INDIA M.NO.136581 RAJKOT

TANAVI FINDINGS

Notes to financial statements for the period ended 31st March 2026

(Amount in ₹)

10. Revenue from operations	31st March 2026 (Rupees)	31st March 2025 (Rupees)
Sale Of Product (Net Of Returns)		
Sale of Gold Ornaments	50,72,03,286	43,90,60,513
Sale of Silver Ornaments	8,893	
Sale of Fine Gold	99,90,291	2,67,81,760
Rate Difference	2,79,376	33,060
Sale Of Service		
Ornaments Jobwork Income	4,43,72,850	8,96,73,529
P&F Charges	1,278	32,275
Total Turnover (GST)	**56,18,55,974**	**55,55,81,137**

11. Other Income	31st March 2026 (Rupees)	31st March 2025 (Rupees)
sundry income written back	-	-
Discount Received	-	2,20,399
Interest on IT refund	69,705	14,616
Interest on Fixed Deposit	79,885	71,302
Freight Charges	-	-
Total	**1,49,590**	**3,06,317**

12. Cost of Material Consumed	31st March 2026 (Rupees)	31st March 2025 (Rupees)
Opening Stock Of Raw Material		
Fine Gold	5,02,37,500	7,45,75,898
Silver	7,30,521	7,30,521
Alloy	4,12,429	5,75,581
	5,13,80,450	**7,58,82,001**
Break Up Of Purchases Of Raw Material		
Fine Gold Purchase	58,29,34,464	49,75,52,082
Silver Purchase	18,58,058	
Alloy Purchase	4,14,538	2,46,275
Purchase Of Consumable	1,09,190	15,82,525
Purchase of Production Material	1,53,327	8,02,022
Dies Purchase	45,045	5,81,825
	58,55,14,622	**50,07,64,728**
CLOSING STOCK OF RAW MATERIAL CONSUMED		
Fine Gold	9,63,34,205	5,02,37,500
Silver	25,80,422	7,30,521
Alloy	5,57,264	4,12,429
	9,94,71,891	**5,13,80,450**
Total	**53,74,23,181**	**52,52,66,279**

TANVI FINDINGS SEAL RAJKOT

J B LIMBASIYA & Co. Chartered Accountants ICAI INDIA M.NO.136581 RAJKOT

TANAVI FINDINGS

Notes to financial statements for the period ended 31st March 2026

13. Purchase of Stock in Trade	31st March 2026 (Rupees)	31st March 2025 (Rupees)
Purchase of Gold Ornaments	-	1,86,90,652
Total	-	**1,86,90,652**

14.(Increase)/ Decrease in Stock of Finished Goods	31st March 2026 (Rupees)	31st March 2025 (Rupees)
Opening Stock of Finished Goods		
18KT Mixed Gold Ornaments	96,195	46,44,924
22KT Mixed Gold Ornaments	1,85,04,985	41,19,068
	1,86,01,180	**87,63,992**
Closing Stock of Finished Goods		
18KT Mixed Gold Ornaments	96,195	96,195
22KT Mixed Gold Ornaments	97,64,483	1,85,04,985
	98,60,678	**1,86,01,180**
Total (Increase)/ Decrease in Stock of Finished Goods	**87,40,502**	**(98,37,188)**

15. Employee benefit expense	31st March 2026 (Rupees)	31st March 2025 (Rupees)
Salary Expense	10,10,838	38,01,480
Total	**10,10,838**	**38,01,480**

TANVI FINDINGS SEAL RAJKOT

J B LIMBASIYA & CO. Chartered Accountants ICAI INDIA M.NO.136581 RAJKOT

TANAVI FINDINGS

Notes to financial statements for the period ended 31st March 2026

16. Other expenses	31st March 2026 (Rupees)	31st March 2025 (Rupees)
Job Work Charges-Wax Setting	5,21,812	32,40,250
Jewellery Design Job Work-Wax Setting	-	7,73,213
Tools and Cutter Expense	16,52,674	8,06,940
Fire Assaying Expense	3,12,450	4,30,185
Exhibition Expense	1,74,746	1,53,814
Freight Expense	2,16,179	5,30,632
Insurance Expense	59,322	1,671
Membership Fees	7,400	6,900
Audit Fees	50,000	3,25,000
Stamp Duty Expense	1,96,015	-
Advertisement Expense	3,280	3,099
Gift Expenses	-	1,11,071
Bad Debt	-	6,95,692
Telephone Expenses	65,000	21,427
GST Expenses	1,31,557	-
Repair & Maintenance Charges	20,373	3,17,931
Courier Expense	40	560
Miscellaneous Expense	-	22
Interest On Late Payment Of TDS	35	20
Bank charges	6,791	22,880
Round Off	3,505	-
Total	**34,21,178**	**74,41,307**

17.Finance Cost	31st March 2026 (Rupees)	31st March 2025 (Rupees)
Loan Processing Fees	69,000	39,000
Bank Guarantee Commission	2,74,548	86,000
Interest on Unsecured Loan	46,99,548	-
Interest On Bank Cash Credit	23,49,540	68,91,974
Total	**73,92,636**	**70,16,974**

TANVI FINDINGS SEAL RAJKOT

J B LIMBASIYA & Co. Chartered Accountants ICAI INDIA M.NO.136581 RAJKOT

TANVI FINDINGS

PY: 31.03.2026
AY: 2026/2027

STATEMENT ON SIGNIFICANT ACCOUNTING POLICIES FOLLOWED ANDDISCLOSURES AS PER ACCOUNTING STANDARD, GUIDANCE NOTE & PRONOUNCEMENT FOR THE FINANCIAL YEAR ENDED ON 31st MARCH 2026

CORPORATE INFORMATION

The Tanvi Findings (The Entity) is a Partnership Firm, formed under Indian Partnership Act, 1932. The Entity is formed to carry on the business of Manufacturing of Plain and Studded Gold and Silver ornaments.

SIGNIFICANT ACCOUNTING POLICIES

A. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

These financial statements are prepared in accordance with the Generally Accepted Accounting Principles (GAAP) followed in India to comply in all material respect with Indian Accounting Standards (AS) issued by The Institute of Chartered Accountants of India (ICAI), under the historical cost convention on accrual basis except as disclosed in the financial statements and Notes thereto.

The accounting policies adopted in the preparation of financial statements are consistent with those of previous year, except for the changes, if any, in accounting policy explained below.

B. USE OF ESTIMATES

The preparation of financial statements in conformity with Generally Accepted Accounting Principles (GAAP) requires management of the LLP to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

C. (I) TANGIBLE ASSETS

Tangible fixed assets are stated at cost of acquisition less accumulated depreciation and impairment , if any, where cost comprise of purchase price, freight, duties, non-refundable taxes and incidental expenses directly attributable to bringing the assets to its working condition for intended use. Any trade discounts and rebates are deducted in arriving at the purchase price. Borrowing costs directly or indirectly attributable to acquisition or construction of those fixed assets which necessarily takes a substantial period of time to get ready for their intended use are capitalized.

J B LIMBASIYA & Co. ICAI INDIA M.NO.136581 RAJKOT Chartered Accountants

TANVI FINDINGS SEAL RAJKOT

(II) INTANGIBLE ASSETS

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and impairment, if any. Internally generated intangible assets, excluding capitalized development costs, are not capitalized but expensed out, and expenditure is reflected in the Statement of Profit and Loss in the year in which the expenditure is incurreds

D. DEPRECIATION & AMORTISATION

Depreciation has been provided as per written down value method at the rate calculated and in the manner as prescribed in Income Tax Act,1965 on all tangible assets including those which are owned on a perpetual lease term.

Intangible assets are being amortized in accordance with AS-26.

E. INVESTMENTS

Investments intended to be held for more than one year at the time of its acquisition are classified as Long-Term Investments (i.e. Non-Current Investments) and other investments are classified as current investments. Long term investments are valued at cost less provision, if any, for diminution in value, which is other than temporary. Quoted current investments are valued at the lower of cost or market value on scrip wise basis. On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the Statement of Profit and Loss.

F. INVENTORIES

Quantities of synthetic diamonds, Alloys, Gold, Jewellery and work in progress etc. are taken as per the records maintained and the value of inventory is cost or net realizable value whichever is lower, where cost is ascertained on Monthly Weighted Average basis. The cost of Gold recovered from the scrap and dust is considered NIL.

G. REVENUE RECOGNITION

Revenue from following transactions is recognized to the extent it is probable that the economic benefits will flow to the LLP and the revenue can be reliably measured.

i. Revenue from export sales is recognized when delivery of goods is physically given to Customs authorities. Revenue from domestic sales is recognized when goods are delivered to the customer and the title of goods passes to the customers.

ii. Revenue from service-related activities is recognized on proportionate completion method. Revenue recognized but to be billed in subsequent period is disclosed as unbilled revenue.

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iii. Interest income/rent income is recognized on accrual basis.

iv. Income from investment is accounted in the year in which the unconditional right to receive such income is established.

H. FOREIGN CURRENCY TRANSACTIONS:

i. Foreign currency transactions are recorded at the exchange rates prevailing on the date of such transactions. Monetary assets and liabilities which are denominated in foreign currency as at the Balance Sheet date are translated at the rates of exchange prevailing at the date of the Balance Sheet. Gains and losses arising on account of differences in foreign exchange rates on settlement/translation of monetary assets and liabilities, excluding the one which is treated as adjustment to interest cost and classified as borrowing cost, are recognized as exchange difference in the Statement of Profit & Loss. Non-monetary foreign currency items are recognized at cost as on the date of transaction.

Gains or losses on account of foreign exchange fluctuation in respect of liabilities in foreign currencies specific to acquisition of fixed assets from outside India are recognized as income or expenses in statement of Profit and Loss, following the Companies (Accounting Standard) Rule 2006.

I. EMPLOYEE BENEFITS:

i. Retirement benefits in the form of Contribution to provident fund and pension schemes are accounted on accrual basis.

ii. Liability for entitlement of leave, if any, is recognized on accrual basis and charged to statement of profit & loss of the year in which it is earned, on accrual basis.

iii. Statutory Liability for bonus, if any, is recognized and changed to Statement of profit & loss of the year in respect of which it accrues.

iv. Liability for Ex-gratia payment to Employee is recognized and charged to statement of Profit and Loss of the year in which LLP decides to pay the same.

J. BORROWING COST

Borrowing costs directly attributable to or where out of general borrowings funds may have been used for the purpose of acquiring, producing or constructing any assets that necessarily has taken substantial period of time to get ready for its intended use, are capitalized and included in the carrying amount of corresponding assets. Other Borrowing Cost is charged to statement of Profit & Loss. Exchange Difference arising in respect of borrowing in foreign currency is treated as borrowing cost to the extent it is an adjustment to interest cost.

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K. TAXATION

Tax expenses comprises of current tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act.

L. PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

A provision is made for all liabilities, when there is a present obligation as a result of a past event that probably requires an outflow of resources, and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. A disclosure for a 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. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made. Contingent assets are neither recognized nor disclosed in the financial statements.

M. IMPAIRMENT

At each balance sheet date, the LLP determines whether impairment loss should be recognized in respect of fixed assets (including intangible assets), by considering the indications that an impairment loss may have or has occurred in accordance with Accounting Standard (AS)-28 "Impairment of Assets". Where the recoverable amount of any fixed asset is lower than it's carrying amount, impairment loss is being recognized to the extent of difference between carrying value and likely sale price less cost of sales.

N. DISCONTINUING OPERATION

No part or component of or no major line of business or geographical area of operation has been discontinued as on the date of signing of this financial statement.

O. CASH AND CASH EQUIVALENTS

Cash and cash equivalents for the purpose of cash flow statement comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

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