



Abans Enterprises Limited

36th Annual Report
2021 - 22

CORPORATE INFORMATION

Company Name: Abans Enterprises Limited

Registered Office: 36,37,38A, 3rd Floor, 227, Nariman Bhavan, Backbay Reclamation, Nariman Point, Mumbai – 400 021.

CIN: L74120MH1985PLC035243 | **ISIN:** INE365O01010 |

Scrip Code: 1. **BSE:** 512165 | 2. **MSEI:** ABANS

Web: www.abansenterprises.com

Contact:  compliance@abansenterprises.com |  022-61790000 |  022-61790010

BOARD OF DIRECTORS

- Mr. Abhishek Bansal (Chairman & Managing Director) | SRC-M
- Mr. Kaushik Mehta (Non-Executive Director)
- Mr. Shivshankar Singh (Non-Executive Director)
- Mr. Paresh Davda (Independent Director) | AC-M, NRC-C, SRC-M
- Mr. Mulchand Darji (Independent Director) | AC-C, NRC-M, SRC-C
- Mrs. Punita Suthar (Independent Director) | AC-M, NRC-M

AC – Audit Committee

NRC – Nomination and Remuneration Committee

SRC – Stakeholders Relationship Committee

C – Chairperson

M – Member

KEY MANAGERIAL PERSON

- Mr. Abhishek Bansal (Managing Director)
- Ms. Reshma Gwalani (Chief Financial Officer)
- Mr. Shobhan Mandulla (Company Secretary & Compliance Officer)

STATUTORY AUDITORS

M/s. Paresh Rakesh & Associates,

Chartered Accountants

103, Namrata CHS, Bldg No. 15,

Shastri Nagar, Link Road,

Goregaon (West), Mumbai - 400 014.

E-mail: mail@pareshrakesh.in

INTERNAL AUDITORS

M/s. R Jangir & Co. Chartered Accountants,

B-306, Sagar Complex, Bldg No.1, Jesal Park, Bhayandar (East), Dist. Thane – 401 105.

E-mail: ramcacs@gmail.com

SECRETARIAL AUDITOR

M/s. S. P. Date & Associates,

Company Secretaries

I/501 Pranay Nagar,

Ram Mandir Road (Extn.),

Near Vazira Naka,

Borivali (West), Mumbai - 400 092.

E-mail: shridate24@gmail.com

REGISTRAR AND SHARE TRANSFER AGENT

Purva Sharegistry (India) Private Limited

Unit no. 9, Shiv Shakti Ind. Estt.,

J.R. Boricha Marg, Lower Parel (E), Mumbai - 400 011.

Tel No. 022-2301 2518 / 6761

E-mail: support@purvashare.com

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LETTER FROM THE CHAIRMAN

Dear Shareholders,

It gives me immense pleasure to share with you our 36th Annual Report for the financial year ending March 31, 2022. The past couple of years have been a period of intense action and reflection. We have seen a global pandemic, geopolitical tension, supply chain disruptions, the rise of crypto currency and many other public and private upheavals. As the dust settles, and a clearer picture of the world ahead emerges, I believe we are standing at the threshold of a period of great opportunity and growth.

The impact of these events along with hardening rates in the US and appreciation of US Dollar against global currencies triggered sell-offs across global stock markets. The Indian market followed the cues with FIIs pulling out, which has caused significant uncertainties and volatility. India's benchmark index Sensex shed over 10,000 points from its peak level of over 62,000 seen in October 2021. Subsequently, markets bounced back and erased some of its losses by March 2022.

In spite of the initial setbacks during this financial year, we concentrated on strengthening the core of our business and stay resilient to challenging environment. However, after five years of exceptional performance, the numbers stack up as follows on standalone and consolidated level basis:

(₹ in lacs except EPS & Book Value)

Particulars	Standalone Basis					Consolidated Basis		
	FY 2021-22	FY 2020-21	FY 2019-20	FY 2018-19	FY 2017-18	FY 2021-22	FY 2020-21	FY 2019-20
Total Income	6,049.30	8,601.31	33590.71	13139.52	6972.37	2,89,631.26	407549.01	455377.17
Profit after tax	97.47	45.66	106.89	140.84	17.40	2,901.21	3389.11	2763.13
EPS	0.70	0.33	0.76	1.01	0.12	20.80	24.30	19.81
Net worth	1827.42	1741.68	1710.37	1620.8	1479.95	20447.05	19189.90	5468.10
Book Value per share	13.10	12.49	12.26	11.62	10.61	146.58	137.56	39.20
Non-Controlling Interest	-	-	-	-	-	1247.84	1111.33	-

To conclude, on behalf of the Company, I appreciate and thank the efforts of the senior management team who have risen to the unprecedented challenges and shown the will and resilience to translate the Company's vision to actual results on the ground. I would like to thank each of the workforce who have shown immense dedication in achieving our goals. I also take this opportunity to thank our Board for their support and guidance as well as our shareholders and customers who are our source of strength. Finally, I express my gratitude to the community at large because our mission has always been not just to create wealth but also to serve them in the best possible manner while enhancing their quality of life.

With Warm Regards

Abhishek Bansal
Chairman and Managing Director

BOARD'S REPORT

Dear Members,

The Directors of your Company have the pleasure in presenting the Thirty Sixth Annual Report of your Company along with the Audited Financial Statements for the Financial Year Ended March 31, 2022.

1. FINANCIAL RESULTS

The Summary of the Company's financial performance, both on a consolidated and standalone basis, for the Financial Year ("FY") as compared to the previous FY 2020-21 is given below:

(₹ in Lacs except per EPS & Net Asset Value)

Particulars	Consolidated		Standalone	
	2021-22	2020-21	2021-22	2020-21
Total Income	2,89,631.24	4,07,549.01	6,049.30	8,601.31
Less: Expenditure including Deprecation	2,86,626.59	4,04,120.01	5,920.18	8,529.28
Profit before Tax	3,004.65	3,429.00	129.12	72.03
Provision for Taxation	103.46	39.89	31.65	26.37
Profit after Tax	2,901.19	3,389.11	97.47	45.66
Other Comprehensive Income	265.12	-126.61	2.22	-0.40
Total Other Comprehensive Income	3,166.31	3,262.49	99.69	45.26
Earnings Per Share (EPS)	20.80	24.30	0.70	0.33
Paid up Capital	1,394.98	1,394.98	1,394.98	1,394.98
Other Equity	19,052.08	17,794.92	432.44	346.70
Net Asset Value (Per Share)	146.58	137.56	13.10	12.49

2. FINANCIAL PERFORMANCE

Standalone

Standalone total income for the FY 2021-22 is ₹ 6,049.30 lakhs and ₹ 8,601.31 Lakhs for FY 2020-21. Further, there is an increase in EPS from ₹ 0.33 per share to ₹ 0.70 per share.

Consolidated

Consolidated total income for the FY 2021-22 is ₹ 2,89,631.24 lakhs and ₹ 4,07,549.01 Lakhs for FY 2020-21. Further, there is an decrease in EPS from ₹ 24.30 per share to ₹ 20.80 per share.

CONSOLIDATED FINANCIAL STATEMENT

As per Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and applicable provisions of the Companies Act, 2013 ("the Act") read with the Rules made thereunder (as amended from time to time), the Consolidated Financial Statement of the Company for the FY 2021-22 have been prepared in compliance with applicable Indian Accounting Standards and on the basis of Audited Financial Statement of the Company and its subsidiaries, as approved by the respective Board of Directors ("Board").

The Consolidated Financial Statement together with the Auditors' Report is forming part of this Annual Report.

3. INFORMATION ON THE STATE OF AFFAIRS OF THE COMPANY

The Information on the affairs of the Company has been given in Management Discussion & Analysis Report forming part of this Annual Report.

4. DIVIDEND

Board of Directors of the Company had declared Interim Dividend of ₹ 0.10 per equity share of ₹ 10/- each to the equity shareholders as on November 12, 2021.

Your directors recommend for confirmation of the Interim Dividend of FY 2021-22 at the ensuing annual general meeting. Your directors do not recommend any further dividend for FY 2021-22.

5. TRANSFER TO RESERVES

The Board of your Company decided not to transfer any amount to the General Reserve and retain the entire amount of profit under Retained Earnings.

6. SHARE CAPITAL

There were no changes in the Share Capital structure of the Company during the financial year under review.

During the year under review your Company did not undertake any buy-back of securities, issue of sweat equity or bonus shares. Further, the Company has not provided any Stock Option Scheme to the employees.

7. ANNUAL RETURN

Pursuant to the provisions of Section 92(3) and 134(3)(a) of the Act read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014, the Annual Return of the Company for the financial year ended March 31, 2022 is uploaded on website of the Company at <http://www.abansenterprises.com/Investor?SearchField=Annual%20Return>

8. NOMINATION AND REMUNERATION POLICY

The Company has framed a Nomination and Remuneration Policy pursuant to Section 178 of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015. The Policy is annexed to this Report as “**Annexure I**”

9. DIRECTORS’ RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Companies Act, 2013, the board of directors, to the best of their knowledge and ability, confirm that:

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

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, the work performed by the internal, statutory and secretarial auditors and external consultants, including the audit of internal financial controls over financial reporting by the statutory auditors and the reviews performed by management and the relevant board committees, including the audit committee, the Board is of the opinion that the Company’s internal financial controls were adequate and effective during financial year 2021-22.



10. DIRECTORS AND KEY MANAGERIAL PERSONNEL

(a) Inductions to the Board

Following are the changes in the Board of Directors of the Company during the period under review:

- Mr. Kaushik Mehta (DIN: 08607881) was appointed as Non-Executive Director on July 26, 2021.
- Mr. Mulchand Darji (DIN: 07756481) was appointed as an Independent Director on July 26, 2021 for a period of five years, i.e till July 25, 2026.

(b) Resignation of Directors

- Mr. Naresh Sharma, resigned as an Independent Director on July 26, 2021.
- Mr. Kishore Mahadik, resigned as an Independent Director on July 26, 2021.

(c) Retire by Rotation

As per the provisions of the Companies Act, 2013, Mr. Shivshankar Singh (DIN: 07787861), the Non-Executive and Non-Independent Director, whose office is liable to retire at the ensuing AGM, being eligible, seeks reappointment. Based on performance evaluation and the recommendation of the nomination and remuneration committee, the Board recommends his reappointment.

The necessary resolution for re-appointment of Mr. Shivshankar Singh forms part of the Notice convening the ensuing AGM scheduled to be held on September 29, 2022. The profile and particulars of experience, attributes and skills that qualify Mr. Shivshankar Singh for Board membership, are disclosed in the said Notice.

(d) Independent Directors' Declaration

The Company has received necessary declaration from each independent director under Section 149(7) of the Companies Act, 2013, that he / she meets the criteria of independence laid down in Section 149(6) of the Companies Act, 2013 and Regulation 25 of the Listing Regulations.

There has been no change in the circumstances affecting their status as Independent Directors of the Company. Further, in terms of Section 150 read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended, Independent Directors of the Company have included their names in the data bank of Independent Directors maintained with the Indian Institute of Corporate Affairs.

(e) Changes in KMP

- Mr. Nirbhay Vassa resigned as Chief Financial Officer of the Company w.e.f. July 08, 2021;
- Mr. Deepesh Jain resigned as Company Secretary and Compliance Officer w.e.f. August 26, 2021;
- Ms. Reshma Gwalani was appointed as Chief Financial Officer of the Company w.e.f. September 03, 2021;
- Mr. Shobhan Mandulla was appointed as Company Secretary and Compliance officer of the Company w.e.f. September 03, 2021.

The Board places on record its appreciation for Mr. Nirbhay Vassa and Mr. Deepesh Jain for their invaluable contribution and guidance during the tenure as Chief Financial Officer and Company Secretary and Compliance Officer, respectively. Pursuant to the provision of Section 203 of the Companies Act 2013, Mr. Abhishek Bansal, Chairman and Managing Director, Ms. Reshma Gwalani, Chief Financial Officer and Mr. Shobhan Mandulla, Company Secretary and Compliance Officer are the Key Managerial Personnel of the Company as on March 31, 2022.

11. NUMBER OF MEETINGS OF THE BOARD

Six meetings of the Board were held during the year, the details of which are provided in the Corporate Governance Report, forming part of this annual report. The maximum interval between any two meetings did not exceed 120 days, as prescribed under the Companies Act, 2013.

12. BOARD EVALUATION

The Board of Directors have carried out an annual evaluation of its own performance, board committees, and individual directors pursuant to the provisions of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015.

The performance of the board was evaluated by the board after seeking inputs from all the directors on the basis of criteria such as the board composition and structure, effectiveness of board processes, information and functioning, etc.

The performance of the committees was evaluated by the board after seeking inputs from the committee members on the basis of criteria such as the composition of committees, effectiveness of committee meetings, etc.

The above criteria are broadly based on the Guidance Note on Board Evaluation issued by the SEBI on January 5, 2017.

In a separate meeting of independent directors, performance of Non-Independent Directors, the board as a whole and the Chairman of the Company were evaluated, taking into account the views of Executive Directors and Non-Executive Directors.

The Board and the Nomination and Remuneration Committee reviewed the performance of individual directors on the basis of criteria such as the contribution of the individual director to the board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contributions and inputs in meetings, etc.

At the board meeting that followed the meeting of the independent directors and meeting of Nomination and Remuneration Committee, the performance of the board, its committees, and individual directors was also discussed.

Performance evaluation of independent directors was done by the entire board, excluding the independent directors being evaluated.

13. AUDIT COMMITTEE

The Committee comprises Mr. Mulchand Darji (Chairman), Mr. Paresh Davda (Member) and Mrs. Punita Suthar (Member). The Committee met 6 (Six) times during the year under review, the details of which are given in the Corporate Governance Report forming part of this Report.

All the recommendations made by the Audit Committee were accepted by the Board of Directors.

14. AUDITORS

i. Statutory Auditor

At the Annual General Meeting held on September 29, 2020, M/s. Paresh Rakesh & Associates (Firm Registration No. 119728W) were appointed as Statutory Auditor of the Company for a period of five years i.e. till the conclusion of Annual General Meeting of the Company to be held in the year 2025.

ii. Secretarial Auditor

M/s. S. P. date & Associates, Practicing Company Secretaries (CP No. 14247), was appointed as Secretarial Auditor of the Company for the F.Y. 2021-22.

iii. Cost Auditor

Your Company is principally engaged into Trading. Therefore, Section 148 of the Companies Act, 2013 is not applicable to the Company.

15. AUDIT REPORTS

i. Statutory Auditor's Report

The Auditors Report to the Shareholders for the year under review does not contain any qualification, reservation, adverse comments or disclaimers. The notes to the Accounts referred to in the Auditors' Report are self-explanatory and therefore do not call for any further clarifications under Section 134(3)(f) of the Companies Act, 2013.

ii. Secretarial Audit Report

The Secretarial Audit Report for F.Y. 2021-22 is annexed herewith as “**Annexure II**”. The report does not contain any qualification, reservation, adverse comments or disclaimers.

16. INTERNAL AUDIT & CONTROLS

Pursuant to provisions of Section 138 read with rules made thereunder, the Board has appointed M/s. R. Jangir and Co, Chartered Accountants, as an Internal Auditor of the Company for FY 2021-22 to check the internal controls and functioning of the activities and recommend ways of improvement. The Internal Audit is carried out on a quarterly basis; the report is placed in the Audit Committee Meeting and the Board Meeting for their consideration and direction.

17. INTERNAL FINANCIAL CONTROLS

The Internal Financial Controls with reference to financial statements as designed and implemented by the Company are adequate. The Internal Financial Control procedure adopted by the Company are adequate for safeguarding 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. During the year under review, the Internal Financial Controls were operating effectively and no material or serious observation has been received from the Auditors of the Company for inefficiency or inadequacy of such controls.

18. RISK ASSESSMENT AND MANAGEMENT

The Company's governance structure has well-defined roles and responsibilities, which enable and empower the Management to identify, assess and leverage business opportunities and manage risks effectively. The Company has been on a continuous basis reviewing and streamlining its various operational and business risks involved in its business as part of its risk management policy. Your Company also takes all efforts to train its employees from time to time to handle and minimize these risks.

19. SUBSIDIARY COMPANIES AND ASSOCIATE COMPANIES

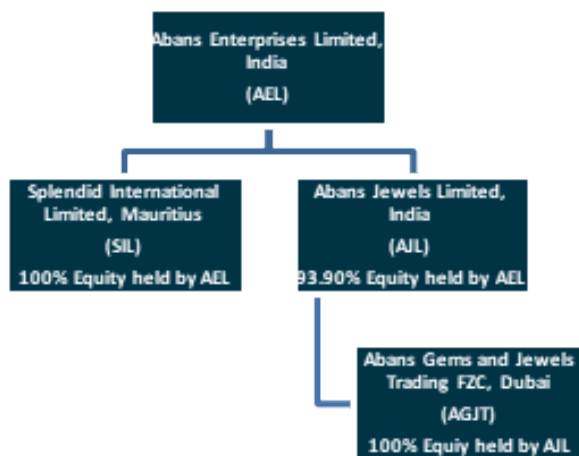
As on March 31, 2022, your Company has 3 (three) subsidiaries and no associate companies or joint venture companies within the meaning of Section 2(6) of the Act.

- (i) Abans Jewels Limited (Formerly known as Abans Jewels Private Limited) is in the business of export and import of precious / semi precious stone studded, Gold and Silver Jewellery. The company also trades in debentures, securities and enters in to derivative contracts on recognized stock exchanges.
- (ii) Abans Gems & Jewels Trading FZC (Formerly known as Abans Gems & Jewels Trading FZE) is primarily engaged in the business of import & export and Trading in Gold, Jewellery, pearls and precious stones.
- (iii) Splendid International Limited is in the business of dealing in the precious metals.

During the financial year under review, the following companies ceased to be the subsidiaries of your Company w.e.f. January 01, 2022:

- (a) Abans Creations Private Limited;
- (b) LifeSurge BioSciences Private Limited;
- (c) Tout Comtrade Private Limited; and
- (d) Zicuro Technologies Private Limited.

Further, As a result of above mentioned disinvestment, group structure of your company shall stand as depicted below:



During the year, the Board of Directors reviewed the affairs of the subsidiaries. In accordance with Section 129(3) of the Companies Act, 2013, we have prepared the consolidated financial statements of the Company, which form part of this Annual Report. Further, a statement containing the salient features of the financial statements of our subsidiaries in the prescribed format AOC-1 is annexed herewith as “Annexure III” to the Board’s report.

The statement also provides details of the performance and financial position of each of the subsidiaries. In accordance with Section 136 of the Companies Act, 2013, the audited financial statements, including the consolidated financial statements and related information of the Company and audited accounts of each of its subsidiaries, are available on our website <http://www.abansenterprises.com/Investor?SearchField=Financial%20Statement%20of%20Subsidiaries>.

Material Subsidiaries

As required under Regulation 16(1)(c) and 46 of the Listing Regulations, the Board of Directors has approved the Policy on Determination of Material Subsidiaries (“Policy”). The said policy is available on the website of the Company and can be accessed at <http://www.abansenterprises.com/CorporatePolicies?SearchField=Corporate%20Policies>. Accordingly, Abans Jewels Limited (Formerly known as Abans Jewels Private Limited) is material subsidiary of the Company.

Investment in Subsidiaries

During the year under review, there were no investments in Subsidiary Companies.

20. VIGIL MECHANISM

In pursuance of the provisions of section 177(9) & (10) of the Companies Act, 2013, a Vigil Mechanism for Directors and Employees to report genuine concerns has been established. The Vigil Mechanism Policy has been uploaded on the website of the Company at <http://www.abansenterprises.com/CorporatePolicies?SearchField=Corporate%20Policies>.

21. PARTICULARS OF LOANS, INVESTMENTS AND GUARANTEES

Particulars of loans given, investments made or guarantees or securities provided and the purpose for which the loan or guarantee or security is proposed to be utilized by the recipient of loan or guarantee or security pursuant to Section 186 of the Act are given under Notes to Accounts annexed to Standalone Financial Statements for the year ended March 31, 2022 and the same forms part of this Annual Report.

22. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

In line with the requirements of the Act and the SEBI Listing Regulations, the Company has formulated a Policy on Related Party Transactions. During the year under review, the Policy has been amended to incorporate the regulatory amendments in the SEBI Listing Regulations. The updated Policy can be accessed on the Company’s website at <http://www.abansenterprises.com/CorporatePolicies?SearchField=Corporate%20Policies>.