

Date: 30th May, 2024

To,
The Department of Corporate Services,
BSE Limited,
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai – 400 001

Scrip Code: 523826

SUB: OUTCOME OF BOARD MEETING

REF: REGULATION 33 (3) & 30 OF THE SEBI (LODR) REGULATIONS, 2015

Dear Sir / Madam,

The Board Meeting of the Company was held on 30th May, 2024. The Board of Directors at their Board Meeting have approved the following:

- a. Approved and taken on record the Audited Annual Financial Results for the quarter and financial year ended 31st March, 2024.
- b. Approved the re-appointment of Ms. Arundhati Mali as Whole Time Director and Chief Financial Officer of the Company for a term of 3 years w.e.f. 1st June, 2024.

Please find enclosed herewith the following:

1. Audited Annual Financial Results for the quarter and financial year ended 31st March, 2024.
2. Statement of Assets and Liabilities as on 31st March, 2024.
3. Cash Flow Statement for the financial year ended 31st March, 2024.
4. Audit Report for the financial year ended 31st March, 2024.

The information and papers are being filed pursuant to Regulation 33(3) and 30 of the SEBI (LODR) Regulations, 2015.

The Meeting of the Board of Directors commenced at 11.00 a.m. and concluded at 4.15 p.m.

Please take the aforesaid on your records and acknowledge the receipt.

Thanking You,

Yours Faithfully,

FOR SOVEREIGN DIAMONDS LIMITED




AJAY GEHANI
MANAGING DIRECTOR

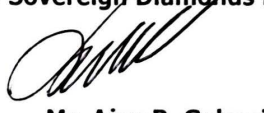



Encl: As Above

Statement of Audited Financial Results for the Quarter and Year Ended 31 st March, 2024					
Particulars	In Lakhs				
	Quarter Ended			Year Ended	
	31-03-2024	31-12-2023	31-03-2023	31-03-2024	31-03-2023
	(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)
1. Income from Operations					
(a) Net Sales / Income from Operations	771.19	718.07	709.66	2709.34	2780.73
(b) Other Operating Income	35.52	32.74	31.81	133.04	126.08
Total Income (net)	806.70	750.82	741.47	2842.38	2906.81
2. Expenses					
(a) Cost of Materials Consumed	337.63	401.77	544.08	1641.62	2220.66
(b) Changes in inventories of finished goods and work-in-progress	252.94	117.91	(28.66)	363.85	-165.83
(c) Employee benefits expense	52.20	58.14	47.06	209.43	190.11
(d) Finance Costs	36.87	31.36	32.25	131.71	113.71
(e) Depreciation and amortisation expense	12.63	12.53	12.80	49.64	49.30
(f) Other expenses	87.20	68.19	81.71	278.14	306.07
Total Expenses	779.45	689.91	689.23	2674.39	2714.01
3. Profit / (Loss) from ordinary activities before exceptional items (1-2)	27.25	60.91	52.24	167.99	192.79
4. Exceptional Items	0.00	0.00	0.00	0.00	0.00
5. Profit / (Loss) from ordinary activities before tax (3 + 4)	27.25	60.91	52.24	167.99	192.79
6. Tax Expense					
a) Current Tax	6.81	15.23	12.74	42.00	48.00
b) Deferred Tax	(12.70)	0.69	1.30	(12.01)	3.67
7. Net Profit / (Loss) from ordinary activities after tax (5-6)	33.15	44.99	38.20	138.01	141.12
8. Extraordinary items	0.00	0.00	0.00	0.00	0.00
9. Net Profit / (Loss) for the period (7+8)	33.15	44.99	38.20	138.01	141.12
10. Other Comprehensive Income (OCI)					
A) (i) Items that will not be Reclassified to Profit Or Loss	0.00	0.00	0.00	0.00	-
Remeasurement of post-employment benefit obligations	0.32	0.88	0.32	(2.23)	(0.28)
(ii) Income Tax Relating To Items That Will Not Be Reclassified to Profit of Loss	0.00	0.00	0.00	(0.56)	-
Remeasurement of post-employment benefit obligations	0.00	0.00	0.00	0.00	-
B) (i) Items that will Be Reclassifies to Profit Or Loss	0.00	0.00	0.00	0.00	-
(ii) Income Tax Relating To Items That Will Not Be Reclassified to Profit of Loss	0.00	0.00	0.00	0.00	-
Total Other Comprehensive Income	0.32	0.88	0.32	(2.79)	(0.28)
11. Total Comprehensive Income for the period (9+10)	33.46	45.87	38.52	135.21	140.84



12. Paid-up Equity Share Capital, Equity Shares of ₹10/- each	578.80	578.80	578.80	578.80	578.80
13.i. Earnings per Share (Before Extraordinary items of ₹ 10 each) (Not Annualised):					
a) Basic	0.57	0.78	0.66	2.38	2.44
b) Diluted	0.57	0.78	0.66	2.38	2.44
13.ii. Earnings per Share (After Extraordinary items of ₹ 10 each) (Not Annualised):					
a) Basic	0.57	0.78	0.66	2.38	2.44
b) Diluted	0.57	0.78	0.66	2.38	2.44
See accompanying note to the financial results					
NOTES					
1	The above results as reviewed by the Audit Committee have been approved at the meeting of the Board of Directors held on 30th May, 2024.				
2	The Company operates in single segment namely "Gold and Diamond studded Jewellery"				
3	The figures of last quarter are the balancing figures between audited figures in respect of the full financial year and the published year-to-date figures upto the third quarter of the respective financial year.				
4	Figures of the previous year/quarter are regrouped wherever necessary				
5	The Statutory auditors have expressed an unmodified audit opinion.				
6	The figures in ₹ Lakhs are rounded off to two decimals.				
For Sovereign Diamonds Limited  Mr. Ajay R. Gehani (Managing Director)					
Place : Mumbai Date : 30th May, 2024					
					

Audited Financial statements as at and for the year ended 31 st March, 2024		
Particulars	₹ In Lakhs	
	As at 31 st March, 2024	As at 31 st March, 2023
A Assets		
1 Non-current assets		
a) Property, plant and equipment	352.85	344.25
b) Capital Work-in-progress	-	-
c) Investment Property	61.32	64.35
d) Financial assets	-	-
i) Security Deposit	6.50	5.39
e) Deferred tax assets (net)	20.10	8.65
f) Other non current assets	1.13	1.13
Total non-current assets	441.90	423.77
2 Current assets		
a) Inventories	1,733.59	1,882.70
b) Financial assets		
i) Trade Receivables	937.62	826.07
ii) Cash and cash equivalents	2.66	3.73
iii) Loans	0.72	1.45
c) Current Tax Assets (Net)	8.95	1.54
d) Other current assets	11.70	6.34
Total current assets	2,695.23	2,721.82
Total Assets	3,137.13	3,145.59
B Equity and Liabilities		
1 Equity		
a) Equity Share capital	578.80	578.80
b) Other Equity	1,109.49	973.70
Total Equity	1,688.29	1,552.50
Liabilities		
2 Non-current liabilities		
a) Financial Liabilities		
i) Borrowings	3.66	40.20
ii) Other Financial Liabilities	24.79	33.00
b) Provision	0.12	0.10
Total non-current liabilities	28.57	73.30
3 Current Liabilities		
a) Financial Liabilities		
i) Borrowings	1,148.90	1,225.25
ii) Trade payables	-	-
A) Total outstanding dues of micro enterprises and small enterprises	22.03	-
b) Total outstanding dues of creditors other than micro enterprises and small enterprises	187.34	246.64
iii) Other Financial Liabilities	17.48	24.66
b) Other current liabilities	43.28	21.98
c) Provisions	1.24	1.26
Total current liabilities	1,420.26	1,519.79
Total Equity and Liabilities	3,137.13	3,145.59
For Sovereign Diamonds Limited		
Place : Mumbai	 Mr. Ajay R. Gehani (Managing Director)	
Date : 30th May, 2024		



CASH FLOW STATEMENT FOR THE YEAR ENDED 31 st MARCH, 2024		
₹ In Lakhs		
Particulars	As at 31 st March, 2024	As at 31 st March, 2023
A Cash flow from operating activities :		
Net Profit before tax and Extra-ordinary items	167.99	192.78
Adjustment for :		
Depreciation and amortization for the year	49.64	49.30
Finance cost	131.71	(0.28)
Net (profit)/loss on disposal of property, plant and equipment	-	0.47
Assets Written-off	0.44	113.71
Non-Operating Income	(133.18)	(1.32)
Operating Profit before working capital changes	216.60	354.66
Operating profit before working capital changes		
Adjustments for:		
Inventories	149.11	(119.13)
Non-current financial assets	(1.10)	(1.33)
current financial assets	-	-
Other current assets	(12.77)	(0.35)
Trade receivables	(111.56)	(163.57)
Trade payables	(37.27)	2.64
Non-financial liabilities	(8.21)	-
Provisions-non current	(7.18)	-
Provisions-current	(0.02)	1.61
Other current liabilities	1.42	2.82
Cash generated from operating activities	189.75	77.34
Less : Income Tax Paid (Net of Refund)	(49.41)	(15.55)
Net cash generated from operating activities	140.35	61.79
B Cash flow from investing activities:		
Purchase of property, plant and equipment	(55.65)	(83.66)
Proceeds from disposal of property, plant and equipment	-	0.35
Interest received	0.03	1.32
Rent Received	153.51	-
Net cash used in investing activities	97.89	(81.99)
C Cash flow from financing activities:		
Repayment of non current borrowings	(36.54)	(80.34)
Repayment of current borrowings	(76.35)	-
Proceeds of current borrowing	-	214.18
Interest Paid	(126.42)	(113.71)
Net cash generated from financing activities	(239.30)	20.13





Sovereign[®]
Diamonds Ltd. Since 1974

MANUFACTURERS OF 18K FINE JEWELLERY

Net increase in cash and cash equivalents (A+B+C)		(1.07)	(0.07)
Cash and cash equivalents at the beginning of the year		3.73	3.80
Cash and cash equivalents at the end of the year		2.66	3.73
Change in Liability arising from Financing Activities			
	1st April, 23	Cash Flow	31st March, 24
Borrowing Non-Current	40.20	(36.54)	3.66
Borrowing Current	1225.25	(76.35)	1,148.90
	1st April, 22	Cash Flow	31st March, 23
Borrowing Non-Current	120.55	(80.34)	40.20
Borrowing Current	1011.06	214.18	1,225.25
Note :			
i)	Figures in bracket represent cash outflow.		
ii)	The cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS 7) statement of cash flows.		
Place : Mumbai	For Sovereign Diamonds Limited		
Date : 30th May, 2024	 Mr. Ajay R. Gehani (Managing Director)		
			

Independent Auditor's Report on Annual Financial Results of SOVEREIGN DIAMONDS LIMITED Pursuant to Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Review Report to
The Board of Directors,
SOVEREIGN DIAMONDS LIMITED,
Sovereign House,
Mahakali Caves Road,
Andheri (East), Mumbai - 400 093.

Opinion

We have audited the accompanying statement of standalone financial results of **SOVEREIGN DIAMONDS LIMITED** (the company) for the, Quarter and year ended March 31, 2024 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (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 Statement:

- (i) is presented in accordance with requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended in this regard; and
- (ii) gives 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 profit and other comprehensive income and other financial information of the Company for the quarter and the year ended March 31, 2024.

Basis for 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 Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone 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 ("ICAI") together with the ethical requirements that are relevant to our audit of the financial results under the provisions of the Act and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics issued by ICAI. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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Management's Responsibilities for the Standalone Financial Results

This Statement, which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared on the basis of standalone financial statements. The Company's Board of Directors are responsible for the preparation and presentation of the standalone financial results that give a true and fair view of the net profit and other comprehensive income and other financial information of the Company in accordance with the recognition and measurement principles laid down in Indian Accounting Standards ("Ind AS") prescribed under section 133 of the Act read with the relevant rules issued there under 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 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 standalone financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial results, 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 are also responsible for overseeing the financial reporting process of the Company.

Auditor's Responsibilities for the Audit of the Standalone Financial Results

Our objectives are to obtain reasonable assurance about whether the standalone 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 standalone 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 standalone 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.



...3...



- 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 standalone financial statements on whether the company has adequate internal financial controls with reference to standalone 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 the Board of Directors.
- Conclude on the appropriateness of the 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 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 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 standalone financial results, including the disclosures, and whether the 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 Matters

The Statement includes the results for the quarter ended March 31, 2024 being the balancing figures 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 which were subject to limited review by us.

Place: Mumbai.

Date: 30.05.2024



FOR J.D. ZATAKIA & COMPANY
CHARTERED ACCOUNTANTS
FIRM REGN.NO.111777W



J. D. ZATAKIA - PROPRIETOR
MEMBERSHIP NO.17669
UDIN: 24017669BKCRSG5347



Date: 30th May, 2024

To,
The Department of Corporate Services,
BSE Limited,
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai – 400 001

Scrip Code: 523826

SUB: DECLARATION IN RESPECT OF UNMODIFIED OPINION ON AUDITED FINANCIAL RESULTS FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2024

Dear Sir / Madam,

In terms of SEBI Circular CIR/CFD/CMD/56/2016 dated 27th May 2016, we hereby declare and confirm that the Statutory Auditors of the Company M/s. J D Zatakia & Co., Chartered Accountants, have issued an Unmodified Audit Report on Audited Annual Financial Results of the Company for the financial year ended 31st March, 2024.

Kindly disseminate the information on the official website of the Exchange for the information of all Members of the Exchange and Investors.

Thanking You,

Yours Faithfully,

FOR SOVEREIGN DIAMONDS LIMITED



AJAY GEHANI
MANAGING DIRECTOR