



# GOVIND PRASAD & CO.

CHARTERED ACCOUNTANTS

Govind Prasad: B. Com, FCA

Mob No.: 9869447724, E-mail: govind\_aggarwal@hotmail.com

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## Independent Auditor's Report

To the board of directors of Sunraj Diamond Exports Limited

Report on the audit of the Standalone Financial Results

### Qualified Opinion

We have audited the accompanying standalone quarterly financial results of **Sunraj Diamond Exports Limited** (the company) for the quarter ended 31<sup>st</sup> March 2022 and the year-to-date results for the period from 01<sup>st</sup> April 2021 to 31<sup>st</sup> March 2022, attached herewith, being submitted by the company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us these standalone financial results:

- i. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- ii. give a true and fair view in conformity with the recognition and measurement principles, except for the effects of matters described in the basis for *qualified opinion section of our report*, for laid down in the applicable accounting standards and other accounting principles generally accepted in India of the **Net Profit** and other comprehensive income and other financial information for the quarter ended 31<sup>st</sup> March 2022 as well as the year-to-date results for the period from 1<sup>st</sup> April 2021 to 31<sup>st</sup> March 2022

### Basis for Qualified Opinion

1. *As per the note no. 31: Employee Benefits, the company has not made the provision of employee cost with reference to the retirement benefits of the employees.*
2. *The company has delayed in transferring the amount to Investors Education Protection Fund Account as required by the section 125 of the Companies Act, 2013. Details of delay are available under II (1) (H) (iii) of this audit report.*

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013 (the Act). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Results section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial results 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 the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Management's Responsibilities for the Standalone Financial Results

These quarterly financial results as well as the year-to-date standalone financial results have been prepared on the basis of the interim financial statements. The Company's Board of Directors are responsible for the preparation of these financial results that give a true



and fair view of the **Net Profit** and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in Indian Accounting Standard under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

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

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

- Identify and assess the risks of material misstatement of the standalone financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.



- Evaluate the overall presentation, structure and content of the standalone financial results, including the disclosures, and whether the financial results represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

#### **Other Matter**

The statement includes results for the quarter ended 31<sup>st</sup> March 2022, being balancing figures between audited figures in respect of full financial year ended 31<sup>st</sup> March 2022 and the published unaudited year-to-date figures up to the third quarter of the current financial year, which were subjected to a limited review by the preceding auditor, as required under the Listing Regulations.



For Govind Prasad and Co.  
Chartered Accountants  
FRN: 114360W

**Govind Prasad** Digitally signed by  
Govind Prasad  
Date: 2022.05.30  
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CA Govind Prasad  
Partner  
M. No.: 047948  
UDIN:22047948AJXANI3925

Place: Mumbai  
Date: 30<sup>th</sup>

**SUNRAJ DIAMOND EXPORTS LIMITED (CIN L36912MH1990PLC057803)**

Regd. Office: 616, PRASAD CHAMBERS, OPERA HOUSE, MUMBAI 400004.

**STATEMENT OF AUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER ENDED 31st March, 2022.**

**(Rupees in Lakhs)**

Sr. no	Particulars	Audited Quarter Ended	Unaudited Quarter Ended	Audited Quarter Ended	Audited Year Ended	
		March 31, 2022	December 31, 2021	March 31, 2021	March 31, 2022	March 31, 2021
1	Income					
	(a) Revenue from Operations	140.82	168.45	50.70	438.23	124.12
	(b) Other Income	22.41	1.04	46.85	46.05	0.05
	<b>Total Income</b>	<b>163.23</b>	<b>169.49</b>	<b>97.55</b>	<b>484.27</b>	<b>124.17</b>
2	Expenses					
	(a) Cost of Materials Consumed	101.64	13.34	0.00	114.98	0.00
	(b) Purchase of stock-in-trade	123.95	115.25	12.77	840.14	74.39
	(c) Change in Inventories of finished goods, work in progress and stock-in-trade	(94.31)	12.78	(3.03)	(563.32)	(6.70)
	(d) Manufacturing Expenses	-	0.05	-	0.05	-
	(e) Employee benefits expense	3.80	4.71	1.88	15.95	18.93
	(f) Other expenses	5.81	14.06	54.36	28.47	71.76
	(g) Finance costs	0.58	1.80	28.30	16.61	89.33
	(h) Depreciation and amortisation expenses	0.23	0.23	0.08	0.58	0.38
	<b>Total expenses</b>	<b>141.72</b>	<b>162.22</b>	<b>94.36</b>	<b>453.46</b>	<b>248.09</b>
3	Profit/(Loss) before exceptional Items and tax (1-2)	21.51	7.27	3.19	30.81	(123.91)
4	Add/(Less) : Exceptional Items (net)	-	-	-	-	-
5	Profit / (Loss) before tax [3 + 4]	21.51	7.27	3.19	30.81	(123.91)
6	Tax expenses					
	(a) Current Tax	-	-	-	-	-
	(b) Deferred Tax	1.37	(0.04)	(0.02)	1.40	0.14
	(c) Tax in respect of earlier years	-	-	6.96	-	6.96
	<b>Total Tax Expense (a+b+c)</b>	<b>1.37</b>	<b>(0.04)</b>	<b>6.94</b>	<b>1.40</b>	<b>7.11</b>
7	Net Profit (+) /Loss(-) for the period	20.14	7.31	(3.75)	29.41	(131.02)
8	Other Comprehensive Income	-	-	-	-	-
9	<b>Total comprehensive income for the period (5+6)(Comprising Profit/(Loss) and other Comprehensive income for the period)</b>	<b>20.14</b>	<b>7.31</b>	<b>(3.75)</b>	<b>29.41</b>	<b>(131.02)</b>
10	Paid Up Equity Share capital (Face Value Rs. 10/- Per Share)	53.30	53.30	53.30	53.30	53.30
11	i) Earnings Per Share (of Rs.10/- each) (Not annualised) :					
	(a) Basic	0.38	0.14	(0.07)	0.55	(2.46)
	(b) Diluted	0.38	0.14	(0.07)	0.55	(2.46)

**NOTES :**

- The above unaudited financial results as reviewed by the Audit Committee have been approved by the Board of Directors at their meeting held on 30th May, 2022.
- The company is engaged in business segment i.e. Trading & Manufacturing in Gems and Precious Metals. Segment Reporting as defined in Ind-AS 108 is not applicable.
- Comparative figures have been rearranged/regrouped wherever necessary.

For Govind Prasad & Co.  
Chartered Accountants  
(FR No. 114360W)

**Govind Prasad**  
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Date: 2022.05.30 16:15:17 +05'30'

Govind Prasad  
(Partner)  
(M. No. 047948)  
Date: 30.05.2022  
Place: Mumbai

For and Behalf of the Board of Directors,

**SUNNY SUNIL GANDHI**  
Digitally signed by SUNNY SUNIL GANDHI  
Date: 2022.05.30 15:53:52 +05'30'

Sunny S. Gandhi  
(Director)  
DIN - 00695322  
Date: 30.05.2022  
Place: Mumbai



**SUNRAJ DIAMONDS EXPORTS LIMITED**  
**CIN - L36912MH1990PLC057803**  
**BALANCE SHEET AS AT 31ST MARCH 2022**

(Rupees in Lakhs)

PARTICULARS	As at 31st March 2022	As at 31st March 2021
<b>ASSETS</b>		
<b>Non-current Assets</b>		
Property, Plant and Equipment	5.64	5.01
Intangible Assets	2.78	0.18
Financial Assets		
Investments	59.67	59.67
Other Non-current Assets	2.18	4.70
Deferred Tax Assets (Net)	3.51	4.90
	<b>73.78</b>	<b>74.46</b>
<b>Current Assets</b>		
Inventories	596.69	33.37
Financial Assets		
Trade Receivables		
For more than 3 years	1,139.96	1,542.09
Cash and Cash Equivalents	24.01	5.41
Other Balance with Banks	6.67	13.00
Loans	2.94	0.17
Other Current Assets	23.97	19.03
	<b>1,794.24</b>	<b>1,613.07</b>
<b>TOTAL ASSETS</b>	<b>1,868.02</b>	<b>1,687.53</b>
<b>EQUITY &amp; LIABILITIES</b>		
<b>EQUITY</b>		
Equity Share Capital	533.04	533.04
Other Equity	(392.85)	(422.26)
	<b>140.19</b>	<b>110.78</b>
<b>LIABILITIES</b>		
<b>NON-CURRENT LIABILITIES</b>		
Financial Liabilities		
Borrowings	0.48	2.65
	<b>0.48</b>	<b>2.65</b>
<b>CURRENT LIABILITIES</b>		
Financial Liabilities		
Borrowings	1,694.75	1,398.57
Trade Payables		
Due to Micro and Small Enterprises	-	-
Due to Others		
For less than 1 year	4.42	20.92
Between 1 to 2 years	0.06	8.96
Between 2 to 3 years	3.83	112.37
Beyond 3 years	16.25	15.32
Other Financial Liabilities	7.91	17.15
Other Current Liabilities	0.12	0.82
	<b>1,727.35</b>	<b>1,574.10</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>1,868.02</b>	<b>1,687.53</b>

For Govind Prasad & Co.  
Chartered Accountants  
(FR No. 114360W)

**Govind Prasad**  
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by Govind Prasad  
Date: 2022.05.30  
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Govind Prasad  
(Partner)  
(M. No. 047948)  
Date: 30.05.2022

For and Behalf of the Board of Directors

**SUNNY SUNIL GANDHI**  
Digitally signed by  
SUNNY SUNIL GANDHI  
Date: 2022.05.30  
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Sunny S. Gandhi  
(Director)  
DIN - 00695322  
Date: 30.05.2022

**SUNRAJ DIAMOND EXPORTS LIMITED**  
CIN - L36912MH1990PLC057803  
**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2022**

		(Amount In Rs.)	(Amount In Rs.)
	PARTICULARS	As at 31st March 2022	As at 31st March 2021
<b>A.</b>	<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
	Profit Before tax	3,080,716	(12,391,324)
	Adjustment for :		
	Depreciation and Amortisation & Exceptional items	58,453	37,695
	Loss on sale of asset	-	49,543
	Exchange rate difference	(3,896,740)	3,777,798
	Interest Received	(459)	
	Finance Costs	1,661,329	8,933,175
	<b>Operating Profit before Working Capital Changes</b>	<b>903,299</b>	<b>406,887</b>
	Adjustment for :		
	(Increase) / Decrease in Trade Receivables	44,109,526	2,534,735
	(Increase) / Decrease in Financial Assets	(24,700)	(64,000)
	(Increase) / Decrease in Inventories	(56,332,129)	(670,034)
	(Increase) / Decrease in Other assets	158,774	362,829
	Increase / (Decrease) in Trade and other payables	(14,291,831)	(6,174,088)
	Cash generated from Operations activities	<b>(25,477,061)</b>	<b>(3,603,671)</b>
	Direct Taxes Paid (Net of Refund)	(20,017)	(189,161)
	<b>Net Cash from Operating Activities (A)</b>	<b>(25,497,078)</b>	<b>(3,792,832)</b>
<b>B</b>	<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
	Purchases of Property, Plant and equipment	(381,822)	(52,418)
	Interest Received	459	
	Sale of Property, Plant and equipment	-	8,474
	<b>Net Cash used in Investing Activities (B)</b>	<b>(381,363)</b>	<b>(43,944)</b>
<b>C</b>	<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
	Borrowings (net of borrowings repaid)	29,399,857	13,099,404
	Finance Cost	(1,661,329)	(8,933,175)
	<b>Net Cash used in Financing Activities (C)</b>	<b>27,738,528</b>	<b>4,166,229</b>
	<b>NET INCREASE/(DECREASE) IN CASH &amp; EQUIVALENTS</b>	<b>1,860,087</b>	<b>329,450</b>
	Cash & Cash Equivalents at the beginning of the year	540,602	211,152
	Cash & Cash Equivalents at the end of the year	<b>2,400,685</b>	<b>540,602</b>

(a) The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard (Ind-As-7)- Statement of Cash Flow

(b)	PARTICULAR	As at 31st MARCH,2022	As at 31st March,2021
	Cash and Cash Equivalents comprises of		
	Balance with Banks:		
	-Current Accounts	2,204,279	434,872
	-FD's	50,000	
	Cash on hand	146,406	105,730
	<b>Cash and Cash Equivalent in Cash Flow Statement</b>	<b>2,400,685</b>	<b>540,602</b>

For Govind Prasad & Co.  
Chartered Accountants  
(FR No. 114360W)

**Govind Prasad** Digitally signed  
by Govind Prasad  
Date: 2022.05.30  
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Govind Prasad  
(Partner)  
(M. No. 047948)  
Date: 30.05.2022

For and Behalf of the Board of Directors

**SUNNY  
SUNIL  
GANDHI** Digitally signed by  
SUNNY SUNIL  
GANDHI  
Date: 2022.05.30  
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Sunny S. Gandhi  
(Director)  
DIN - 00695322  
Date: 30.05.2022

**SUNRAJ DIAMOND EXPORTS LIMITED**  
**PROFIT & LOSS STATEMENT FOR THE QUARTER ENDED 31st March, 2022**

Particulars	From 01.04.21 to 30.06.2021	From 01.07.21 to 30.09.2021	From 01.10.21 to 31.12.2021	From 01.01.22 to 31.03.2022	Total
<b><u>Income :</u></b>					
Sales	8,915,293	3,980,508	16,844,883	14,081,828	43,822,512
Discount Received	-	5,130	-	-	5,130
Other Income	1,759,532	495,326	103,791	2,240,880	4,599,529
	10,674,825	4,480,964	16,948,674	16,322,708	48,427,171
<b><u>Expenditure :</u></b>					
Cost of Material Consumed	-	-	1,333,762	10,164,386	11,498,148
Cost of Goods Sold	13,098,761	46,995,365	11,524,995	12,395,214	84,014,335
Changes in inventories of Stock-in-trade	(4,899,928)	(43,279,194)	1,277,566	(9,430,573)	(56,332,129)
Manufacturing Expenses	-	-	4,604	-	4,604
Staff Cost	372,000	371,800	471,200	379,873	1,594,873
Selling, Administration & Other exp	563,810	295,541	1,406,241	581,250	2,846,842
Interest & Finance expenses	1,184,516	238,297	180,080	58,436	1,661,329
Depreciation	4,590	7,609	23,127	23,127	58,453
<b>Total Expenditure</b>	10,323,749	4,629,418	16,221,575	14,171,713	45,346,455
Exceptional Item	-	-	-	-	-
Profit Before Tax	351,076	(148,454)	727,099	2,150,995	3,080,716
Provision for I-Tax	-	-	-	-	-
Provision for I-Tax of Previous Years	-	-	-	-	-
Excess/(Short) Provision for Tax	-	-	-	-	-
Provision for Deferred Tax	7,337	(955)	(3,582)	137,086	139,886
<b>Profit After Tax</b>	343,739	(147,499)	730,681	2,013,909	2,940,830

For and Behalf of the Board of Directors,

**SUNNY SUNIL  
GANDHI**

Digitally signed by  
SUNNY SUNIL GANDHI  
Date: 2022.05.30  
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Sunny S. Gandhi  
(Director)  
DIN - 00695322

Date: 30th May, 2022

To,  
BSE Limited  
Department of Corporate Services  
Phiroze Jeejeebhoy Towers, Dalal Street,  
Mumbai – 400001.

**Sub.: Statement on Impact of Audit qualification with modified Opinion pursuant to Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.**

**Ref : Sunraj Diamond Exports Limited**  
**Script Code : 523425; Script Symbol: SUNRAJDI**

Dear Sir,

Pursuant to Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby confirm and declare that Statutory Auditors of the M/s. Sunraj Diamond Exports Limited have issued Audit Report with modified opinion on standalone financial results of the Company for the financial year ended March 31, 2022 as below:

Sr No	Modified Opinion	Clarification
1.	The Company has not made the provision of employee cost with reference to the retirement benefits of the employees. Details of the same are mentioned in Note no. 31 of the Audit Report.	The Opinion of the Auditor in Self explanatory and Company is in process of complying the same and necessary compliance will be done in due course.
2.	The company has delayed in transferring the amount to Investors Education Protection Fund Account as required by the section 125 of the Companies Act, 2013. The details of delay are available under II (1) (H) (iii) of the Audit Report.	The Company has inadvertently delayed in transferring the amount to Investors Education Protection Fund Account as required by the section 125 of the Companies Act, 2013. The Company is in process of complying the same and necessary compliance will be done in due course.

Kindly take the above on record.

Thanking You.

Yours faithfully,  
**For Sunraj Diamond Exports Limited**

SUNNY SUNIL  
GANDHI  
Digitally signed by SUNNY  
SUNIL GANDHI  
Date: 2022.05.30 15:48:07  
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**Sunny Gandhi**  
**Director**

## **SUNRAJ DIAMOND EXPORTS LTD.**

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Tel: 022 23610069 / 23638559

E-mail: [info@sunrajdiamonds.com](mailto:info@sunrajdiamonds.com)

Website: [www.sunrajdiamonds.com](http://www.sunrajdiamonds.com)

**CIN NO.: L36912MH1990PLC057803**