

To,  
**BSE SME Platform**  
25 Floor,  
P J Towers, Dalal Street,  
Fort, Mumbai - 400 001.

**SUB: Annual Report of Sagar Diamonds Limited for the financial year 2024-2025**

**Respected Sir/ Madam,**

**In terms of Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find attached Annual Report of Sagar Diamonds Limited for the financial year 2024-2025.**

**Kindly take the same on record and upload it on your websites.**

Thanking You,  
Yours faithfully,  
For, Sagar Diamonds Limited

Vaibhav Dipak Shah  
Managing Director  
DIN 03302936

## CONTENT

Corporate Information	
Notice	
Director's Report	
Management Discussion & Analysis	
Secretarial Audit Report	
Auditor's Report	
Balance Sheet	
Statement of Profit & Loss	
Cash Flow Statement	
Notes	
Attendance Slip /Proxy Form	

## CORPORATE INFORMATION

<b>Corporate Identity Number</b>	: L36912GJ2015PLC083846	
<b>Board of Directors</b>	: Mr. Vaibhav Dipak Shah	Managing Director
	: Mr. Tanuja Durvesh Parab	Independent Director
	: Ms. Monica Mahesh Soni	Independent Director
	: Mr. Samson Charles William	Professional Director
	: Mr. Vaibhav Dipak Shah	Chief Financial Officer
<b>Statutory Auditors</b>	: MANISH K RAMAWATI & CO., Chartered Accountant, Ranchi	
<b>Secretarial Auditor</b>	: MANJULA PODDAR, Company Secretary in Practice Kolkata	
<b>Registered Office</b>	: Plot no. 266-B, SEZ Diamond Park, Sachin, Surat 394 230 Gujarat India. Ph: +91-261-2397866 Email id: cs@sagardiamonds.com	
<b>Corporate Office</b>	: Office No. 903, 9th Floor, Embassy Centre, Jamnalal Bajaj Marg Nariman Point, Mumbai 400 021 Maharashtra India. Ph: +91-22-35633509 Email id: cs@sagardiamonds.com	
<b>Plants</b>	: Plot no. 266-B, SEZ Diamond Park Sachin Surat GJ 394230 Ph : +91-261-2397866	
<b>Registrar &amp; Share</b>	: "Bigshare Services Private Limited"	
<b>Transfer Agents</b>	1 <sup>st</sup> Floor, Bharat Tin Works Building Opp. Vasant Oasis, Makwana Road, Marol, Andheri East, Mumbai -400 059, Maharashtra, India. Phone no.: +91-22-62638200 Extn. 212   Fax: +91-22-62638299 Email id: sandeep@bigshareonline.com	
<b>Company Website</b>	: www.sagardiamonds.com	

## **NOTICE OF ANNUAL GENERAL MEETING**

**NOTICE** is hereby given that the **10th ANNUAL GENERAL MEETING** of members of "SAGAR DIAMONDS LIMITED " will be held on **Tuesday, the 30th Day of September, 2025 at 11.30 a.m.** to transact the following business:-

### *ORDINARY BUSINESS*

- 1.** To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2025, together with the Reports of the Board of Directors and the Auditors thereon.
- 2.** To re-appoint Mr. Vaibhav Dipak Shah (DIN: 03302936), who retires by rotation in terms of Section 152(6) of Companies Act, 2013 and being eligible offers himself for reappointment.

### **SPECIAL BUSINESS:**

**To pass the following Resolution as an Ordinary Resolution:**

- 3.** To appoint Mr. Samson Charles William as a Director on the Board of the Company

“RESOLVED THAT pursuant to the provisions of Section 152 of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and the Companies (Meeting of Board and its powers) Rules, 2014 and other applicable provisions of the Companies Act, 2013 read with the rules framed thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) and on the recommendation of the Board of Directors (“Board”) of the Company, the approval of the shareholders be and is hereby accorded to appoint Mr. Samson Charles William, additional director of the Company having DIN: 10994008 as a Non-executive Director of the Company, who has signified his consent to act as a Director of the Company, with immediate effect;

“RESOLVED FURTHER THAT the Directors of the Company, be and are hereby severally authorized and instructed to make necessary filing with the Registrar of Companies with respect to the above appointment and to do all acts, deeds and things necessary to give effect to these resolutions.”

- 4. To approve appointment of Ms. Manjula Poddar, a Peer Reviewed Company Secretary, as the Secretarial Auditor of the Company**

To consider and if thought fit, to pass with or without modification(s), the following Resolution as **Ordinary Resolution:**

“RESOLVED THAT pursuant to the provisions of Section 143, 204 and other applicable provisions, if any, of the Companies Act, 2013 (the “Act”) and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), (including any statutory modification, amendment or enactment thereof, for the time being in force), and any other applicable laws, if any, Ms.

Manjula Poddar, a Peer Reviewed Company Secretary, (Membership Number: 9426 and Certificate of Practice Number: 11252), be and is hereby appointed as the Secretarial Auditor of the Company for the period of five consecutive years commencing from the conclusion of this 10th Annual General Meeting till the conclusion of 15th Annual General Meeting of the Company, to carry out the Secretarial Audit for a period of five consecutive financial years i.e., from FY 2025-26 to FY 2029-30 on such terms of remuneration plus applicable taxes and reimbursement of out-of-pocket expenses in connection with the Audit as may be mutually agreed between the Board of Directors of the Company and the Auditor.”

“**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things as may be deemed necessary, desirable or expedient to give effect to this resolution, including but not limited to finalizing the terms and conditions of appointment and remuneration of the Secretarial Auditor and filing necessary forms with the Registrar of Companies.”

**By order of the Board For Sagar Diamonds Limited**

**S/D**

**Vaibhav Shah (Managing Director)**

**Director (03302936)**

Date: 6 September, 2025

Place: Surat

*NOTES:-*

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ANOTHER PERSON AS A PROXY TO ATTEND AND VOTE AT THE MEETING ON HIS BEHALF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. Proxies in order to be effective must be deposited at the Registered Office of the Company not less than 48 hours before the time of the meeting.
3. In terms of Section 105 of the Companies Act, 2013 read with Rule 19 of the Companies (Management and Administration) Rules, 2014 a person can act as proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the company carrying voting rights. A member holding more than ten percent of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other shareholder.
4. Corporate/Institutional Members (i.e. other than Individuals, HUF, NRI etc.) are also required to send scanned certified true copy (PDF/JPEG Format) of the Board Resolution/ Authority Letter etc., together with attested specimen signature(s) of the duly authorised representative(s), to the Scrutinizer at [csmanjulapoddar@gmail.com](mailto:csmanjulapoddar@gmail.com) and [cs@sagardiamonds.com](mailto:cs@sagardiamonds.com). Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also send their Board Resolution / Power of Attorney / Authority Letter etc.
5. The Register of Members and share Transfer Book shall remain closed from **SUNDAY, 20<sup>TH</sup> SEPTEMBER,**

**2025 TO TUESDAY, 30<sup>TH</sup> SEPTEMBER, 2025 (BOTH DAYS INCLUSIVE)** for purpose of 10<sup>th</sup> Annual General Meeting of the company.

6. Brief profile and other relevant information about Directors seeking appointment / re-appointment, in accordance with Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, are attached to this Notice forming part of the Annual Report
7. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company/Registrar of any change in address or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.
8. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date i.e. **23<sup>rd</sup> September, 2025** only shall be entitled to avail the facility to attend this Annual General Meeting. A person who is not a Member as on the cut-off date should treat this Notice as for information purpose only.
9. The relevant Statement made pursuant to Section 102 (1) of the Companies Act, 2013 in respect of Special Business to be transacted at the Annual General Meeting, set out in the Notice, is enclosed hereto and forms part of the Notice.

**ELECTRONIC DISPATCH OF ANNUAL REPORT AND PROCESS FOR REGISTRATION OF E-MAIL ID FOR OBTAINING COPY OF ANNUAL REPORT, USER ID & PASSWORD:**

10. In compliance with the aforesaid MCA Circulars and SEBI Circular, Notice of the AGM along with the Annual Report 2024-25 is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company, RTA or CDSL / NSDL ("Depositories"). Members may note that the Notice of Annual General Meeting and Annual Report 2024-25 will also be available on the Company's website [www.sagardiamonds.com](http://www.sagardiamonds.com), website of the Stock Exchange i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com)
11. Members holding shares in dematerialised mode are requested to register / update their email addresses with the relevant Depository Participants. In case of any queries / difficulties in registering the e-mail address, Members may write to [cs@sagardiamonds.com](mailto:cs@sagardiamonds.com) or [jibu@bigshareonline.com](mailto:jibu@bigshareonline.com). If you are an Individual shareholder holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. joining virtual meeting for Individual shareholders holding securities in demat mode.

**PROCEDURE TO RAISE QUESTIONS/SEEK CLARIFICATIONS WITH RESPECT TO ANNUAL REPORT:**

12. Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered email address mentioning their name, DP ID and Client ID/folio number, PAN, mobile number at [cs@sagardiamonds.com](mailto:cs@sagardiamonds.com) from **Saturday 27<sup>th</sup> September, 2025 (9:00 A.M.) to Monday, 29<sup>th</sup> September, 2025 (5:00 P.M)**. Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM. The queries should be precise and in brief to enable the Company to answer the same suitably depending on the availability of time at the meeting. Members may send their questions in advance mentioning their name, DP ID and Client ID/folio number, PAN, mobile

number at cs@sagardiamonds.com during aforesaid period. The same will be replied by the Company suitably.

**OTHER INSTRUCTIONS:**

1. Registrar and Transfer Agents: The address of Registrars and Transfer Agents of the Company is as follows: M/s. Bigshare Services Private Limited. 1st Floor, Bharat Tin Works Building Opp. Vasant Oasis, Makwana Road, Marol, Andheri East, Mumbai -400 059, Maharashtra, India. Phone no.: +91-22-62638200 Extn. 212 | Fax: +91-22-62638299 Email id: [sandeep@bigshareonline.com](mailto:sandeep@bigshareonline.com)
2. Route Map showing Directions to reach to the venue of the Meeting is given at the end of this Notice
3. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast during the AGM, thereafter unblock the votes cast through ballot voting and make within two working days of conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same.
4. The result declared along with the Scrutinizer's Report shall be placed on the Company's website at [www.sagardiamonds.com](http://www.sagardiamonds.com). The Company shall simultaneously forward the results to BSE Limited, where the shares of the Company are listed.

**By order of the Board For Sagar Diamonds Limited**

**S/D**

**Vaibhav Shah (Managing Director)**

**Director (03302936)**

Date: 6 September, 2025

Place: Surat

**Explanatory Statement in respect of the Special Businesses pursuant to Section 102 of the Companies Act, 2013**

The following is the explanatory statements as required by Section 102 of the Companies Act, 2013, sets out all material facts relating to the Special Business mentioned in the accompanying notice for convening the Annual General Meeting of the members of the Company.

**Item No.3**

Mr. Samson Charles William who has been appointed as an Additional Director of the Company pursuant to the provision of Section 161(1) of the Companies Act, 2013 and the Articles of Association of the Company effective from 06<sup>th</sup> August 2025 holds office up to the date of this Annual General Meeting and is eligible for appointment as a Director.

Mr. Samson Charles William is not disqualified from being appointed as Director in terms of Section 164 of Companies Act, 2013 and has given his consent to act as Director.

Accordingly, the Board recommends the resolution in relation to appointment of Mr. Samson Charles William as Director, for the approval by the shareholders of the Company.

Except Mr. Samson Charles William none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financial or otherwise, in the resolution set out at Item No.3.

#### **Item No. 4**

In accordance with Section 204 of the Act 2013, read with the rules framed thereunder, and Regulation 24A of the SEBI Listing Regulations, every listed entity is required to undertake Secretarial Audit by a Peer Reviewed Company Secretary who shall be appointed by the Members of the Company, on the recommendation of the Board of Directors, for a period of five consecutive years.

Based on the recommendation of the Audit Committee, the Board, at its Meeting held on September 06, 2025, subject to the approval of the Members of the Company, approved appointment of Ms. Manjula Poddar, a Peer Reviewed Company Secretary (Membership Number:9426 and Certificate of Practice Number: 11252), as the Secretarial Auditors of the Company, for a term of five (5) consecutive years, to hold office of the Secretarial Auditor from the conclusion of 10th Annual General Meeting till the conclusion of 15th Annual General Meeting i.e. for the Financial Year 2025-26 till the end of Financial Year 2029-30.

Ms. Manjula Poddar, Practicing Company Secretary is registered with the Institute of Company Secretary of India ("ICSI") (Membership Number:9426 and Certificate of Practice Number: 11252).

The appointment of Secretarial Auditor shall be in terms of the amended Regulation 24A of the SEBI Listing Regulations vide SEBI Notification dated December 12, 2024 and provisions of Section 204 of the Act and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Ms. Manjula Poddar is a Practicing Company Secretary specialized in providing high quality services and resolving the complex issues relating to corporate and allied laws. Having experience of 15+ years in the field of professional services helps in providing the tailored solution according to the clients need. She has been peer reviewed by Institute of Company Secretaries of India and has immense knowledge and experience in dealing with matters relating to Company Law, Securities Law, Tax Laws, SEBI, Due Diligence, mergers and Acquisitions etc.

As required under the SEBI Listing Regulations, Ms. Manjula Poddar, Practicing Company Secretary has confirmed that he holds a valid certificate issued by the Peer Review Board of ICSI.

Ms. Manjula Poddar had consented to his appointment as the Secretarial Auditor of the Company and has confirmed that he fulfils the criteria as specified in Clause (a) of regulation 24A (1A) of the SEBI Listing Regulations and the services to be rendered by him is within the purview of the said regulation read with SEBI Circular No. SEBI/HO/CFD/CFD-PoD-2/CIR/P/2024/185 dated December 31, 2024.

The proposed remuneration to be paid to Ms. Manjula Poddar, for the financial year 2025-26 is based on recommendations of Audit Committee/board and agreed by the secretarial auditor

Pursuant to Section 102 of the Companies Act, 2013, the Board of Directors of the Company do hereby confirm that none of its Director or Key Managerial Personnel and their immediate relatives are concerned or interested, financially or otherwise, in the aforesaid resolution set out in Item No. 4.

The Board recommends the approval of the Members for appointment of Secretarial Auditor and passing of the Ordinary Resolution set out at Item No. 4 of this Notice.

**By order of the Board For Sagar Diamonds Limited**

**S/d**

**Vaibhav Shah (Managing Director)**

**Director (03302936)**

Date: 6 September, 2025

Place: Surat

**Annexure-1**

<b>_Name of Director</b>	<b>VAIBHAV DIPAK SHAH</b>	<b>SAMSON CHARLES WILLIAM</b>	<b>TANUJA DURVESH PARAB</b>	<b>MONICA MAHESH SONI</b>
<b>DIN</b>	03302936	10994008	10183217	10183218
<b>Designation</b>	Managing Director	Director Non executive	Independent Director	Independent Director
<b>Date of Birth</b>	14/04/1986	28/10/1966	28/08/1990	20/10/1987
<b>Nationality</b>	Indian	Indian	Indian	Indian
<b>Date of First/Original Appointment on Board</b>	15/07/2015	06/08/2025	25/05/2023	25/05/2023
<b>Expertise in Specific General Functional Area</b>	More than 15 years of experience In field of manufacturing and trading of Diamond, gold, precious stones Jewellery.	More than 5 years of experience in Finance Industry	More than 10 years of experience in Statutory Audit, Tax Audit, Tax Compliance, ROC & Secretarial Work	More than 15 years of experience in Project Management of Food Beverages, Hospitality, Retail, Commercial, Interior Design.
<b>Qualification</b>	Bachelor in Commerce and is a GIA Diamond graduate.	Graduate	Bachelor of Commerce Master of Commerce Govt. Diploma in Cooperation & Accountancy	Bachelor of Commerce Diploma in Interior Design
<b>Terms and Conditions of appointment/reappointment along with details of remuneration sought to be paid and remuneration last drawn by such person</b>	Re-appointment on retiring by rotation Drawn Rs. 208 lakhs as remuneration in F.Y 2022-23.	Non-Executive Director, liable to retire by rotation.	Appointment for term of 5 years as an Independent Director	Appointment for term of 5 years as an Independent Director
<b>No. of Board Meetings attended during the year</b>	Five (5)	NA	Five (5)	Five (5)
<b>Directorship held in listed Companies</b>	Sagar Diamonds Ltd.	Sagar Diamonds Ltd.	Sagar Diamonds Ltd.	Sagar Diamonds Ltd.

<b>Directorship held in other Companies/LLP</b>	<ol style="list-style-type: none"> <li>1. Sagarsavya Wellbeing Foundation</li> <li>2. Sagarglobal Empire Pvt. Ltd.</li> <li>3. Sagarempire Infracventures Pvt. Ltd.</li> <li>4. Sagarempire Green energy Pvt. Ltd.</li> <li>5. Sagarempire Aerospace Pvt. Ltd.</li> <li>6. Sagarempire Agro Pvt. Ltd.</li> <li>7. Sagarempire Jewels Pvt. Ltd.</li> <li>8. Sagarempire Bullions Pvt. Ltd.</li> <li>9. Sagarempire Homes Pvt. Ltd.</li> <li>10. SG Diamonds LLP</li> <li>11. Shilp Iconic LLP Jewels Pvt. Ltd.</li> </ol>		--	--
<b>Membership/ Chairmanship of Committees of other Public Companies</b>	--	--	--	--
<b>Shareholding in the Company</b>	62,27,860 Equity Share	--	--	--
<b>Relationship between Director/KMP inter-se</b>	Not related to any Director/KMP	Not related to any Director/KMP	Not related to any Director/KMP	Not related to any Director/KMP

## DIRECTORS' REPORT

To  
The Members  
**SAGAR DIAMONDS LIMITED**

Your Directors have pleasure in presenting the 10<sup>th</sup> annual Report of the company together with the Audited Financial Statements for the year ended 31<sup>st</sup> March, 2025.

### **FINANCIAL RESULT AND PERFORMANCE:** **(Rs. in Lakhs except EPS)**

<b>Particulars</b>	<b>31/03/2025</b>	<b>31/03/2024</b>
Revenue from Operation	00	00
Other income	71.98	107.55
Profit Before Interest & Depreciation & Tax (EBITDA)	(171.15)	(7467.24)
(-) Finance Cost	2.30	4.31
(-) Depreciation	0.00	0.00
Net Profit before tax & Exceptional items	(173.45)	(7471.55)
(+) Exceptional Items	0.00	0.00
Net Profit Before tax	(173.45)	(7471.55)
(-) Tax Expense	4.31	164.19
<b>Net Profit for the year after tax</b>	<b>(177.76)</b>	<b>(7635.74)</b>
Earnings per share (Basic & Diluted) (In Rs.)	<b>(1.41)</b>	<b>(60.369)</b>

### **BUSINESS OVERVIEW**

Your Company is engaged in the business of manufacturing, sale and trading of diamond and Jewellery and operates in different geographical areas i.e. domestic sales and export sales.

### **MATERIAL CHANGES AND COMMITMENTS, IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THESE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT**

There are no material changes or commitments affecting the financial position of the Company which have occurred between the end of the financial year and the date of this Report.

### **DIVIDEND & RESERVES**

In view of the planned business growth, the directors are unable to recommend dividend for the year under review, nor do they propose to carry any amount to reserves.

### **CHANGES IN ACCOUNTING POLICY**

There is no change in accounting policy during the year.

### **DETAILS OF SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES**

Your Company has neither a Subsidiary Company nor a Joint Venture or Associate Company during the year

### **PUBLIC DEPOSITS**

During the year the Company has not accepted any deposit under Section 73 of the Companies Act, 2013 (“the Act”) and the Companies (Acceptance of Deposits) Rules, 2014.

### **BORROWINGS**

During the year, the Company has not obtained any cash credit facilities.

### **SHARE CAPITAL**

The Paid-up Equity Share Capital as on 31st March, 2025 Rs. 1264.378 lakhs divided into 1,26,43,780 equity shares of Rs. 10 each. During the year under review the Company has not issued any shares with or without differential voting rights.

### **CHANGE IN REGISTERED OFFICE OR NATURE OF BUSINESS**

There was no change in the Registered Office or nature of business of the Company during the year under review.

### **SIGNIFICANT AND MATERIALS ORDERS PASSED BY THE REGULATORS OR COURT TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY’S OPERATION IN FUTURE**

There are no significant materials orders passed by the Regulators/ Courts/ Tribunals which would impact the going concern status of the Company and its future operations.

### **PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS**

The particulars of loans, guarantees and investments covered under Section 186 of Companies Act, 2013 forms the part of the Notes to the financial statements provided in this Annual Report.

### **DIRECTORS & KEY MANAGERIAL PERSON DIRECTORS:**

Your Board comprises of 5 Directors including 3 Independent Directors. Independent Directors provide their declarations both at the time of appointment and annually confirming that they meet the criteria of independence as prescribed under Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. During the Financial Year 202342025 your Board met 5 (Five) times.

Name of KMP	Designation	Date of Appointment in current Designation
Mr. Vaibhav Dipak Shah	Managing Director and CFO	15/07/2015
Ms. Tanuja Durvesh Parab	Director	25/05/2023
Ms. Monica Mahesh Soni	Director	25/05/2023
Mr. Samson Charles William	Additional Director	06/08/2025

### **MEETING OF BOARD OF DIRECTORS**

During the year, 5 (Five) Board Meetings were held. The intervening gap between the Meetings did not exceed the period prescribed under the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The details of which are as follow:

<b>Sr. NO.</b>	<b>Date of Meeting</b>	<b>Board Strength as on date of Board Meeting</b>	<b>Directors Present as on date of Board Meeting</b>
1.	30/05/2024	5	5
2.	06/08/2024	5	5
3.	01/09/2024	5	5
4.	14.11.2024	5	4
5.	26/02/2025	4	4

### **KEY MANAGERIAL PERSONNEL**

The following employees were designated as whole-time key managerial personnel by Board of Directors during the year 2024-2025, pursuant to section 203 of Companies Act 2013 and rules made thereon:

1. Mr. Vaibhav Dipak Shah - Managing Director and Chief Financial Officer

### **STATEMENT ON DECLARATION GIVEN BY INDEPENDENT DIRECTORS UNDER SECTION 149 OF THE COMPANIES ACT, 2013**

The Company has received necessary declaration from all Independent Directors under Section 149(7) of the Companies Act, 2013, confirming that they meet the criteria of independence laid down in Section 149(6) of the Companies Act, 2013 and Regulation 16 and 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Board is of the opinion that the Independent Directors of the Company hold the highest standards of integrity and possess requisite expertise, proficiency and experience required to fulfil their duties as Independent Directors.

### **DIRECTOR'S RESPONSIBILITY STATEMENT**

Pursuant to requirements under section 134(5) of the Companies Act, 2013 the Board, to the best of its knowledge and belief, confirms that:

- The applicable accounting standards have been followed in preparation of annual accounts for the financial year ended 31st March, 2025 and proper explanations have been furnished relating to material departures;
- Accounting policies have been selected and applied consistently and prudent judgments and estimates have been made so as to give a true and fair view of state of affairs of the Company at end of financial year and of profit and loss of the Company for the year under review;
- Proper and sufficient care has been taken for maintenance of adequate accounting records in accordance with provisions of the Act for safeguarding assets of the Company and for preventing and detecting fraud and other irregularities;
- The annual accounts for the financial year ended 31st March, 2025 have been prepared on a going concern basis;
- Internal financial controls are in place and that such financial controls are operating effectively;
- Adequate systems to ensure compliance with the provisions of all applicable laws are in place

and are operating effectively.

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the internal, statutory and secretarial auditors and external consultant(s) and the reviews made by the 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 operationally effective during FY 2024-2025.

### **BOARD EVALUATION**

The Board of Directors has carried out an annual evaluation of its own performance, board committees, and individual directors pursuant to the provisions of the Act and SEBI Listing Regulations. 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 based on the Guidance Note on Board Evaluation issued by the Securities and Exchange Board of India 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 was evaluated, taking into account the view of non-executive director.

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 contribution and inputs in meetings, etc.

In 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 director being evaluated.

### **BOARD COMMITTEES**

During the period under review, the Board of Directors has following committees:

#### **1. The Audit Committee**

The Audit Committee of the Company is constituted in accordance with the provisions of Section 177 of the Companies Act, 2013.

During the financial year 2024-25, the Audit Committee met 4 (Four) times on 30/05/2024, 01/09/2024 and 14/11/2024 and 26/02/2025. The necessary quorum was present for all the meetings. Audit Committee has been reconstituted accordingly when required due to resignation of directors.

All the recommendations of the Audit Committee have been accepted by the Board of Directors. The

Chairman of the Audit Committee was present at the Annual General Meeting of the Company held on 30<sup>th</sup> September, 2024. The Minutes of all above stated meeting of the Audit Committee were noted at the Board Meeting.

Terms of reference and role of audit committee includes the matters specified under the companies act, 2013. Broad terms of reference includes; oversight of financial reporting process, review financial results and related information, review internal financial controls, risk management, performance of statutory and internal auditors, audit process, relevant compliances, appointment and payments to auditors.

## **2. The Nomination and Remuneration Committee**

The Nomination and Remuneration Committee (NRC) of the Company is constituted in accordance with the provisions of Section 178 of the Companies Act, 2013.

During the Financial year 2023-24, 2 (Two) meetings of the Nomination and Remuneration Committee were held on 30/05/2024 and 01/09/2024.

The details of composition of the Committee and their attendance at the meetings during year are

Name	Designation	Category	No. of Meetings Attended
Ms. Monica Mahesh Soni	Chairman	Independent Director	2/2
Ms. Tanuja Durvesh Parab	Member	Independent Director	2/2
Ms. Fatima Fakruddinshaikh	Member	Independent Director	2/2

Nomination and Remuneration has been reconstituted accordingly when required due to resignation of directors.

The Chairman of the NRC was present at the Annual General Meeting of the Company held on 30<sup>th</sup> September, 2023. The Minutes of Nomination and Remuneration Committee meeting were noted at the Board Meeting.

The terms of reference as laid by the board broadly include to recommend to the Board a remuneration policy relating to directors, key managerial personnel and other employees, formulation of the criteria for determining qualifications ,positive attributes and independence of a director, formulation of criteria for evaluation of independent Directors and the Board, devising a policy on Board diversity ,identify persons who are qualified to become directors and who be appointed in senior management in accordance with the criteria laid down and recommend to the board their appointment and removal.

## **(c) The Stakeholders Relationship Committee**

The Stakeholders' Relationship Committee is constituted in accordance with the provisions of Section 178 of the Companies Act, 2013.

The broad terms of reference of the Stakeholders' Relationship Committee are as under:

1. Consider and resolve the grievances of share holders of the Company including redressal of investor complaints such as transfer or credit of securities, non-receipt of dividend / notice / annual reports, etc. and all other shareholder related matters.
2. Consider and approve issue of share certificates (including issue of renewed or duplicate share certificates), transfer and transmission of securities, etc.

During the Financial Year 2024-2025, 2 (Two) meeting of the Stakeholders' Relationship Committee were held on 25/05/2024 and 01/09/2024.

The details of composition of the Committee and their attendance at the meetings during year are

Name	Designation	Category	No. of Meetings Attended
Ms. Monica Mahesh Soni	Chairman	Independent Director	2/2
Ms. Tanuja Durvesh Parab	Member	Independent Director	2/2
Ms. Fatima Fakruddinshaikh	Member	Independent Director	2/2

Stakeholders' Relationship Committee has been reconstituted accordingly when required due to resignation of directors.

During the year, the Company has not received any complaints from the Shareholders of the Company. There were no outstanding complaints as on 31st March, 2025.

**(d)Corporate Social Responsibility Committee:**

Pursuant to the provisions of Section 135 of the Companies Act, 2013, companies meeting any of the following criteria—net worth of ₹500 crore or more, turnover of ₹1,000 crore or more, or net profit of ₹5 crore or more during any financial year—are required to constitute a Corporate Social Responsibility (CSR) Committee and adopt a CSR Policy.

During the year under review, the Company did not meet any of the prescribed thresholds and, accordingly, is not required to constitute a CSR Committee or formulate a CSR Policy under the said provisions.

### **(e)Independent Directors Meeting**

During the year under review, a separate meeting of the Independent Directors of the Company was held on 25/05/2024, without the presence of Non-Independent Directors and members of the Management. The Independent Directors reviewed the performance of Non-Independent Directors and the Board as a whole, performance of Chairperson of the Company and assessed the quality, quantity and timelines of flow of information between the Company Management and the Board in terms of Schedule IV of the Act. All the Independent Directors of the Company were present in the meeting.

### **PARTICULARS OF EMPLOYEES**

The information required pursuant to Section 197 read with rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company, will be provided upon request. In terms of Section 136 of the Act, the reports and accounts are being sent to the members and others entitled thereto, excluding the information on employees' particulars which is available for inspection by the members at the Registered office of the company during business hours on working days of the company up to the date of ensuing Annual General Meeting. If any member is interested in inspecting the same, such member may write to the company in advance.

### **CEO AND CFO CERTIFICATION**

In accordance with the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Managing Director and Chief Financial Officer of the Company has submitted a certificate for the year ended 31st March, 2025 to the Board of Director and attached as ANNEXURE-III

### **AUDITORS:**

#### **STATUTORY AUDITORS**

Pursuant to the provisions of Section 139 of the Companies Act, 2013, the Board has appointed M/s. Manish K Ramawati And Company & Co., Chartered Accountants for a term of 5 (five) consecutive years approval of members be taken at the said Annual General Meeting.

#### **SECRETARIAL AUDITOR**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointment Ms. Manjula Poddar, a Company Secretary in Practice, to undertake the Secretarial Audit of the Company. The Report of the Secretarial Audit Report is annexed herewith as Annexure - I.

#### **INTERNAL AUDITOR**

Pursuant to the provision of section 138 of the Companies Act, 2013 and the Companies (Accounts) Rules, 2014 the Company has appointed M/s. S L Prasad & Co., to undertake the Internal Audit of the Company for the F.Y. 2024-2025. There stood no adverse finding & reporting by the Internal Auditor in the Internal Audit Report for the year ended 31st March, 2025.

#### **AUDITORS' REPORT AND SECRETARIAL AUDITORS' REPORT**

The Auditor Report and secretarial auditors' report does not contain any qualifications, reservations or adverse remarks. Reports of the auditors are given as an annexure which forms part of this report.

## **INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY**

The company has policy for Internal Financial Control System, commensurate with the size, scale and complexity of its operations. Detailed procedural manuals are in place to ensure that all the assets are safeguarded, protected against loss and all transactions are authorized, recorded and reported correctly. The scope and authority of the Internal Audit function is defined in the internal financial control policy. The Internal Auditor monitors and evaluates the efficiency and adequacy of Internal Financial control system in the company, its compliance with operating systems, accounting procedures and policies. To maintain its objectivity and independence, the internal auditor reports to the Chairman of the Audit Committee of the Board, the internal audit report on quarterly basis and same are reviewed by the committee. The observation and comments of the Audit Committee are placed before the board.

The details in respect of internal financial control and their adequacy are included in the management discussion & analysis, which forms part of this report.

## **CORPORATE GOVERNANCE**

As per regulation 15 (2) of SEBI (Listing Obligation And Disclosure Requirement) Regulations, 2015, the compliance with the corporate governance provisions as specified in regulations 17, [17A,] 18, 19, 20, 21,22, 23, 24, [24A,] 25, 26, 27 and clauses (b) to (i) [and (t)] of sub-regulation (2) of regulation 46 and para C , D and E of Schedule V shall not apply, in respect of (a) The listed entity having paid up equity share capital not exceeding rupees ten crores and net worth not exceeding rupees twenty five crores, as on the last day of the previous financial year (b) The listed entity which has listed its specified securities on the SME Exchange.

The company falls within the ambit of aforesaid exemption (b), hence the compliance with the reporting of corporate governance is not applicable to the company. Therefore, Corporate Governance Report and Auditor's Certificate on Corporate Governance is not provided.

Pursuant to Regulation 34(2)(e) of SEBI (Listing obligations and Disclosure Requirements) (LODR) Regulations, 2015, Management Discussion and Analysis Report forms an integral part of this Annual Report.

## **BUSINESS RESPONSIBILITY REPORT**

Pursuant to Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, top 1000 listed entities based on market capitalization are required to furnish Business Responsibility and Sustainability Report (BRSR). However, as the Company does not fall under the list of top 1000 companies' basis market capitalization, the requirement of furnishing BRSR is not applicable upon the Company for the financial year 2024-2025.

## **POLICIES ADOPTED BY THE COMPANY:**

### **1. VIGIL MECHANISM / WHISTLE BLOWER POLICY**

Your company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations. To maintain these standards, the Company encourages its employees who have concerns about suspected misconduct to come forward and express these concerns without fear of punishment and unfair treatment. The company has adopted a Whistle Blower policy to establish a vigil mechanism for directors and employees to report concerns about unethical behavior, actual or suspected fraud or violation of the Codes of conduct or ethics policy. The said policy is available at [www.sagardiamonds.com](http://www.sagardiamonds.com).

## **2. NOMINATION & REMUNERATION POLICY**

In accordance with the provisions of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulation 2015, the Board of Director of the Company on recommendation of the Nomination & Remuneration Committee have adopted the criteria for determination of qualification, positive attributes and independence of Directors, Remuneration of Senior Management Personnel(including Key Management Personnel) and Remuneration of Other Employees. The above mentioned criteria and Policies are available at [www.sagardiamonds.com](http://www.sagardiamonds.com).

## **3. CORPORATE SOCIAL RESPONSIBILITY**

The Company had not taken any initiatives on the activities of Corporate Social Responsibilities as the provision relating to the same are not applicable to the company.

In order to incorporate the amendments notified through the Companies (Corporate Social Responsibility Policy) Amendment Rules, Corporate Social Responsibility is not applicable for 31.03.2025

## **4. RISK MANAGEMENT POLICY**

Your Company actively stimulates entrepreneurship throughout the organization and encourages its people to identify and seize opportunities. The current economic environment, in combination with significant growth ambitions of it, carries an evolving set of risks. Sagar recognizes that these risks need to be managed to protect its customers, employees, shareholders and other stakeholders, to achieve its business objectives and enable sustainable growth. Risk and opportunity management is therefore a key element of the overall Sagar strategy. This section provides an overview of the key strategic risks, Sagar's risk and control framework, and its approach to risk management.

## **5. DISCLOSURE ON POLICY AGAINST SEXUAL AND WORKPLACE HARASSMENT**

Disclosure under Sexual Harassment of Women at Workplace Act

The Company is committed to providing a safe and conducive work environment to all its employees, and has zero tolerance for sexual harassment at the workplace. In line with the requirements of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("POSH Act"), the Company has in place a robust policy on prevention, prohibition and redressal of sexual harassment. An Internal Complaints Committee (ICC) has been constituted as per the Act, which is responsible for receiving and redressing complaints of sexual harassment. The ICC is comprised of senior female and

male employees and an external member (as required by law) to ensure a fair and impartial inquiry process.

As part of fostering a safe workplace, the Company conducts regular awareness programs for employees on sexual harassment, gender sensitivity and the process for reporting concerns. All employees are required to undergo training on the POSH policy and certify their understanding of the same annually.

No complaints of sexual harassment were received during the year.

The Board affirmatively states that the Company has complied with provisions relating to the constitution of ICC under the POSH Act and that all necessary reports (including the Annual Return on

cases of sexual harassment, as required under the Act) have been filed with the concerned authorities. These enhanced disclosures in the Board's Report are in line with the Companies (Accounts) Second Amendment Rules, 2025 which mandate companies to provide such details to promote safe and equitable workplaces

## **6. COMPLIANCE WITH MATERNITY BENEFIT LAWS**

The Company is fully compliant with the provisions of the Maternity Benefit Act, 1961 and the rules made thereunder, which are applicable to its women employees [16]. In view of the recent amendments to reporting requirements, we hereby state that:

- The Company provides all mandatory benefits to women employees under the Maternity Benefit Act, including 26 weeks of paid maternity leave for eligible employees, provision of a crèche facility (where applicable as per employee count and as required by the Maternity Benefit (Amendment) Act 2017), nursing breaks, and light duty as necessary.
- During FY 2024-25, no women employees availed maternity leave.
- The Company did not receive any complaint or report of non-compliance with maternity benefit provisions. There were no disputes pending in this regard at the end of the year

In accordance with the Companies (Accounts) Second Amendment Rules, 2025, the Board's Report now includes a specific confirmation of compliance with maternity benefit laws. The Board is pleased to confirm that the Company has duly complied with all applicable provisions regarding maternity benefits, thus fostering a supportive environment for our women workforce. We believe these measures not only fulfill statutory requirements but also promote employee well-being and retention.

The Company also extends its support through flexible working arrangements and a conducive work atmosphere for new mothers, as part of its HR policies. We will continue to monitor any further regulatory guidelines or notifications from MCA/ICSI/ICAL on this matter and ensure full adherence in the interest of our employees.

## **7. RELATED PARTY TRANSACTIONS POLICY**

In line with the requirements of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, your Company has formulated a Policy on Related Party Transactions which is also available on the Company's website. The Policy intends to ensure that proper reporting, approval and disclosure processes are in place for all transactions between the Company and Related Parties. During the year under review, the Policy was amended in line with the changes in applicable laws.

### **OTHER DISCLOSURES**

#### **a. RELATED PARTY TRANSACTIONS**

In line with the requirements of the Companies Act, 2013 and Listing Regulations, your Company has formulated a Policy on Related Party Transactions which is also available on the Company's website at [www.sagardiamonds.com](http://www.sagardiamonds.com). The Policy intends to ensure that proper reporting, approval and disclosure processes are in place for all transactions between the Company and Related Parties. There is no Related Party transactions during the year so Form AOC-2 is not applicable.

#### **b. EXTRACT OF ANNUAL RETURN**

In accordance with the provisions of the Companies Act, 2013, the Annual Return of the Company in the prescribed form is available on the website of the Company <https://www.sagardiamonds.com/annual-return/>

**c. REPORTING OF FRAUDS BY AUDITORS**

During the year under review, neither the Statutory Auditors nor the Secretarial Auditors have reported to the Board or Audit Committee, as required under Section 134(3)(ca) and 143(12) of the Companies Act, 2013, any instances of frauds committed against the Company by its officers or employees, the details of which would need to be mentioned in this Report.

**d. SECRETARIAL STANDARDS**

During the year under review, the Company has duly complied with the applicable provisions of the Secretarial Standards on Meetings of the Board of Directors (SS-1) and General Meetings (SS-2), issued by the Institute of Company Secretaries of India.

**e. DISCLOSURE UNDER SECTION 197(12) AND RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014**

The requisite details containing the names and other particulars of employees in accordance with the provisions of Section 197(12) of the Companies Act, 2013, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is appended to the Board's Report.

**f. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES**

The particulars of every contract or arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto is disclosed in Form No. AOC -2, as annexed herewith.

**g. INSOLVENCY AND BANKRUPTCY CODE**

No application has been made under the Insolvency and Bankruptcy Code; hence the requirement to disclose the details of any application made, or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 is not applicable for the year under review

**h. DIFFERENCE BETWEEN AMOUNT AND VALUATION**

The requirement to disclose the details of any difference between the valuation done at the time of a one-time settlement and the valuation done while taking loan from banks or financial institutions, along with the reasons thereof, is not applicable for this year.

**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS & OUTGO**

Since the Company does not own any manufacturing facility, the requirements pertaining to disclosure of particulars relating to conservation of energy, technology absorption and foreign exchanges earning and outgo, as prescribed under the provisions of Section 134(3)(m) of the Companies Act, 2013, are not applicable.

**ACKNOWLEDGEMENTS**

Your Directors take the opportunity to thank the Regulators, Organizations and Agencies for the continued help and co-operation extended by them. The Directors also gratefully acknowledge all stakeholders of the company viz. customers, members, vendors, banks and other business partners for the excellent support received from them during the year. The Directors place on record their

sincere appreciation to all employees of the Company for their unstinted commitment and continued contribution of the company.

**For and on behalf of the Board of Directors**

**For Sagar Diamonds Limited**

**For Sagar Diamonds Limited**

Sd/-

Sd/-

**(Vaibhav Dipak Shah)**

**(Samson Charles William-)**

**Managing Director**

**Director**

*DIN NO. 03302936*

*DIN NO. 10994008*

Date: 06<sup>TH</sup> September, 2025

Place: Surat

## **MANAGEMENT DISCUSSION & ANALYSIS**

### **Indian Economic Overview**

India's gold and diamond trade contributed ~7% to India's Gross Domestic Product (GDP). The Gems & Jewellery sector has employs ~5 million. Based on its potential for growth and value addition, the Government declared the Gems & Jewellery sector as a focus area for export promotion.

The Government has undertaken various measures recently to promote investment and upgrade technology and skills to promote 'Brand India' in the international market. The Government has permitted 100% FDI in the sector under the automatic route, wherein the foreign investor or the Indian company do not require any prior approval from the Reserve Bank or the Government of India. The Indian Government also signed a Comprehensive Economic Partnership Agreement (CEPA) with the United Arab Emirates (UAE) in March 2022, this will allow the Indian Gems & Jewellery industry to further boost exports. CEPA will provide the industry with duty-free access to the UAE market. India's Gems Jewellery Export Promotion Council (GJEPC) aims to triple its exports to the UAE post the CEPA.

(Source: IBEF)

### **INDUSTRY OVERVIEW**

Gems and Jewellery Industry review:

Gems and Jewellery comprises of the following sub-sectors:

- Diamonds
- Gemstones
- Pearl
- Gold, Silver and Platinum Jewellery

The Gems and Jewellery sector plays a significant role in the Indian economy, contributing around 7.5% of the country's GDP and about 14% to India's total merchandise exports, accounting for the third largest commodity share. The gem and jewellery sector employ over 5 million people.a global scale. In comparison, the Asia-Pacific region, Europe, South America, the Middle East, and Africa have a lower contribution.

The Government of India, along with all the stakeholders of gems and jewellery sector, is well committed towards aggressively promoting exports, identifying challenges and addressing them with necessary interventions, assisting exporters, especially SME units, and exploring new markets while consolidating existing ones. With strong growth prospects, the government of India has also declared the gems & jewellery sector as a focus area for export promotion. The Government has recently undertaken various measures to promote investments and to upgrade technology and skills to promote 'Brand India' in the international market. India is deemed to be the hub of the global jewellery market because of its low costs and availability of high-skilled labour.

Indian exports of gems & jewellery comprises various items such as cut and polished diamonds, silver and gold jewellery, gold medallions and coins, rough diamonds, coloured gemstones and others.

### **Industry Trend – Diamond Jewellery:**

- Increasing demand for precious gem stones: Changing preferences of young people from gold to coloured gemstone, platinum and palladium jewellery.

- Multiple occasions for purchase: Women are buying diamond jewellery for occasions other than marriage.
- Focus on technology: Emergence of new manufacturing techniques.
- Changing demographics impacting demand: Bridal diamond jewellery is the foundation of industry, but product popular with millennial is helping to spur growth.
- Growth of lab created diamonds: Also known as synthetic diamonds, artificial diamonds, cultivated diamonds or cultured diamonds.
- Focus on Quality: Introduction of cumulative FDI (in \$) in diamond and gold ornaments stricter quality norms and hallmarking.

### **Risk and Mitigation**

Effective risk management is essential for any business, regardless of industry or size. At Sagar Diamonds Limited, the Company identifies and analyses potential risks to then implement controls that would help in mitigating those risks. Moreover, by regularly monitoring and reviewing the effectiveness of those controls, it strives to minimize the likelihood and impact of negative events that could otherwise harm its reputation, operations and financial performance. A well-designed and executed risk management program provides a competitive advantage by enhancing the Company's ability to navigate a rapidly changing business environment.

### **Cautionary Statement**

Information in the Management Discussion and Analysis that describe the Company's aims, plans, or projections may be considered forward-looking under applicable securities laws and regulations. Actual outcomes may differ significantly from those stated in the statement. Strong competition, leading to price cuts, high volatility in prices of major inputs such as steel, cement, building materials and petroleum products, changes in Government regulations, tax laws, economic developments within the country and other factors such as litigation and labour relations are all important factors that could affect the Company's operations

**Annexure – I**

**Form No. MR-3**

**SECRETARIAL AUDIT REPORT**

**FOR THE FINANCIAL YEAR ENDED MARCH 31, 2025**

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
The Members  
Sagar Diamonds Limited

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Sagar Diamonds Limited (hereinafter called the company) (CIN NO: L36912GJ2015PLC083846). The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on my verification of the company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2025, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. I have examined the available books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2025 according to the provisions of:
  - i. The Companies Act, 2013 (the Act) and the rules made there under;
  - ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
  - iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
  - iv. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings - **Proper disclosures were not made under these regulations, where required.**
  - v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') viz :-
    - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;- **There was no such event during the year.**

- b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;-**Proper disclosures were made under these regulations.**
  - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;- **There were no events occurred during the year which were attracting the provisions of these Guidelines and hence not applicable.**
  - d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;- **There were no events occurred during the year which were attracting the provisions of these Guidelines and hence not applicable.**
  - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; - **There were no events occurred during the year which were attracting the provisions of these Regulations and hence not applicable.**
  - f) The Securities and Exchange Board of India (Registrars to Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;- **There were no events occurred during the year which were attracting the provisions of these Regulations and hence not applicable.**
  - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; - **There were no events occurred during the year which were attracting the provisions of these Regulations and hence not applicable.**
  - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; - **There were no events occurred during the year which were attracting the provisions of these Regulations and hence not applicable.**
- vi. As per information provided by the management and Board of directors of the company, The Company is in process of registration with Factories Act Compliance, and is generally compliant with the labour laws as applicable to the Company.
2. We have also examined compliance with the applicable clauses of the following:
- i. *Secretarial Standard-1 and Secretarial Standard-2 issued by the Institute of Company Secretaries of India; however copies of minutes and notices were not available for physical inspection.*
  - ii. *The Listing Agreement entered into by the Company with BSE Limited-SME Exchange;*

During the period under review the company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above except:

- i. **The Company has not yet filed SDD Compliance Certificate of June 2024, September 2024 a, December 2023, March, 2024 Quarter ended and marked as SDD Non-Compliant by BSE.**
  - ii. **The Company has not filled the casual vacancy of Company Secretary within six months as required under Sec. 203(4) of The Companies Act, 2013 and rules there under.**
  - iii. **The compliances under The Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 are not followed properly.**
  - vi. **The management of the company has given its representation that it will register the name of Independent Directors in the Databank at the earliest as the independent director's names are not included in the Independent Directors Databank.**
  - vii. **Non-compliances in regards to Listing Obligations were made in the past for which the Bombay Stock Exchange SME portal has levied fines and suspended the trading of the Company's shares temporarily. The Company has applied for a waiver of the fines, and revocation of suspension. It is currently rectifying the non-compliances and is co-operating with the Exchange.**
3. We further report that:
- I. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors at instances during the year and at the year ending. The changes in the composition of the Board of Directors and Key Managerial Personnel that took place during the period under review were carried out in compliance with the provisions of the Act except as mentioned below;
    - i.
    - ii. **The Company has not filled the casual vacancy of Company Secretary within six months as required under Sec. 203(4) of The Companies Act, 2013 and rules there under.**
  - II. As informed by the management, Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting; However minutes and attendance sheet were not available for verification.

III. Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

4. We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

Place: Kolkata

Signature:

Dated: 06<sup>TH</sup> September, 2025

Name of the MANJULA PODDAR

Company Secretary in practice:

FCS No :9426

C.P.No. :11252

UDIN : F009426G001194357

Peer Review Cert No.: 3830/2023

Annexure - 1 to Secretarial Audit Report

To,  
The Members,  
Sagar Diamonds Limited

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

1. Maintenance of secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, I have obtained the Management representations about the compliance of Laws, Rules and Regulations and happening of events etc.

5. The compliance of the provisions of corporate and other applicable Laws, Rules, Regulations, Standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Place: Kolkata

Signature:

Dated: 06.09.2025

Name of the MANJULA PODDAR

Company Secretary in practice:

FCS No :9426

C.P.No. :11252

UDIN : F009426G001194357

Peer Review Cert No.: 3830/2023

**ANNEXURE-II****TO DIRECTORS' REPORT  
CFO/CEO CERTIFICATION**

In accordance with Regulation 17(8) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we certify that:

1. We have reviewed the financial statements and the cash flow statement of Sagar Diamonds Limited for the year ended 31st March, 2025 and that to the best of our knowledge and belief:
  - a. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - b. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year ended 31st March, 2025 which are fraudulent, illegal or violative of the Company's code of conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting. We have not come across any reportable deficiencies in the design or operation of such internal controls.
4. We have indicated to the Auditors and the Audit Committee:
  - a) That there are no significant changes in internal control over financial reporting during the financial year ended 31st March, 2025;
  - b) That there are no significant changes in accounting policies during the financial year ended 31st March, 2025; and
  - c) That there are no instances of significant fraud of which we have become aware.

For Sagar Diamonds Limited

Sd/- (Vaibhav Dipak Shah)

Managing Director

DIN NO. 03302936

Date: 6<sup>TH</sup> September, 2025

Place: Surat

Declaration regarding compliance by board members and senior management personnel with the company's code of conduct

I, Vaibhav Dipak Shah, Managing Director of Sagar Diamonds Limited, hereby declares that all the Board Members and Senior Management Personnel have affirmed for the year ended 31st March, 2025 compliance with the respective Codes of Conduct laid down for them.

Date: 6<sup>TH</sup> September, 2025

Place: Surat

Sd/- (Vaibhav Dipak Shah)  
Managing Director

## ANNEXURE-III

### CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

*[Pursuant to Regulation 34(3) and Schedule V Para C Clause 10(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]*

To,  
The Members,  
**SAGAR DIAMONDS LIMITED**  
Plot no. 266-B, SEZ Diamond Park, Sachin,  
Surat 394 230 Gujarat India.

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **SAGAR DIAMONDS LIMITED** (CIN: L36912GJ2015PLC083846) and having registered office at Plot no. 266-B, SEZ Diamond Park, Sachin, Surat 394 230 Gujarat (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on **31<sup>st</sup> March, 2025** have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

S. No.	Name of Director	DIN	Date of appointment in Company
1	VAIBHAV DIPAK SHAH	03302936	15/07/2015
2	TANUJA DURVESH PARAB	10183217	25/05/2023
3	MONICA MAHESH SONI	10183218	25/05/2023
4	FATIMA FAKRUDDI N SHAIKH	10183232	25/05/2023

Ensuring the eligibility of for the appointment/continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place: Kolkata  
Date:18.09.2025

Sd/-

**Manjula Poddar**  
Company Secretary in practice  
FCS No: 9426  
C.P. No: 11252  
UDIN: F009426G001280401

**PROXY FORM**

CIN	<b>L36912GJ2015PLC083846</b>
Name of the company	<b>SAGAR DIAMONDS LIMITED</b>
Registered Office	<b>PLOT NO. 266-B, SEZ DIAMOND PARK SACHIN, SURAT, Gujarat, India, 394230</b>

Name of the member (s):.....
Registered address: .....
E-mail Id:.....
Folio No. / Client ID ..... DP ID: .....

I/We, being the member (s) of ..... shares of the SAGAR DIAMONDS LIMITED, hereby appoint.

1. Name:.....Address: .....

Email Id.....Signature.....or failing him

2. Name:.....Address: .....

Email Id.....Signature.....or failing him

3. Name:.....Address: .....

Email Id.....Signature.....or failing him

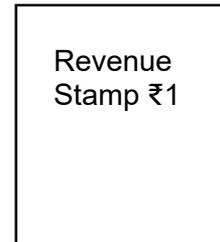
as my/our proxy to attend and vote for me/us and on my/our behalf at the 10<sup>th</sup> Annual general meeting of the company, to be held on the 30<sup>th</sup> day of September 2025 at 11.30 AM and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.:

1. To adopt the Financial Statement of the Company for the year ended 31<sup>st</sup> March 2025 along with the Director Report & Auditors Report.
2. To re-appoint Mr. Vaibhav Dipak Shah (DIN: 03302936), who retires by rotation in terms of Section 152(6) of Companies Act, 2013 and being eligible offers himself for reappointment.
3. Appointment of Mr. Samson Charles William as Director in the Company
4. To approve appointment of Ms. Manjula Poddar, a Peer Reviewed Company Secretary, as the Secretarial Auditor of the Company

Signed this .....day of September 2025

Signature of Shareholder



Signature of Proxy Holder (s)

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 1 hour before the commencement of the Meeting.

**ROUTE MAP TO THE VENUE OF THE 10TH ANNUAL GENERAL MEETING OF SAGAR DIAMONDS LTD TO BE HELD ON TUESDAY 30TH SEPTEMBER, 2020 AT 11.30 noon AT PLOT NO. 266-B, SEZ DIAMOND PARK SACHIN ,SURAT, GUJARAT**



# Manish K Ramawati And Company, Chartered Accountants



Address: 301, Third Floor, Panchwati Plaza, Kutcheri Road, Ranchi, Jharkhand, Pin-834001, India

## INDEPENDENT AUDITOR'S REPORT

To the Members of  
**SAGAR DIAMONDS LIMITED**

Report on the audit of the Financial Statements

### Opinion

We have audited the accompanying financial statements of **SAGAR DIAMONDS LIMITED** (the "Company"), which comprise the balance sheet as at March 31, 2025, and the statement of Profit and Loss and statement of cash flows for the year then ended, and notes to the financial statements, including 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 standalone 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 accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, and loss and its cash flows for the year ended on that date.

### 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. 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 together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

### Emphasis of Matter

We draw attention to Note 26 & 27 of the Statement which describes the Management's evaluation of business operations halted due to restrictions imposed by regulators and impact on the performance of the Company, and further evaluation of past COVID-19 impact on the future performance of the Company. Our opinion is not modified in respect of this matter.

### 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

A



# Manish K Ramawati And Company, Chartered Accountants



Address: 301, Third Floor, Panchwati Plaza, Kutchery Road, Ranchi, Jharkhand, Pin-834001, India

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	<b>Payables</b> Yearend payable carry risk in general which include proceeds from past trade receivables and advance given, to pay outstanding balances. Due to these factors we have identified testing of recoverability of past receivables, advances and trade payable as key audit matter.	Our audit procedure for these areas included: We obtained an understanding, evaluated the design and tested operating effectiveness of controls. <ul style="list-style-type: none"><li>- Analyzed aging at yearend.</li><li>- In respect of material balances, inspected relevant documents and correspondence with parties, wherever available.</li></ul> We draw attention to note 26 & 27 of the Statement.

### Information other than the financial statements and auditors' report thereon

The Company's management and board of directors are responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Corporate Governance and Shareholder's Information, Business Responsibility Report but does not include the financial statements and our auditor's report thereon.

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 standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. We are required to communicate the matters to those charged with governance as required under SA 720 'The auditors' responsibilities relating to other information'.

When we read the annual report, if we conclude that there is a material misstatement of this other information, we are required to report that fact.

### Responsibility of Management and Board of Director for the Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. 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 statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

B



# Manish K Ramawati And Company,

## Chartered Accountants



Address: 301, Third Floor, Panchwati Plaza, Kutchery Road, Ranchi, Jharkhand, Pin-834001, India

In preparing the financial statements, Management and 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the company's financial reporting process.

### **Auditor's Responsibilities 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system 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 and the Board of Directors.
- Conclude on the appropriateness of 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 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, make 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.

C



# Manish K Ramawati And Company, Chartered Accountants



**Address: 301, Third Floor, Panchwati Plaza, Kutchery Road, Ranchi, Jharkhand, Pin-834001, India**

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 (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "**Annexure A**" 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 as at March 31, 2025, the Statement of Profit and Loss, and the Cash Flow Statement for the year then ended dealt with by this Report are in agreement with the books of account;
  - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act and rules thereunder, as amended.
  - (e) On the basis of the written representations received from the directors as on March 31, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164 (2) of the Act.
  - (f) With respect to the adequacy and the operating effectiveness of the internal financial controls over financial reporting of the Company, refer to our separate report in "Annexure B"; and
  - (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of sub-section (16) of Section 197 of the Act, as amended, we report that to the best of our information and according to the explanations given to us, remuneration paid by the Company to its directors during the year is in accordance with the provisions of Section 197 of the Act.
  - (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:

D



# Manish K Ramawati And Company, Chartered Accountants



Address: 301, Third Floor, Panchwati Plaza, Kutcheri Road, Ranchi, Jharkhand, Pin-834001, India

- i. The Company does not have any pending litigation which would have impact on its financial position.
- ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
- iii. The company is not required to transfer any amount to investor Education & Protection Fund.
- iv. (a) The management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in 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 person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, 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;  
  
(b) The management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in aggregate) have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, 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; and  
  
(c) Based on the audit procedures that have 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 of the Companies (Audit and Auditors) Rules, 2014, as provided in (a) and (b) above, contain any material misstatement.

FOR MANISH K RAMAWATI & CO.,  
CHARTERED ACCOUNTANTS  
ICAI Firm Reg. No. : 0135914W



  
CA MANISH KUMAR

PROPRIETER

Membership No. : 417886

UDIN: - 25417886BMHIJX4228

Place:

Date: May 30, 2025

# Manish K Ramawati And Company, Chartered Accountants



Address: 301, Third Floor, Panchwati Plaza, Kutchery Road, Ranchi, Jharkhand, Pin-834001, India

## "Annexure A"

Annexure referred to in paragraph under the heading "Report on other legal and regulatory requirements" of our report of even date.

To the best of our information and according to the explanations provided to us by the Company and the books of accounts and the records examined by us in the normal course of audit, we state that:

- (i) In respect of the Company's Property, Plant and Equipment:
  - (a) A. The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.  
B. The Company does not have intangible assets during the year and hence, reporting under Clause 3(i)(a)(B) is not applicable.
  - (b) The Company has a program of physical verification of Property, Plant and Equipment, so as to cover all the assets every year which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, Property, Plant and Equipment due for verification during the year 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) Based on our examination of the property tax receipts, registered sale deed/ transfer deed/ conveyance deed provided to us, we report that, the title in respect of buildings and title deeds of all other immovable properties, disclosed in the financial statements included under Property, Plant and Equipment are held in the name of the Company as at the balance sheet date.
  - (d) The company has not revalued its Property, Plant and Equipment.
  - (e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- (ii)
  - (a) Physical verification of inventory has been conducted at reasonable intervals by the management and in our opinion, the coverage and procedure of such verification by the management is appropriate. No discrepancies of 10% or more in the aggregate for each class of inventory were noticed on such verification.
  - (b) The Company has not been sanctioned working capital limits in excess of five crore rupees, in aggregate from banks on the basis of security of current assets.
- (iii) The Company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms and limited liability partnerships or any other parties covered in the register maintained under section 189 of the Act. Accordingly, reporting under clause 3(iii) of the Order is not applicable to the Company.
- (iv) The Company has complied with the provisions of sections 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.



# Manish K Ramawati And Company,

## Chartered Accountants



Address: 301, Third Floor, Panchwati Plaza, Kutchery Road, Ranchi, Jharkhand, Pin-834001, India

- (v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, reporting under clause 3(v) of the Order is not applicable to the Company.
- (vi) To the best of our knowledge and as explained, the Central Government has not specified the maintenance of cost records under clause 148(1) of the Companies Act, 2013, for the operations of the Company.
- (vii) In respect of statutory dues:  
(a) In our opinion, the Company is generally regular in depositing undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other material statutory dues, as applicable, to the appropriate authorities.  
(b) There were no undisputed amounts payable in respect of Goods and Services Tax, provident fund, employees' state insurance, income tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, in arrears as at March 31, 2025 for a period of more than six months from the date they became payable.
- (viii) There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income-tax Act, 1961 (43 of 1961).
- (ix) (a) The Company is regular in repayment of loans or other borrowings or in payment of interest thereon to lenders.  
(b) The Company has not been declared wilful defaulter by any bank or financial institution or government or government authority.  
(c) The Company has utilised the money obtained by way of term loans during the year for the purpose for which they were obtained.  
(d) According to the procedures performed by us, and on an overall examination of the financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.  
(e) The Company does not have subsidiaries, associates or joint ventures during the year. Hence, reporting under clause 3(ix)(e) of the Order is not applicable.  
(f) The Company does not have subsidiaries, associates or joint ventures during the year. Hence, reporting under clause 3(ix)(f) of the Order is not applicable.
- (x) (a) The Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments) during the year. Accordingly, reporting under clause 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 3(x)(b) of the Order is not applicable.
- (xi) (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.



# Manish K Ramawati And Company,

## Chartered Accountants



Address: 301, Third Floor, Panchwati Plaza, Kutcheri Road, Ranchi, Jharkhand, Pin-834001, India

(b) No report under sub-section (12) of Section 143 of the Act has been filed in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year.

(c) As represented to us by the management of the Company, there are no whistle blower complaints received by the Company during the year.

- (xii) In our opinion, the Company is not a Nidhi company. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Company.
- (xiii) In our opinion, the Company is in compliance with Section 177 and Section 188 of the Act with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) (a) In our opinion, the Company has an adequate internal audit system commensurate with the size and nature of its business.  
(b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- (xv) In our opinion, during the year, the Company has not entered into non-cash transactions with directors or persons connected with its directors, and hence, provisions of section 192 of Act are not applicable to the Company.
- (xvi) (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clauses 3(xvi)(a), (b), and (c) of the Order is not applicable to the Company.  
(b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment companies (Reserve Bank) Directions, 2016). Hence, reporting under clause 3(xvi)(d) of the Order is not applicable to the Company.
- (xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- (xviii) On the basis of the financial ratios, ageing and expected dates of realisation 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 the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that the Company is not capable of meeting its liabilities existing at the date of the balance sheet as and when they fall due within a period of one year from the balance sheet date. 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.



# Manish K Ramawati And Company, Chartered Accountants



Address: 301, Third Floor, Panchwati Plaza, Kutcheri Road, Ranchi, Jharkhand, Pin-834001, India

- (xix) (a) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any project other than ongoing projects. Accordingly, clause 3(xx)(a) of the Order is not applicable.
- (b) There are no unspent amounts in respect of ongoing project, that are required to be transferred to a special account in compliance of provision of sub section (6) of section 135 of Companies Act.

FOR MANISH K RAMAWATI & CO.,  
CHARTERED ACCOUNTANTS  
ICAI Firm Reg. No. : 0135914W



*Manish*

CA MANISH KUMAR  
PROPRIETER

Membership No. : 417886  
UDIN: 25417886BMHIJX4228

Place:

Date: May 30, 2024

# Manish K Ramawati And Company, Chartered Accountants



Address: 301, Third Floor, Panchwati Plaza, Kutchery Road, Ranchi, Jharkhand, Pin-834001, India

## "Annexure B"

### 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 **SAGAR DIAMONDS LIMITED** (the "Company") as of March 31, 2025 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 and board of directors are 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 judgment, 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.

J



Address: 301, Third Floor, Panchwati Plaza, Kutchery Road, Ranchi, Jharkhand, Pin-834001, India

### 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 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, 2025, 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 MANISH K RAMAWATI & CO.,  
CHARTERED ACCOUNTANTS  
ICAI Firm Reg. No. : 0135914W



CA MANISH KUMAR  
PROPRIETER

Membership No. : 417886  
UDIN: 25417886BMHIJX4228

Place:

Date: May 30, 2025

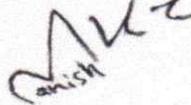
**SAGAR DIAMONDS LIMITED**  
Balance sheet as at March 31, 2025

(INR in Lakh)

	Notes	As at March 31, 2025	As at March 31, 2024
<b>Equity and liabilities</b>			
Shareholders' funds	3	1,264.38	1,264.38
Share capital	4	1,930.12	2,107.88
Reserves and Surplus		3,194.50	3,372.26
<b>Non-current liabilities</b>			
Long-term borrowings	5	-	21.14
Long-term provisions	6	9.29	9.29
Deffered Tax Liability (net)	7	14.49	14.49
		23.78	44.92
<b>Current Liabilities</b>			
Short-term borrowings	8	-	21.54
Trade payables	9	400.16	102.32
Other current liabilities	10	24.59	20.34
		424.75	144.20
<b>TOTAL</b>		<b>3,643.03</b>	<b>3,561.38</b>
<b>Assets</b>			
<b>Non-current assets</b>			
Property, Plant and Equipment	11	1,547.57	1,547.57
Work-in-progress		-	-
		1,547.57	1,547.57
Long-term loans and advances	12	20.66	20.66
		1,568.23	1,568.23
<b>Current assets</b>			
Cash and bank balances	13	1,874.76	1,808.50
Short-term loans and advances	12	200.04	184.65
		2,074.80	1,993.15
<b>TOTAL</b>		<b>3,643.03</b>	<b>3,561.38</b>
Summary of significant accounting policies	2.1 & 3-38		

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

As per our report of even date  
For MANISH K RAMAWATI & CO.  
CHARTERED ACCOUNTANTS  
FRN: 0135914W

  
CA MANISH KUMAR  
(Proprietor)  
Membership no.: 417886  
UDIN:- 25417886BMHIJX4228



For and on behalf of the board of directors of  
SAGAR DIAMONDS LIMITED

  
Vaibhav Dipak Shah  
Chairman - Managing Director & CFO  
DIN: 03302936



Place:

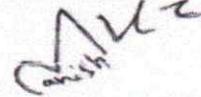
Date: May 30, 2025

**SAGAR DIAMONDS LIMITED**  
Statement of profit and loss for the year ended March 31, 2025

		(INR in Lakh)	
	Notes	For the year 2024-25	For the year 2023-24
<b>Income</b>			
Revenue from operations (net)	14	71.98	107.55
Other Income		-	-
<b>Total</b>		<b>71.98</b>	<b>107.55</b>
<b>Expenses</b>			
Cost of Materials Consumed		-	-
Purchase of goods traded		-	-
(Increase)/ decrease in inventories of finished goods, work-in-progress		-	-
Employee benefits expense	15	68.84	184.40
Balances written off / back (net) on business halted	16	-	7,120.23
Other expenses	17	174.29	270.16
<b>Total</b>		<b>243.13</b>	<b>7,574.79</b>
<b>Earnings before interest, tax, depreciation and amortization (EBITDA)</b>		<b>(171.15)</b>	<b>(7,467.24)</b>
Depreciation expense		-	-
Finance costs	18	2.30	4.31
<b>Profit before tax</b>		<b>(173.45)</b>	<b>(7,471.55)</b>
<b>Tax expenses</b>			
Current tax		-	-
Tax of earlier years		4.32	164.19
<b>Total tax expenses</b>		<b>4.32</b>	<b>164.19</b>
<b>Profit for the year</b>		<b>(177.77)</b>	<b>(7,635.74)</b>
<b>Earnings per equity share [nominal value of share INR 10 (31 March 2024: INR 10)]</b>			
<b>Basic and diluted</b>	19		
Computed on the basis of total profit for the year		(1.41)	(60.39)
Summary of significant accounting policies	2.1 & 3-38		

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

For MANISH K RAMAWATI & CO.  
CHARTERED ACCOUNTANTS  
FRN: 0135914W



CA MANISH KUMAR  
(Proprietor)  
Membership no.: 417886  
UDIN:- 25417886BMHIJX4228



For and on behalf of the board of directors of  
SAGAR DIAMONDS LIMITED

  
Vaibhav Dipak Shah  
Chairman - Managing Director & CFO  
DIN: 03302936



Place:  
Date: May 30, 2025

**SAGAR DIAMONDS LIMITED**  
Cash flow Statement for the year ended March 31, 2025

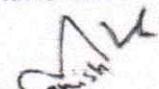
	For the year 2024-25	For the year 2023-24
(INR in Lakh)		
<b>Cash flows from operating activities:</b>	<b>(173.45)</b>	<b>(7,471.55)</b>
Net profit before taxation and extraordinary items		
Add/(Less) Adjustments for:	<b>(71.98)</b>	<b>(107.55)</b>
Interest on Bank Deposits	2.30	4.31
Finance Costs	-	7,120.23
Balances written off / back (net) on business halted	<b>(243.13)</b>	<b>(454.56)</b>
Operating profit before working capital changes		
<b>Movements in working capital :</b>	<b>297.87</b>	<b>102.30</b>
Increase/ (Decrease) in trade payables	4.26	20.33
Increase/ (Decrease) in other current liabilities	-	5.56
[Increase]/ Decrease in Long Term Advances	<b>(15.41)</b>	<b>535.45</b>
[Increase]/ Decrease in Other current assets	<b>43.59</b>	<b>209.08</b>
Net cash from operating activities before income tax	<b>4.33</b>	<b>164.19</b>
Direct taxes paid [Net of refunds]	<b>39.26</b>	<b>44.89</b>
<b>Net cash flow from/ (used in) operating activities (A)</b>		
<b>Cash flows from investing activities:</b>		<b>(14.18)</b>
Purchase of Fixed assets including work-in-progress	<b>71.98</b>	<b>107.55</b>
Interest on Bank Deposits	<b>71.98</b>	<b>93.37</b>
<b>Net cash flow from/(used in) investing activities (B)</b>		
<b>Cash flows from financing activities:</b>	<b>(42.68)</b>	<b>(33.35)</b>
(Repayment) / Proceeds from borrowings	<b>(2.30)</b>	<b>(4.31)</b>
Interest paid	<b>(44.98)</b>	<b>(37.66)</b>
<b>Net cash flow from/(used in) in financing activities (C)</b>		
Net increase/(decrease) in cash and cash equivalents (A+B+C)	<b>66.26</b>	<b>100.60</b>
Cash and cash equivalents at the beginning of the year	<b>1,808.50</b>	<b>1,707.90</b>
<b>Cash and cash equivalents at the end of the year (refer note 15)</b>	<b>1,874.76</b>	<b>1,808.50</b>

Summary of significant accounting policies

2.1  
& 3-38

The above Cash Flow Statement has been prepared under Indirect Method set out in Accounting Standard 3 of accounting standard issued by the ICAI.

As per our report of even date  
For **MANISH K RAMAWATI & CO.**  
CHARTERED ACCOUNTANTS  
FRN: 0135914W

  
**CA MANISH KUMAR**  
(Proprietor)  
Membership no.: 417886  
UDIN:- 25417886BMHIJX4228



  
Vaibhav Dipak Shah

Chairman - Managing Director & CFO  
DIN: 03302936

For and on behalf of the board of directors of  
**SAGAR DIAMONDS LIMITED**



Place:  
Date: May 30, 2025

# SAGAR DIAMONDS LIMITED

## Notes to financial statements for the year ended March 31, 2025

### 1 Corporate information

Sagar Diamonds Limited (the 'Company') was incorporated on 15 July, 2015. The Company is engaged in the business of Rough & Polished Diamonds, sale, export and trading of diamond studded jewellery and gold & silver items. The Company's shares are listed on the Bombay Stock Exchange (BSE)/ SME platform.

### 2 Basis of preparation

- [a] The financial statements of Company have been prepared in accordance with the generally accepted accounting principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the Accounting Standards notified Under Section 133 of Companies Act, 2013, read together with paragraph 7 of the Companies (Accounts) Rules 2014. The financial statements have been prepared on an accrual basis and under the historical cost convention. The accounting policies adopted in the preparation of financial statements are consistent with those of previous year, except for the change in accounting policy explained below.
- [b] Accounting policies not specifically referred to otherwise are consistent and in consonance with generally accepted accounting principles. In applying the accounting policies considerations have been given to prudence, substance over form and materiality.

### 2.1 Summary of significant accounting policies

#### a. Use of estimates

The presentation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known / materialized.

#### b. Property, Plant and Equipment

Property, Plant and Equipment are stated at cost of acquisition and installation, net of credits / GST availed, if any, less accumulated depreciation.

#### c. Depreciation on Property, Plant and Equipment

Depreciation is provided based on useful life of the Property, Plant and Equipment as prescribed in schedule II to the Companies Act, 2013 on Straight line Method (SLM) method.

#### d. Employee Benefits:

Short Term Employee Benefits:

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits. Benefits such as salaries, wages, short term compensated absences, etc, and the expected cost of bonus, ex-gratia are recognized in the period in which the employee renders the related service.

Post-Employment Benefits :

##### i. Defined Contribution Plans :

State Governed Provident Fund scheme and employees state insurance scheme are defined contribution plans. The contribution paid / payable under the scheme is recognized during the period in which the employees renders the related services.

##### ii. Defined Benefit Plans:

The employee's gratuity fund scheme and compensated absences is company's defined benefit plans. The present value of the obligation under such defined benefit plan is determined based on actuarial valuation using the projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefits entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plans, is based on the market yields on Government Securities as at the balance sheet date, having maturity periods approximating to the terms of related obligations.

: 4 :

Actuarial gains and losses are recognized immediately in the profit and loss account.

Gains or losses on the curtailment or settlement of any defined benefits plans are recognized when the curtailment or settlement occurs. Past service cost is recognized as expense on a straight-line basis over the



# SAGAR DIAMONDS LIMITED

## Notes to financial statements for the year ended March 31, 2025

average period until the benefits become vested.

iii. Long term employee benefits :

The obligation for long term employee benefits such as long term compensated absences, is recognized in the same manner as in case of defined benefit plans as mentioned in d) ii) above.

### e. Inventories

Inventories are valued as under :

#### i. Products:

Valued at lower of cost or net realisable value and for this purpose cost is determined on weighted average basis. Due provision for obsolescence is made.

#### ii. Work-in-progress:

At cost or net realisable value, whichever, is lower. Cost is determined using standard cost method which approximates historical cost.

### f. Revenue recognition

i. Revenue is recognized when it is earned and reasonable certainty exist as to its realization or collection.

ii. Revenue from sales of goods is recognized on delivery of the products, when all significant contractual obligations have been satisfied, the property in the goods is transferred for a price, significant risks & rewards of ownership are transferred to the customers and no effective ownership is retained.

iii. Sales are net of trade discounts and GST.

### g. Foreign currency transactions and balances

i. Transactions denominated in foreign currencies are normally recorded at the exchange rate prevailing at the time of the transaction.

ii. Monetary items denominated in foreign currency at the year end are translated at the exchange rates prevailing at the balance sheet date.

iii. Gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies are recognised in the Profit & Loss Account.

iv. Any income or expense on account of exchange difference either on settlement or on translation is recognised in the profit and loss account.

### h. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.



# SAGAR DIAMONDS LIMITED

## Notes to financial statements for the year ended March 31, 2025

: 5 :

### i. Income taxes

Current tax is determined as the amount of tax payable in respect of taxable income for the year. Deferred tax is recognized, subject to the consideration of prudence, on timing difference being the difference between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Where there is carry forward losses deferred tax assets are recognized only if there is virtual certainty of realization of such assets. Other deferred tax assets are recognized only to the extent there is reasonable certainty of realization in future. Such assets are reviewed at each Balance Sheet date to reassess realization. Deferred tax assets on unabsorbed Depreciation/Loss are not recognized to the extent there is reasonable uncertainty of realization in future.

### j. Provisions, Contingent Liabilities and Contingent Assets:

Provisions are recognised when the company has present obligation as a result of past events, for which it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made for the amount of the obligation.

Contingent Liabilities are disclosed by way of notes of accounts.

Contingent Assets are neither recognised nor disclosed in the financial statements.

### k. Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

### l. Cash flow statement

Cash flows are reported using the indirect method, whereby profit for the period is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

### m. Events after Reporting date

Where events occurring after the Balance Sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the financial statements. Otherwise, events after the Balance Sheet date of material size or nature are only disclosed.

### n. Amendments to Schedule III of the Companies Act, 2013

Ministry of Corporate Affairs (MCA) issued notifications dated 24th March, 2021 to amend Schedule III of the Companies Act, 2013 to enhance the disclosures required to be made by the Company in its financial statements. These amendments are applicable to the Company for the financial year starting 1st April, 2021 and applied to the standalone financial statements:

- a. Additional disclosure for shareholding of promoters.
- b. Additional disclosure for ageing schedule of trade receivables, trade payables, capital work-in-progress.
- c. Specific disclosure such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in the name of the Company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties etc.
- d. Additional disclosures relating to undisclosed income.



: 6 :

# SAGAR DIAMONDS LIMITED

#VALUE!

(INR in Lakh)

	As at	
	March 31, 2025	March 31, 2024
<b>3 Share capital</b>		
<b>Authorized share capital</b>		
1,35,00,000 (at March 31, 2024: 1,35,00,000) equity shares of INR 10/- each	1,350.00	1,350.00
<b>Issued, subscribed and fully paid-up share capital</b>		
1,26,43,780 (at March 31, 2024: 1,26,43,780) equity shares of INR 10/- each	1,264.38	1,264.38
<b>Total issued, subscribed and fully paid-up share capital</b>	<b>1,264.38</b>	<b>1,264.38</b>

**a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period Equity shares**

	March 31, 2025		March 31, 2024	
	Number	Amount	Number	Amount
At the beginning of the period	12,643,780	1,264.38	12,643,780	1,264.38
Add / Less during the period	-	-	-	-
<b>Outstanding at the end of the period</b>	<b>12,643,780</b>	<b>1,264.38</b>	<b>12,643,780</b>	<b>1,264.38</b>

**b. Terms/rights attached to equity shares**

The company has only one class of equity shares having a par value of INR 10 per share. Each holder of equity shares is entitled to one vote per share. 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 by the shareholders.

**c. Details of shareholders holding more than 5% shares in the company**

	March 31, 2025		March 31, 2024	
	Number	% holding in the class	Number	% holding in the class
Equity shares of INR 10 each fully paid				
Vaibhav Dipak Shah	6,227,860	49.26	6,227,860	49.26
SG Diamonds LLP	3,001,260	23.74	3,001,260	23.74

**d. Details of shareholding of Promoters in the company as at March 31, 2024**

Sr. No.	Promoters / Promoter Group Name	Class of Shares	Number of shares held	% of total shares	% change during the year
1	Vaibhav Dipak Shah	Equity Shares	6,227,860	49.26	-
2	SG Diamonds LLP	Equity Shares	3,001,260	23.74	-

**Details of shareholding of Promoters in the company as at March 31, 2023**

Sr. No.	Promoters / Promoter Group Name	Class of Shares	Number of shares held	% of total shares	% change during the year
1	Vaibhav Dipak Shah	Equity Shares	6,227,860	49.26	-
2	SG Diamonds LLP	Equity Shares	3,001,260	23.74	-

**4 Reserves and surplus**

	As at	
	March 31, 2025	March 31, 2024
Security Premium	1,183.35	1,183.35
<b>Surplus in the statement of profit and loss</b>		
Balance as per last financial statements	924.54	8,560.27
Profit for the year	(177.77)	(7,635.74)
<b>Total reserves and surplus</b>	<b>1,930.12</b>	<b>2,107.88</b>

(INR in Lakh)

**5 Long-term borrowings**

	Non-current portion		Current maturities	
	As at	As at	As at	As at
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
<b>Term loans</b>				
Against hypothecation of vehicle	-	21.14	-	21.54
	-	21.14	-	21.54
<b>The above amount includes</b>				
Secured borrowings	-	21.14	-	21.54
Amount disclosed under the head "short term borrowings" (note 8)	-	-	-	(21.54)
<b>Net amount</b>	-	21.14	-	-

a. Vehicle Loans obligations are secured by hypothecation of vehicles taken on lease. The loans are repayable in 60 monthly installments along with interest of 7.40 % p.a. from the date of loan.

b. Term loans were applied for the purpose for which the loans were obtained.

c. The Company has not been declared as a wilful defaulter by any bank or financial institution or other lender in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India.



# SAGAR DIAMONDS LIMITED

#VALUE!

d. The Company do not have any changes or satisfaction which is yet to be registered with ROC beyond the statutory period.

## 6 Provisions

	Long-term		Short-term	
	As at	As at	As at	As at
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
Provision for gratuity	9.29	9.29	-	-
	<u>9.29</u>	<u>9.29</u>	<u>-</u>	<u>-</u>

## 7 Deffered Tax Liability / (Assets)

	As at	As at
	March 31, 2025	March 31, 2024
	Deffered Tax Liability / (Assets)	14.49
	<u>14.49</u>	<u>14.49</u>

## 8 Short-term borrowings

	As at	As at
	March 31, 2025	March 31, 2024
	Current maturities of long-term borrowings (note 5)	-
	<u>-</u>	<u>21.54</u>
<b>The above amount includes</b>		
Secured borrowings	-	21.54

## 9 Trade payables

	As at	As at
	March 31, 2025	March 31, 2024
	Total outstanding dues of Micro Enterprises & Small Enterprises (refer note no 31)	-
Total outstanding dues of Creditors other than Micro Enterprises & Small Enterprises	400.16	102.32
	<u>400.16</u>	<u>102.32</u>

(INR in Lakh)

Particulars	Outstanding for following periods from due date of payment as at March 31, 2025					Total
	NOT DUE	< 1 year	1-2 years	2-3 years	> 3 years	
MSME	-	-	-	-	-	-
Others	-	400.16	-	-	-	400.16
Disputed dues - MSME	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-
<b>TOTAL</b>	<u>-</u>	<u>400.16</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>400.16</u>

Particulars	Outstanding for following periods from due date of payment as at March 31, 2024					Total
	NOT DUE	< 1 year	1-2 years	2-3 years	> 3 years	
MSME	-	-	-	-	-	-
Others	-	102.32	-	-	-	102.32
Disputed dues - MSME	-	-	-	-	-	-
Disputed dues - Others	-	-	-	-	-	-
<b>TOTAL</b>	<u>-</u>	<u>102.32</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>102.32</u>

## 10 Other current liabilities

	As at	As at
	March 31, 2025	March 31, 2024
	Statutory liabilities	24.59
	<u>24.59</u>	<u>20.34</u>

## 11 Property, Plant and Equipment:

Particulars	Land	Building	Plant & Machinery	Furniture & Fixtures	Vehicles	Computer	Total
<b>Gross Block</b>							
As at March 31, 2024	25.09	719.97	103.32	112.91	805.72	23.50	1,790.51
Additions	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-
Other adjustments	-	-	-	-	-	-	-
<b>As at March 31, 2025</b>	<u>25.09</u>	<u>719.97</u>	<u>103.32</u>	<u>112.91</u>	<u>805.72</u>	<u>23.50</u>	<u>1,790.51</u>
<b>Depreciation</b>							
As at March 31, 2024	-	23.98	54.92	21.42	127.66	14.96	242.94
Charge for the year	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-
Other adjustments	-	-	-	-	-	-	-
<b>As at March 31, 2025</b>	<u>-</u>	<u>23.98</u>	<u>54.92</u>	<u>21.42</u>	<u>127.66</u>	<u>14.96</u>	<u>242.94</u>
<b>Impairment Loss</b>							
As at March 31, 2024	-	-	-	-	-	-	-



# SAGAR DIAMONDS LIMITED

	#VALUE!						
As at March 31, 2025	-	-	-	-	-	-	-
<b>Net Block:</b>							
As at March 31, 2025	25.09	695.99	48.40	91.49	678.06	8.54	1,547.57
As at March 31, 2024	25.09	695.99	48.40	91.49	678.06	8.54	1,547.57

- a. Vehicles include vehicles amounting to INR 521.53 Lakh (P.Y. INR 521.53 Lakh) which are held in the name of Director of the Company.
- b. All immovable properties are held in the name of the Company.
- c. All CWIP during the year has capitalised in respective head of asset and CWIP balance at March 31, 2025 is Rs. Nil.
- d. All above projects/Plant & Machinery are within expected cost and timeline.

(INR in Lakh)

## 12 Loans and advances

	Long-term		Short-term	
	As at	As at	As at	As at
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
<b>Security deposit</b>				
Unsecured, considered good	20.66	20.66	-	-
(A)	20.66	20.66	-	-
<b>Advances recoverable in cash or kind</b>				
Unsecured considered good	-	-	0.20	0.20
(B)	-	-	0.20	0.20
<b>Other loans and advances</b>				
Loans to employees	-	-	6.98	8.22
Balances with government authorities	-	-	192.86	176.23
(C)	-	-	199.84	184.45
<b>Total (A+ B + C)</b>	20.66	20.66	200.04	184.65

There are no loans or advances in the nature of loans or advance granted to Promoters, Directors, KMPs and their related parties (as defined under Companies Act, 2013), either severally or jointly with any other person, that are:

- a. repayable on demand; or  
b. without specifying any terms or period of repayment.

## 13 Cash and bank balances (Current)

	As at	As at
	March 31, 2025	March 31, 2024
Balances with banks on current accounts	909.43	891.08
Balances with banks on deposit accounts	965.23	917.42
Cash on hand	0.10	-
	<u>1,874.76</u>	<u>1,808.50</u>

## 14 Other income

	For the year	For the year
	2024-25	2023-24
<b>Interest income:</b>		
Bank deposits	71.98	60.95
Others	-	46.60
	<u>71.98</u>	<u>107.55</u>

## 15 Employee benefits expense

	For the year	For the year
	2024-25	2023-24
Salaries, wages and bonus	62.29	163.57
Contribution to fund	3.28	14.86
Gratuity expenses	-	-
Staff welfare expenses	3.27	5.97
	<u>68.84</u>	<u>184.40</u>

## 16 Balances written off / back (net) on business halted

	For the year	For the year
	2024-25	2023-24
Balances written off / back (net) on business halted (note 26)	-	7,120.23
	<u>-</u>	<u>7,120.23</u>

(INR in Lakh)

## 17 Other expenses

	For the year	For the year
	2024-25	2023-24
Power expenses	3.63	3.30
Rent Expenses	22.60	61.60
Travelling & Conveyance	3.17	30.62
Legal & Professional expenses	96.76	81.70
Repairs and maintenance	0.55	1.99
Insurance	6.28	6.46
Payment to auditor (Refer details below)	3.00	12.00
Miscellaneous expenses	38.30	72.49
	<u>174.29</u>	<u>270.16</u>

## Payment to auditor

	For the year	For the year
	2024-25	2023-24
As auditor:		
Audit fee	3.00	12.00
	<u>3.00</u>	<u>12.00</u>

## 18 Finance costs

	For the year	For the year
	2024-25	2023-24
<b>Interest cost:</b>		
On Term Loan	2.21	3.97
Bank charges	0.09	0.34
	<u>2.30</u>	<u>4.31</u>

## 19 Earnings per share (EPS)

The following reflects the profit and share data used in the basic EPS computations:

	For the year	For the year
	2024-25	2023-24
Net profit for calculation of basic and diluted EPS	(177.76)	(7,635.73)
Weighted average number of equity shares in calculating basic EPS	12,643,780	12,643,780
Basic and diluted EPS in INR	(1.41)	(60.39)

