



# SOVEREIGN METALS LIMITED

**12<sup>th</sup> ANNUAL REPORT 2022-23**

## **SOVEREIGN METALS LIMITED**

(CIN: U27109GJ2012PLC069162)

### **REGISTERED OFFICE**

Plot No. 35p, 36p, 37p, 38 & 40B, Phase - 3, Naroda, G.I.D.C Ahmedabad-382330, Gujarat, India  
Ph. : 91 281/2225988 / 91 79 6621 2400 Email : [info@sovereignmetals.in](mailto:info@sovereignmetals.in)

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**COMPANY INFORMATION**

**BOARD OF DIRECTORS**

Mr. Viral Pankaj Lodhiya	Managing Director
Mr. Kaushik Chimanlal Lodhiya	Director
Mr. Chimanlal Laljibhai Lodhiya	Director
Mrs. Sheetal Pankaj Lodhiya	Director
Mr. Hasmukhlal P. Delawala	Independent Director
Mr. Kalpak A. Maniar	Independent Director

**KEY MANAGERIAL PERSONNEL**

Mr. Viral Pankaj Lodhiya	Managing Director
Ms. Shruti Niraj Shingala	Chief Financial Officer
Mr. Jay Kishorbhai Rathod*	Company Secretary

\*appointed w.e.f. 02-06-2022

**STATUTORY AUDITOR**

**M/S. J.C. RANPURA & CO.**  
Star Avenue First Floor,  
Dr. Radhakrishnan Road,  
Opp. Rajkumar College Rajkot-360001.

**SECRETARIAL AUDITOR**

**M/S. K. P. RACHCHH & CO.,**  
Company Secretary  
317, Krishna Con Arch-2,  
Tagore Road, Rajkot 360002

**REGISTRAR & TRANSFER AGENT**

**KFin TECHNOLOGIES PRIVATE LIMITED**

(Formerly known as Karvy Fintech Private Limited)  
Karvy Selenium Tower B, Plot 31&32, Gachibowli, Financial District,  
Nanakramguda, Hyderabad – 500 032, Telangana  
Ph. No. : +91 40 6716 2222, 3321 1000  
Website: [www.karvyfintech.com](http://www.karvyfintech.com)

**COMPANY DETAILS**

**SOVEREIGN METALS LIMITED**

(CIN: U27109GJ2012PLC069162)  
Plot No. 35p, 36p, 37p, 38 & 40B,  
Phase - 3, Naroda, G.I.D.C,  
Ahmedabad-382330, Gujarat, India.  
Telephone: +91 79 6621 2400, +91 281 2225988  
Fax: +91 281 2234744  
EMAIL: [info@sovereignmetals.in](mailto:info@sovereignmetals.in)  
Website: <https://sovereignmetals.in>

**Corporate Office Address:**

31, Shaligram Complex, Bhupendra Road,  
Rajkot 360001, Gujarat, India  
**CIN : U27109GJ2012PLC069162**

**NOTICE**

**NOTICE** is hereby given that the **12TH ANNUAL GENERAL MEETING** of the members of **SOVEREIGN METALS LIMITED** will be held on **29th September, 2023 on Friday** through the mode of Video Conferencing/OAVM Means at **05:00 P.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 31st March, 2023, the reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Viral P. Lodhiya (DIN – 08228595), who retires by rotation and being eligible, offers himself for re appointment.

Place: Rajkot  
Date: 20th September, 2023

By Order of the Board of  
**SOVEREIGN METALS LIMITED**

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**Chimanlal Laljibhai Lodhiya**  
Chairman and Director  
(DIN: 01144051)

**NOTES:**

1. In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs (“MCA”) has vide its circular dated April 8, 2020, April 13, 2020, May 5, 2020, January 13, 2021, 5th May, 2022 and various other circulars related thereto (collectively referred to as “MCA Circulars”) permitted the holding of the Annual General Meeting through VC/OAVM (“AGM” or “e-AGM”), without the physical presence of the members of the Company at a common venue and accordingly this 12th Annual General Meeting will be held through Video Conferencing (“VC”)/Other Audio Visual Means(OAVM).
2. The Link for attending the Annual General Meeting will be provided separately through E-mail to all the members of the Company in due course of Time along with detail instructions.
3. The deemed venue for the AGM shall be the place from where Chairman of the Company/Meeting is attending the AGM i.e. at Rajkot. A brief profile of directors seeking appointment/Re-appointment at ensuing AGM is attached as Annexure 01 to this report.
4. In terms of provision of Section 107 of the Companies Act, 2013, the resolutions put to vote as set out in notice be decided on a show of hands.
5. Generally, a member entitled to attend and vote at the General meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a member of the Company. Since this AGM is being held through VC/OVAM pursuant to the MCA Circulars, physical attendance of members has been dispensed with.

ACCORDINGLY, THE FACILITY FOR APPOINTMENT OF PROXIES BY THE MEMBERS WILL NOT BE AVAILABLE FOR THE AGM AND HENCE THE PROXY FORM AND ATTENDANCE SLIP ARE NOT ANNEXED HERETO.

6. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
7. Shareholders seeking any further information on the accounts and operations of the Company at the Annual General Meeting are requested to send their queries to the Company at the Registered Office at least 2 days before the date of the meeting.
8. Since the AGM will be held through VC/OVAM, the route map of the venue of the meeting is not annexed hereto.

Place: Rajkot  
Date: 20th September, 2023

By Order of the Board of  
**SOVEREIGN METALS LIMITED**

\_\_\_\_\_  
**Chimanlal Laljibhai Lodhiya**  
Chairman and Director  
(DIN: 01144051)

#### ANNEXURE TO THE NOTICE

##### Annexure - 1

#### BRIEF PROFILE OF THE DIRECTORS SEEKING APPOINTMENT/RE APPOINTMENT IN FORTHCOMING ANNUAL GENERAL MEETING:

Name of Director	VIRAL PANKAJ LODHIYA
Date of Birth	12/10/1995
Date of Appointment	19/09/2018
Expertise in Specific functional area	Expertise in the field of Business Management & Administration, Business Development and Finance
Experience	More than 6 years of Experience
Education Qualification	Master of Science in International Management
List of other public companies in which Directorship held	NIL
Shareholding in this company	1,09,08,000 Equity Shares (18%)
Relationship with Other Directors	Son of Mrs. Sheetal Pankaj Lodhiya, Grandson of Mr. Chimanlal L. Lodhiya

Place: Rajkot  
Date: 20th September, 2023

By Order of the Board of  
**SOVEREIGN METALS LIMITED**

\_\_\_\_\_  
**Chimanlal Laljibhai Lodhiya**  
Chairman and Director  
(DIN: 01144051)

**BOARD'S REPORT**

To,  
The Members,

Your Directors have pleasure in presenting before you the 12<sup>th</sup> Annual Report along with the Audited Balance sheet And Profit & Loss Account for the Year ended 31<sup>st</sup> March 2023.

**1. FINANCIAL RESULT:****(Amount in Rs. In Lacs)**

Particulars	2022-23	2021-22
Revenue from Operation	6,28,189.73	5,55,851.43
Other Income	234.40	25.98
<b>Total Revenue</b>	<b>6,28,424.13</b>	<b>5,55,877.41</b>
Profit & (Loss) before depreciation, Interest & tax	2657.64	2378.88
Less : Interest/Finance Cost	692.45	756.59
Profit & (Loss) Before Depreciation & Tax	1965.19	1622.29
Less: Depreciation and Amortization Expense	354.00	370.75
Profit&(Loss) after Depreciation Before Tax	1611.19	1251.54
Add: Exceptional items	0	0
Profit before Tax	1611.19	1251.54
Less:		
Current Tax	407.00	300.00
Earlier year Tax	26.37	-
Deferred Tax Asset/ (Liabilities)	2.21	198.08
MAT Credit Entitlement	-	-
<b>Net Profit &amp; (Loss) for the period</b>	<b>1175.61</b>	<b>753.45</b>

**2. RESULT OF OPERATION AND THE STATE OF AFFAIRS OF THE COMPANY:**

Company is engaged in Manufacturing and Trading of Gold, Gold Ornaments and Diamond Jewellery and Silver ornaments. During the year, Company has earned total Income of Rs. 628424.13 Lacs in comparison to previous year of Rs. 555877.41 Lacs. Company has earned Profit of Rs. 1175.61 Lacs in the year 2022-23 and in the year 2021-22 company has earned profit of Rs. 753.45 Lacs.

The Company is engaged in the volatile business, but segment is very demanding and having growth in overall demand of the precious metals. The Management is always making efforts to get better opportunities to give profitable growth to the Company. The Company aims to

expand the business and try to maintain stable profitability and try to grab the opportunities which may come in the Future path and future of the Company seems to be bright.

Company has its Head office at Ahmedabad and Branches at Mumbai, Delhi, Coimbatore, Jaipur, Bengaluru, Agra, Hyderabad, Kolkata, Indore, Vijayawada.

**3. DIVIDEND:**

With a view of ploughing back of profit for more growth and development of the Company, your directors do not recommend any dividend for the year.

**4. TRANSFER TO RESERVE:**

The Board of Directors of your Company has decided not to transfer any amount to General Reserves for the year under review.

**5. SHARE CAPITAL:**

Your Company has not issued any Equity Shares during the year under review and there is no change in the Capital Structure of the Company during the year 2022-23.

Further, the Company has not issued shares with differential voting rights nor granted stock options nor sweat equity shares and none of the Directors of the Company hold any convertible instruments.

**6. DEMATERIALISATION OF EQUITY SHARES:**

All the shares of the Company are in dematerialized form. The ISIN No. allotted is INE187V01013.

**7. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186:**

During the year, Company has not given any loan, Guarantees and has not made any Investments covered under section 186 of the Companies Act, 2013.

**8. DEPOSITS:**

Company has not accepted any deposit and as such, no amount of principal or Interest was outstanding as of the Balance Sheet date. As on 31<sup>st</sup> March 2023, there were unsecured loan from Shareholders of Rs.742.68 Lacs as per Bank Stipulation which are exempted deposits.

**9. PARTICULARS OF CONTRACT OR ARRANGEMENTS MADE WITH RELATED PARTIES**

All Contracts/Arrangements/Transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on arm's length basis and Particulars of the same are prescribed in Form AOC-2 and forms part of Board's Report as **Annexure-2**.

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

There were no Material Changes and Commitments affecting the Financial Position of the Company which have occurred between the end of the Financial year of the Company to which the Financial statements relate and the date of the Report.

**11. MAJOR EVENTS:**

No major events have been occurred during the year.

**12. CHANGE IN THE NATURE OF BUSINESS:**

There were no change in the nature of the business of the Company during the year.

**13. HOLDING/SUBSIDIARY/ASSOCIATE:**

As on 31st March, 2023, there were no Holding/Subsidiary/Associate Company of the Company.

**14. CONSOLIDATED FINANCIAL STATEMENT:**

Company doesn't have any subsidiaries, associate so there is no need to prepare consolidated financial statements for the FY 2022-23.

**15. STATEMENT FOR COMPLIANCE OF APPLICABLE SECRETARIAL STANDARDS:**

We, the Directors of the Company hereby state the Company has complied with applicable Secretarial Standards for the Board and General Meetings to the extend it is applicable.

**16. CHANGE IN BOARD OF DIRECTORS/KMP DURING AND AFTER FINANCIAL YEAR TILL SIGNING DATE:**

During the Year and as on the date of report, following changes have taken place in the Board of the Company:

- Pursuant to Section 2(19) & Section 203 Mr. Jay Kishorbhai Rathod appointed as Company Secretary of the Company w.e.f. 02-06-2022 by the Board.
- Further, Pursuant to provision of section 152(6) of the Companies Act, 2013, Mr. Viral P. Lodhiya (DIN – 08228595) is liable to retire by rotation and being eligible offers himself for re-appointment at the ensuing Annual General Meeting.



- Brief profile of director seeking appointment/re-appointment is attached as **Annexure-1** to this Report.

As on 31<sup>st</sup> March, 2023 Board/KMP is comprised as per following:

Sr. No.	Name of Director	Designation	DIN/PAN
1	Mr. Chimanlal Laljibhai Lodhiya	Director	01144051
2	Mr. Kaushik Chimanlal Lodhiya	Director	02060605
3	Mrs. Sheetal Pankaj Lodhiya	Director	07991942
4	Mr. Viral Pankaj Lodhiya	Managing Director	08228595
5	Mr. Hasmukhlal P. Delawala	Independent Director	08725350
6	Mr. Kalpalkbhai A. Maniar	Independent Director	00369957
7	Ms. Shruti Niraj Shingala	CFO	BVLPS6988L
8	Mr. Jay Kishorbhai Rathod*	Company Secretary	ATDPR2215E

\*Appointed w.e.f. 02-06-2022

#### **17. DECLARATION BY INDEPENDENT DIRECTORS:**

Mr. Hasmukhlal Papatlal Delawala (DIN – 08725350) and Mr. Kalpak A. Maniar (DIN – 00369957) are Independent Directors of the Company.

The Company has received necessary declaration from each Independent Director of the Company under Section 149(7) of the Companies Act, 2013 (the Act) that they meet with the criteria of their independence laid down in Section 149(6) of the Act.

#### **18. CORPORATE SOCIAL RESPONSIBILIY:**

Section 135 of the Companies Act, 2013 is applicable. During the year Rs. 11.92 Lakhs of amount needed to be spent, considering the Profit/Loss of the three immediately preceding financial years. Enclosed Annual Report on CSR Activities as **Annexure-3**.

Details regarding the Composition of CSR Committee and Meetings of CSR Committee is given in the point of Committees of Board's Report.

Details related to Meetings of CSR Committee is disclosed separately below in this Board's Report.

#### **19. COMMITTEES OF BOARD:**

During the year, Company has following Committees of Board,

##### **A. Composition & Meetings of Audit Committee:**

The Board has framed Audit Committee in accordance with the provisions of Section 177 of the Companies Act, 2013

Name of Director	Position	Independent/Executive/ Non-Executive	No. of Meetings held	No. of Meetings Attended
Mr. Kalpakbhai A. Maniar	Chairman	Independent Director	5	5
Mr. Hasmukhlal P. Delawala	Member	Independent Director	5	5
Mr. Kaushik C. Lodhiya	Member	Non-Executive Director	5	5

During the year, 2022-23, Audit Committee has met three (5) times

Sr. No.	Date of Meeting
1	25-04-2022
2	19-07-2022
3	23-09-2023
4	15-10-2022
5	20-01-2023

**Brief Description and Terms of Reference:**

- In accordance with the provision of the Section 177 of the Companies Act, 2013
- Overseeing the Company's financial reporting process and to ensure that the financial statements are correct, sufficient and credible.
- The recommendation for appointment, remuneration and terms of appointment, of the auditors of the Company.
- Review and monitor the auditor's independence and performance and effectiveness of the audit process & approval of Payment to Statutory Auditors for any other services rendered by the Statutory Auditors.

The Board has accepted all the recommendations of Audit committee.

**B. Composition & Meetings of Nomination & Remuneration Committee:**

The Board has framed Nomination and Remuneration Committee in accordance with the provisions of Section 178 of the Companies Act, 2013

Name of Director	Position	Independent/Executive/ Non-Executive	No. of Meetings held	No. of Meetings Attended
Mr. Hasmukhlal P. Delawala	Chairman	Independent Director	2	2
Mr. Kalpakbhai A. Maniar	Member	Independent Director	2	2
Mr. Kaushik C. Lodhiya	Member	Non-Executive Director	2	2

During the year, 2022-23, Nomination & Remuneration Committee has met Four (2) times

Sr. No.	Date of Meeting
1	02-06-2022
2	23-09-2022

**Brief Description and Terms of Reference:**

- In accordance with the provision of the Section 178 of the Companies Act, 2013
- Identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria lay down, recommend to the Board their appointment & removal and shall carryout evaluation of every director's performance.
- Formulate the criteria for determining qualifications, positive attributes and independence of director and recommended to the Board a policy relating to the remuneration for the directors, Key Managerial Personnel (KMP) and other employees.
- To decide or recommend to the Board remuneration of the Managing Director/Director/KMP and Senior Management of the Company.
- To approve, in the event of loss or inadequate profits in any year, minimum remuneration payable to the Whole-Time Directors/Managing Directors within the limits and to the parameters prescribed in the Schedule V to Companies Act, 2013.
- Other matters as may be prescribed from time to time to be deal with or handled by the Nomination and Remuneration Committee pursuant to provisions of the Companies Act, 2013 and the rules made thereunder

The Company has framed Nomination & Remuneration policy and annexed as **Annexure-4**.

**C. Composition & Meetings of Corporate Social Responsibility Committee:**

In accordance with the provision of section 135 of the Companies Act, 2013, your Company has already constituted Corporate Social Responsibility (CSR) Committee to perform social duty and spread welfare of the society at large.

Name of Director	Position	Independent/Executive/ Non-Executive	No. of Meetings held	No. of Meetings Attended
Mr. Kaushik C. Lodhiya	Chairman	Non-Executive Director	2	2
Mr. Chimanlal L. Lodhiya	Member	Non-Executive Director	2	2
Mr. Hasmukhlal P. Delawala	Member	Independent Director	2	2

During the year, 2022-23, Corporate Social Responsibility Committee has met Two (2) times

Sr. No.	Date of Meeting
1	25-04-2022
2	20-03-2023

**Brief Description and Terms of Reference:**

- The Terms of Reference of Corporate Social Responsibility Committee were as per section 135 of the Companies Act, 2013 and CSR Policy.
- The Committee is primarily responsible for formulating and recommending to the Board of Directors a Corporate Social Responsibility (CSR) Policy and monitoring the same from time to time, amount of expenditure to be incurred on the activities pertaining to CSR and monitoring CSR activities.

**20. ESTABLISHMENT OF VIGIL MECHANISM:**

The Company has established a Vigil Mechanism for Directors and Employees to Report Genuine Concerns as per Section 177 of the Companies Act, 2013. The Board of Directors has nominated Mr. Kaushik C. Lodhiya, Director (DIN: 02060605) of the Company for the Purpose of Vigil Mechanism to whom other Directors and Employees report their concerns.

The Vigil Mechanism will provide adequate safeguards against victimization of employees and directors who avail of the Vigil Mechanism and also provide for direct access to Mr. Kaushik C. Lodhiya nominated in this regard.

**21. ANNUAL EVALUATION:**

Pursuant to section 134 (p) of the Companies Act, 2013, Board has made annual evaluation of its own performance and also of its committees and Individual Directors. The evaluation of all the directors and the Board as a whole was conducted based on the criteria and framework adopted by the Board and Nomination and remuneration committee. In Furtherance Independent Directors have also met once during a year without Non-Independent directors for review of performance of non-Independent directors and the Board of Directors as a whole, review the performance of Chairman taking into account view of executive directors and non-executive directors. Evaluation made on various criteria's such as analyzing skill of Directors related to Leadership, Strategy Formulation and execution, financial planning / performance, skill related to maintenance of relationship including both i.e. internal and external relationship, participation in the decision making, presence of board meeting, knowledge and competency, assessment of risk factors etc.

Observations of board evaluation carried out for the year	:	NIL
Previous year's observations and actions taken	:	NIL
Proposed actions based on current year observations	:	NOT REQUIRED

**22. PARTICULARS OF EMPLOYEES & MANAGERIAL REMUNERATION:**

There were no employees who were drawing remuneration in excess of the limits prescribed in Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Disclosure as per requirement of Schedule V:

(i) all elements of remuneration package such as salary, benefits, bonuses, stock options, pension, etc., of all the directors;

No Director is paid any remuneration except to Mr. Viral P. Lodhiya, Managing Director of the Company. During the year 2021-22 he was paid remuneration of Rs. 56.82 Lakhs.

(ii) details of fixed component and performance linked incentives along with the performance criteria; No such Incentive paid

(iii) service contracts, notice period, severance fees; and: None

(iv) stock option details, if any, and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable: None, No Stock option.

### 23. NUMBER OF MEETING OF THE BOARD:

#### Attendance at Board Meetings :

Total 7 Board meetings were held during the year 2022-23 as under:

Sr. No.	Dates of Board Meetings and Presence (Y: YES /N: NO/ NA: Not Applicable)	Name of Directors & Designation					
		Mr.Chimanlal L. Lodhiya	Mr. Hasmukhlal P. Delawala	Mr. Kalpakbhai A. Maniar	Mr. Kaushik C. Lodhiya	Mrs. Sheetal P. Lodhiya	Mr. Viral P. Lodhiya
		Director (DIN: 01144051)	Independent Director (DIN: 08725350)	Independent Director (DIN: 00369957)	Director (DIN: 02060605)	Director (DIN: 07991942)	Managing Director* (DIN: 08228595)
1	25-04-2022	Y	Y	Y	Y	Y	Y
2	02-06-2022	Y	Y	Y	Y	Y	Y
3	17-06-2022	Y	Y	Y	Y	Y	Y
4	19-07-2022	Y	Y	Y	Y	Y	Y
5	23-09-2022	Y	Y	Y	Y	Y	Y
6	02-11-2022	Y	Y	Y	Y	Y	Y
7	04-02-2023	Y	Y	Y	Y	Y	Y

CS Jay Rathod, Company Secretary of the Company has attended meetings after 02-06-2022.

### 24. DIRECTORS' RESPONSIBILITY STATEMENT:

In accordance with the requirement of section 134(5) of the Companies Act, 2013, it is hereby stated that-

- in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit or loss of the Company for that period;
- the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

- (d) the Directors had prepared the annual accounts on a going concern basis; and
- (e) The Directors had devised proper systems to ensure compliance with the Provisions of all applicable laws and that such systems were adequate and operating effectively.

**25. DISCLOSURE UNDER INSOLVENCY AND BANKRUPTCY CODE, 2016:**

During the year, there were no application made and no any proceeding is pending against the Company under the Insolvency and Bankruptcy Code, 2016.

**26. DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF:**

During the year under consideration, there were no such kind instances by/with the company, so no details are required to be mentioned herewith.

**27. RISK MANAGEMENT POLICY:**

Company has developed a system wherein Risk Management is taken care for the Company including identification therein of elements of Risk.

**28. AUDITOR AND AUDITORS' REPORT:**

**STATUTORY AUDITORS**

Pursuant to provision of section 139 of the Companies Act, 2013, in 08<sup>th</sup> Annual General Meeting convened on 30<sup>th</sup> September, 2019, Members have appointed M/s. J.C. RANPURA & CO., (FRN:108647W), Chartered Accountants as Statutory Auditor of the Company to hold office for a continuous period of Five years i.e. from 2019-20 till the conclusion of Annual General Meeting of the Financial year 2023-24 and M/s. J.C. RANPURA & CO is eligible to continue to act as Statutory auditor of the Company till the Conclusion of Annual General Meeting of the Financial year 2023-24 and the Statutory Auditor has confirmed their eligibility and submitted the certificate in writing that they are not disqualified to continue to hold the office of Statutory auditor of the Company.

**STATUTORY AUDITORS REPORT:**

The Notes on financial statement referred to in the Auditors' Report are self-explanatory and therefore, do not call for any further comments. The Auditors' report does not contain qualification, reservation or adverse remark.

**DETAILS OF FRAUD REPORT BY AUDITOR:**

There have been no instances of fraud reported by the Auditors under Section 143(12) of the Companies Act, 2013.

**SECRETARIAL AUDIT:**

Pursuant to Provision of section 204 of the Companies Act, 2013, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board has appointed M/s. K. P. Rachchh & Co., Practicing Company Secretary, to conduct Secretarial Audit for the financial year 2022-23.

The Company has obtained Secretarial Audit Report as required under Section 204(1) of the Companies Act, 2013 from M/s. K. P. Rachchh & Co., Practicing Company Secretary, Rajkot. The said Report is attached with this Report as **Annexure-5**. Qualification put up by the Secretarial auditor is self explanatory and no further clarification is required.

**INTERNAL AUDIT:**

Ms. Shruti Niraj Shingala, Chartered Accountant was appointed as Internal Auditor of the Company along with the powers and duties as mentioned in the Companies Act, 2013 and Rules made in this regard to carry out internal audit as per provision of section 138 of the Companies Act, 2013.

**COST AUDIT:**

Cost Audit is not applicable to the Company.

**29. EXTRACT OF ANNUAL RETURN:**

Pursuant to Section 92(3) read with Section 134(3)(a) of the Act, the Annual Return as on March 31, 2023 is available on the Company's website on www. <https://sovereignmetals.in>

**30. INTERNAL FINANCIAL CONTROL:**

The Board has adopted procedures for ensuring the orderly and efficient business conduct of its business and there is an adequate internal financial control system over financial reporting and such internal financial controls over financial reporting operate effectively.

**31. CONSERVATION OF ENERGY, TECHNOLOGY, ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO:**

In accordance with the requirement of section 134(3) (m) of the companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014, the particulars with respect to conservation of energy technology Absorptions and foreign exchange earnings and outgo are presented here under:

**[A] CONSERVATION OF ENERGY**

- i. the steps taken or impact on conservation of energy : Conservation of energy is always been an area of priority in the Company's operations. The Company has consumed Electricity of Rs. 122.54 Lacs.

- ii. the steps taken by the company for utilising alternate sources of energy: NIL
- iii. The Capital Investment or Energy conservation Equipments: NIL

**[B] TECHNOLOGY ABSORPTION:**

- i. The efforts made towards technology absorption; NIL
- ii. The Company has not imported any technology during the last three years reckoned from the beginning of the financial year
- iii. the expenditure incurred on Research and Development: NIL

The company has not initiated any research and development activities and thus no Expenditure has been incurred on Research and Development.

**[C] FOREIGN EXCHANGE EARNINGS AND OUTGO:**

Foreign Earnings: Rs. 19,475.01 Lakhs  
Foreign Out Go : Rs. 5,01,172.62 Lakhs

**32. SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS:**

No significant and material orders were passed by the regulators or court or tribunals which affect the going concern status and future operation of the Company.

**33. DISCLOSURES UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013:**

We the Directors of the Company states that the company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 [14 of 2013] and during the year there was no Complaint in this matter.

**ACKNOWLEDGEMENT:**

Your Directors would like to express their sincere appreciation for the assistance and co-operation received from Financial Institution, Government authorities, customers, vendors and members. The Directors also wish to take place on record their deep sense of appreciation to all employees for the dedicated services rendered at various levels without whose contribution your company could not achieved the present stage of performance and will look forward to their continued support in the future as well.

Date: 29th August, 2023  
Place: Rajkot

For and On behalf of  
**SOVEREIGN METALS LIMITED**

**Viral P. Lodhiya**  
Managing Director  
DIN: 08228595

**Kaushik C. Lodhiya**  
Director  
DIN: 02060605



**Annexure - 1****BRIEF PROFILE OF THE DIRECTORS SEEKING APPOINTMENT/RE APPOINTMENT IN FORTHCOMING ANNUAL GENERAL MEETING:**

Name of Director	VIRAL PANKAJ LODHIYA
Date of Birth	12/10/1995
Date of Appointment	19/09/2018
Expertise in Specific functional area	Expertise in the field of Business Management & Administration, Business Development and Finance
Experience	More than 6 years of Experience
Education Qualification	Master of Science in International Management
List of other public companies in which Directorship held	NIL
Shareholding in this company	1,09,08,000 Equity Shares (18%)
Relationship with Other Directors	Son of Mrs. Sheetal Pankaj Lodhiya, Grandson of Mr. Chimanlal L. Lodhiya

Place: Rajkot  
Date: 20th September, 2023

By Order of the Board of  
**SOVEREIGN METALS LIMITED**

\_\_\_\_\_  
**Chimanlal Laljibhai Lodhiya**  
Chairman and Director  
(DIN: 01144051)

**Annexure - 2****FORM NO. AOC-2**

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/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.

Details of contracts or arrangements or transactions not at arm's length Basis: **NIL**

Details of material contracts or arrangement or transactions at arm's length basis :

(Amt. in Rs. in Lakhs)

Name(s) of the related party and nature of relationship:	Nature of contracts/ arrangements/ transactions	Duration of the contracts / arrangement/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board	Amount paid as advances, if any
Shreeji Ornaments Private Limited (Group Company)	Sale of goods	Continuous & Approved omnibus yearly	2415.00	25-04-2022	NIL
Shreeji Ornaments Private Limited (Group Company)	Purchase of goods	Continuous & Approved omnibus yearly	1962.18	25-04-2022	NIL
Ariplutus Metals Private Limited (Group Company)	Purchase of goods	Continuous & Approved omnibus yearly	481.94	25-04-2022	NIL
Ariplutus Metals Private Limited (Group Company)	Sale of goods	Continuous & Approved omnibus yearly	1180.13	25-04-2022	NIL
Ariplutus Metals Private Limited (Group Company)	Business Promotion Expense	Continuous & Approved omnibus yearly	1.82	25-04-2022	NIL
Virmit Jewels Private Limited (Group Company)	Sale of goods	Continuous & Approved omnibus yearly	0.30	25-04-2022	NIL
Virmit Jewels Private Limited (Group Company)	Purchase of goods	Continuous & Approved omnibus yearly	4.88	25-04-2022	NIL
Virmit Jewels Private	Refining	Continuous	5.40	25-04-2022	NIL

Limited (Group Company)	Charges	& Approved omnibus yearly			
Ms. Payal K. Lodhiya (Wife of Director)	Rent	Approved yearly	6.60	25-04-2022	NIL
Ms. Urmilaben C. Lodhiya (Wife of Director)	Rent	Approved yearly	6.60	25-04-2022	NIL
Ms. Sheetal P. Lodhiya (Director)	Rent	Approved yearly	6.60	25-04-2022	NIL

Date: 29th August, 2023  
Place: Rajkot

For and On behalf of  
**SOVEREIGN METALS LIMITED**

**Viral P. Lodhiya**  
Managing Director  
DIN: 08228595

**Kaushik C. Lodhiya**  
Director  
DIN: 02060605

## Annexure - 3

## ANNUAL REPORT ON CSR ACTIVITIES 2022-23

## 1. A Brief outline of the CSR policy of the Company.

The Company has framed its own CSR Policy. The Company is spending the amount of CSR Expense in the various activities described under Schedule VII of the Companies Act, 2013.

## 2. The Composition of the CSR Committee.

Sr. No.	Name of Director	Designation/Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of Meetings of CSR Committee attended during the year
1	Mr. Kaushik C. Lodhiya	Non-Executive Director – Chairman	2	2
2	Mr. Chimanlal L. Lodhiya	Non-Executive Director – Member	2	2
3	Mr. Hasmukhlal P. Delawala	Independent Director-Member	2	2

## 3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.

Composition of CSR committee is disclosed in the policy and same is uploaded at the website of the Company <https://sovereignmetals.in>.

## 4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable.

Not Applicable

## 5. (In Rs.)

(a) Average net profit of the company as per sub-section (5) of section 135.	5,96,12,066.67/-
(b) Two percent of average net profit of the company as per sub-section (5) of section 135.	11,92,241.33/-

(c) Surplus arising out of the CSR Projects or programmes or activities of the previous financial years.	NIL
(d) Amount required to be set-off for the financial year, if any.	NIL
(e) Total CSR obligation for the financial year [(b)+(c)-(d)].	11,92,241.33/-

6.

(a) *Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project).	12,00,000.00/-
(b) Amount spent in Administrative Overheads.	NIL
(c) Amount spent on Impact Assessment, if applicable.	NIL
(d) Total amount spent for the Financial Year [(a)+(b)+(c)].	12,00,000.00/-

(e) CSR amount spent or unspent for the Financial Year:

Total Amount Spent for the Financial Year. (in Lacs)	Amount Unspent (in Lacs)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).	Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)			
		Amount	Date of Transfer	Name of the Fund	Amount
12,00,000/-	NA	NA	NA	NA	NA

(f) Excess amount for set-off, if any:

Sr. No.	Particular	Amount (in Rs.)
(i)	Two percent of average net profit of the company as per section 135(5)	11,92,241.33/-
(ii)	Total amount spent for the Financial Year	12,00,000.00/-
(iii)	Excess amount spent for the financial year [(ii)-(i)]	NIL
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NIL
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	NIL

\* Details of CSR amount spent against other than ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
-----	-----	-----	-----	-----	-----	-----	-----

Sr No	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local Area (Yes/ No)	Location of the Project State & District	Amount spent for the project (in Rs.)	Mode of Implementation Direct (Yes/No)		Mode of Implementation – Through Implementing Agency
								Name of Implementing agency and CSR Registration Number
01	Pover ty Eradi catio n	(i)	Yes	RAJKOT	12,00,000/-		NO	LODHIYA FOUNDATION CSR00023141

**7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years:**

1	2	3	4	5	6		7	8
Sr. No	Preceding Financial Year	Amount transferred to Unspent CSR Account under subsection (6) of section 135 (in Rs.)	Balance Amount in Unspent CSR Account under subsection (6) of section 135 (in Rs.)	Amount Spent in the Financial Year (in Rs)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to subsection (5) of section 135, if any		Amount remaining to be spent in succeeding Financial Years (in Rs)	Deficiency, if any
					Amount (in Rs)	Date of Transfer		
1	2021-22	NIL	-	-	NIL	-	-	-
2	2020-21	NIL	-	-	NIL	-	-	-
3	2019-20	NIL	-	-	NIL	-	-	-
	Total	NIL	-	-	NIL	-	-	-

**8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year:**

YES [ ] NO [  ]

If Yes, enter the number of Capital assets created/ acquired : NIL

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/ Authority/ beneficiary of the registered owner		
(1)	(2)	(3)	(4)	(5)	(6)		
					CSR Registration Number, if applicable	Name	Registered Address

(All the fields should be captured as appearing in the revenue record, flat no, house no, Municipal Office/Municipal Corporation/ Gram panchayat are to be specified and also the area of the immovable property as well as boundaries)

**9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per subsection (5) of section 135. : Not Applicable**

Date: 29th August, 2023  
Place: Rajkot

For and On behalf of  
**SOVEREIGN METALS LIMITED**

**Viral P. Lodhiya**  
Managing Director  
DIN: 08228595

**Kaushik C. Lodhiya**  
Director  
DIN: 02060605

**Annexure - 4****NOMINATION AND REMUNERATION POLICY****PREAMBLE:**

Section 178 of the Companies Act, 2013 states that every unlisted public company covered under rule 4 of the Companies (Appointment and Qualification of Directors) Rules, 2014 shall constitute Nomination and Remuneration Committee.

Rule 4 of the Companies (Appointment and Qualification of Directors) Rules, 2014: the Public Companies having paid up share capital of ten crore rupees or more; or the Public Companies having turnover of one hundred crore rupees or more; or the Public Companies which have, in aggregate, outstanding loans, debentures and deposits, exceeding fifty crore rupees:

Hence, Our Company falls under Rule 4 of the Companies (Appointment and Qualification of Directors) Rules, 2014 and accordingly has framed Nomination and Remuneration committee and Policy.

Objective and purpose of the Policy The objective and purpose of this policy are:

1. To oversee the nomination process and lay down criteria and terms and conditions with regard to identifying persons who are qualified to become directors (executive and nonexecutive) and persons who may be appointed in senior management and key managerial positions and to determine their remuneration in a fair and equitable manner.
2. To determine remuneration based on the Company's size and financial position and trends and practices on remuneration prevailing in peer companies, in the Media and Entertainment Industry.
3. To ensure that remuneration paid to directors and executives is competitive, enabling the Company to attract and retain employees capable of meeting the Company's needs and service delivery obligations; and
4. To reward directors and executives for achieving predetermined Company, Departmental as well as personal/ individual performance targets and goals.
5. To carry out evaluation of the performance of directors, as well as key managerial and senior management personnel and other employees.
6. To provide them reward linked incentives directly to their effort, performance, dedication and achievement relating to the Company's operations.
7. To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.

**COMPOSITION:**

The Members of the Nomination and Remuneration Committee ("the Committee or NRC") shall be appointed by the Board and shall comprise three or more non-executive directors out of which not less than one-half shall be independent directors. Any fraction in the one-half shall be rounded off to one.

The Company has appointed Mr. Hasmukhlal Delawala and Mr. Kalpakbhai Arvindbhai Maniar as an Independent Director of the Company on 19th May, 2020 and 7th August, 2020 respectively. As per the provisions of Companies Act, 2013 and accordingly Board has reconstituted its Committee and w.e.f 07th August, 2020, the Composition of Committee is as under :



Mr. Hasmukhlal P. Delawala- Independent Director –Chairman  
Mr. Kalpakbhai A. Maniar - Independent Director -Member  
Mr. Kaushik C. Lodhiya - Non-Executive Director – Member

**DEFINITION:**

“Board” means Board of Directors of the Company.

“Independent Director” means

A director referred to in Section 149 (6) of the Companies Act, 2013.

“Key Managerial Personnel” (KMP) means

- a. Chief Executive Officer or the Managing Director or the Manager,
- b. Company Secretary,
- c. Whole-time Director,
- d. Chief Financial Officer and
- e. Such other officer as may be prescribed.

“Nomination and Remuneration Committee” shall mean

A Committee of the Board of Directors of the Company, constituted in accordance with the provisions of Section 178 of the Companies Act, 2013

“Policy or This Policy” means “Nomination and Remuneration Policy.”

“Senior Management” means

Personnel of the Company who are members of its core management team excluding Board of Directors. This would include all members of management.

**TERMS AND REFERENCE OF COMMITTEE:**

The Nomination and Remuneration Committee shall formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.

While framing above policy, Nomination and remuneration committee should ensure that: the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully; relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.

**ADMINISTRATIVE MATTERS:**

**MEETINGS:**

The Committee will meet as often as the Committee members deem necessary in order to fulfill their role and meet as & when the need arise for review of Managerial Remuneration.

**QUORUM:**

The Quorum for the meeting shall be one third of the total strength of the Committee or two members, whichever is higher.

**CONVENING AND NOTICE OF MEETING:**

Any member may convene a meeting of the Committee. Notice will be given to every member of the Committee of every meeting of the Committee at member's registered address for service of notice or such other pre-notified interim address where relevant, at least seven days in advance.

**CHAIR:**

In the absence of the Committee Chairman, the Committee members must elect one of their members as chair for that meeting. The Chair has a casting vote.

**ACCESS TO RESOURCES AND INDEPENDENT ADVISERS:**

The Committee is to have access to adequate internal and external resources i.e. the Committee may seek advice of the Company's auditors, solicitors or other independent advisers (including external consultants and specialists) as to any matter pertaining to the powers or duties of the Committee or the responsibilities of the Committee, as the Committee as and when may require.

**MINUTES:**

Minutes of the Meeting of the Committee must be kept and recorded within 30 days and after approval by the Committee chair, be presented at the next Board meeting.

**POLICY FOR APPOINTMENT AND REMOVAL OF DIRECTOR, KMP AND SENIOR MANAGEMENT****1) Appointment Criteria and Qualifications:**

A. The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his/her appointment.

B. person should possess adequate qualification, expertise and experience for the position he/she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.

C. The Company shall not appoint or continue the employment of any person as Managing Director/Whole Time Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.

D. Appointment of Independent Directors is also subject to compliance of provisions of section 149 of the Companies Act, 2013, read with Schedule IV and rules framed there under.

E. In determining whether to recommend a Director for re-election, the Committee also considers the Director's past attendance at meetings, participation in meetings and contributions to the activities of the Board, and the results of the most recent Board self-evaluation.

**2) Term/ Tenure:****A. Managing Director/Whole-time Director:**

The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Executive Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

**B. Independent Director:**

- An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.

- No Independent Director shall hold office for more than two consecutive terms of upto maximum of 5 years each, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not during the said period of three years, be appointed in or be associated with the Company in any their capacity, either directly or indirectly.

- At the time of appointment of Independent Director it should be ensured that number of Board on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company or such other number as may be prescribed under the Act.

**3) Removal:**

Due to reasons for any disqualification mentioned in the Act or under any applicable Act, rules and regulations there under, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

**4) Retirement:**

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

**POLICY FOR REMUNERATION TO DIRECTORS/KMP/ SENIOR MANAGEMENT PERSONNEL:****1. Remuneration to Managing/Whole-time/ Executive/ Managing Director, KMP and Senior Management Personnel:**

The Remuneration/ Compensation / Commission etc. to be paid to Director/ Managing Director etc. shall be governed as per provisions of the Companies Act, 2013, Schedule V and rules made there under or any other enactment for the time being in force.

**2. Remuneration to Non- Executive/ Independent Director:**

The Non-Executive Independent Director may receive remuneration/ compensation/ commission as per the provisions of Companies Act, 2013. The amount of sitting fees, if any to

be paid then the same shall be subject to ceiling/ limits as provided under Companies Act, 2013 and rules made there under or any other enactment for the time being in force.

**REVIEW AND AMENDMENT:**

The Nomination and Remuneration Committee or the Board may review the Policy as and when it deems necessary.

The Nomination and Remuneration Committee may issue the guidelines, procedures, formats, reporting mechanism and manual in supplement and better implementation to this Policy, if it thinks necessary.

This Policy may be amended or substituted by the Nomination and Remuneration Committee or by the Board as and when required and also by the Compliance Officer where there is any statutory changes necessitating the change in the policy.

For and on behalf of the Board of,  
**SOVEREIGN METALS LIMITED**

**Hasmukhlal P. Delawala**  
Chairman  
DIN: 08725350

Annexure – 5

**Form No. MR-3**  
**SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED ON 31<sup>ST</sup> MARCH, 2023  
*[Pursuant to section 204(1) of the Companies Act, 2013 and rule  
No.9 of the Companies (Appointment and Remuneration Personnel)  
Rules, 2014]*

To,  
The Members,  
SOVEREIGN METALS LIMITED  
(CIN: U27109GJ2012PLC069162)  
Plot No. 35p, 36p, 37p, 38 & 40B, Phase - 3,  
Naroda,G.I.D.C.  
Ahmedabad- 382330

We have conducted the Secretarial Audit of the Compliance of applicable statutory provisions and the adherence to good corporate practices by SOVEREIGN METALS LIMITED (hereinafter called the Company). 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 our 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 31<sup>st</sup> March, 2023, 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:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by SOVEREIGN METALS LIMITED ("the Company") for the financial year ended on 31<sup>st</sup> March, 2023, according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder and further amendments thereto and as per applicability to the company;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA'), Securities Contracts (Regulation) Amendment Act, 2007 and the rules made thereunder; **Not applicable** as the Company is not listed Company.
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder; **Not Applicable** as the Company is not listed Company, however Companies Shares are in Demat form and accordingly complying to that extent as per applicability.
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment and related matters.

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') were not applicable as the Company is not listed Company:

- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and amendments thereto; **Not Applicable**
- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and amendments thereto; **Not Applicable**
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **Not Applicable**
- (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; **Not Applicable.**
- (e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; **Not Applicable**
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client: **Not applicable**
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; **Not Applicable** and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **Not Applicable.**

(vi) The Company has identified the following laws as specifically applicable to the Company:

- a. Bureau of Indian Standards Act 2016

We have also examined compliance with the applicable clauses of the following:

- Secretarial Standards issued by The Institute of Company Secretaries of India with respect to Board and General Meetings

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

#### **We further report that**

As per requirement of the Companies Act, 2013, Board of Directors of the Company and Committees of Board were duly constituted in compliance with the provision of the Companies Act, 2013. During the year under review, there has no change in Board of Directors of the

Company and *Company Secretary of the Company resigned on 30<sup>th</sup> November, 2021 and there after Company has Appointed Company Secretary and Key Managerial Personnel w.e.f 02<sup>nd</sup> June, 2022.*

Adequate notice was 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.

All decisions at Board Meetings and Committee Meetings have been carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committees of the Board, as the case may be. There were no dissenting views on any matter.

**We further report that** based on review of compliance mechanism established by the Company and on the basis of the Management Representation Letter, we are of the opinion that the management has adequate systems and processes commensurate with its size and operations, to monitor and ensure compliance with all applicable laws, rules, regulations and guidelines.

For: K. P. Rachchh & Co.  
Company Secretaries

Place : Rajkot  
Date : 29<sup>th</sup> August, 2023

Kalpesh P. Rachchh  
Proprietor  
FCS No. : 5156  
C P No.: 3974  
UDIN: F005156E000891833  
Peer Review Certificate No.: 737/2020

To,  
The Members,  
SOVEREIGN METALS LIMITED  
(CIN: U27109GJ2012PLC069162)  
Plot No. 35p, 36p, 37p, 38 & 40B, Phase - 3,  
Naroda,G.I.D.C.  
Ahmedabad- 382330

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

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express as opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process 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.

We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management representation 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. Our 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.

For: K. P. Rachchh & Co.  
Company Secretaries

Place : Rajkot  
Date : 29<sup>th</sup> August, 2023

Kalpesh P. Rachchh  
Proprietor  
FCS No. : 5156  
C P No.: 3974  
UDIN: F005156E000891833  
Peer Review Certificate No.: 737/2020



**INDEPENDENT AUDITOR'S REPORT**

To,  
The Members of  
**M/s. Sovereign Metals Limited,**  
Ahmedabad.

**Report on the Audit of the Financial Statements**

**OPINION**

- 1 We have audited the financial statements of **M/s. Sovereign Metals Limited, Ahmadabad** (CIN: U27109GJ2012PLC069162) (hereinafter referred to as the "Company"), which comprise the balance sheet as at 31 March 2023, 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.
- 2 In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 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 31 March, 2023, and its profit, and its cash flows for the year ended on that date.

**BASIS FOR OPINION**

- 1 We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013 (hereinafter referred to as the "Act"). 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 Act, and the Rules there under, 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.

**KEY AUDIT MATTERS**

- 1 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.
- 2 Reporting of key audit matters as per SA 701, Key Audit Matters are not applicable to the company as it is an unlisted company.



**INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITORS, REPORT THEREON.**

- 1 The Company's board of directors is responsible for the preparation of the other information. The other information comprises the included in the Board's Report including Annexure to Board's Report but does not include the financial statements and our auditor's report thereon.
- 2 Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- 3 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 financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

**RESPONSIBILITY OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE FINANCIAL STATEMENTS**

- 1 The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, changes in equity 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.
- 2 In preparing the financial statements, management is 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.
- 3 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**

- 1 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.
  
- 2 As a 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 Act, 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.
  
  - Conclude on the appropriateness of management's 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.
- 3 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 the relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

#### **OTHER MATTER**

- 1 We were not physically present at the time of inventory verification by the management and therefore, we have relied on the inventory as taken, verified, and valued by the management.
- 2 The Company has not entered into an agreement in writing with supplier as defined in the Micro, Small and Medium Enterprise Development Act, 2006, and also not produced before us any documentary evidence to support its due date of payment to the said suppliers and the Company has not ascertained whether or not the Company has been liable for any interest chargeable under section 16 of the said Act. Therefore, the Company is not in a position to quantify whether such interest was or is payable or not. In the absence of this information, we are unable to give our opinion on this matter.
- 3 Having regard to the size of the Company and its operation, we are not modifying our report for the above matters.

#### **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 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, further to our comments in the Annexure, 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.



# J. C. Ranpura & Co.

Chartered Accountants

- (c) As reported to us, there are no branches which have been audited by a person other than us and hence this clause is not applicable.
- (d) The financial statements dealt with by this Report are in agreement with the books of account.
- (e) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (f) In our opinion, there are no observations or comments on financial transactions or matters which have any adverse effect on the functioning of the Company.
- (g) On the basis of the written representations received from the directors as on 31 March 2023 taken on record by the Board of Directors, none of the directors are disqualified as on 31 March 2023 from being appointed as a director in terms of Section 164(2) of the Act.
- (h) There are no qualifications, reservations or adverse remarks relating to the maintenance of accounts and other matters.
- (i) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A."
- (j) 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:
- (a) The Company does not have any pending litigations which would impact its financial position in its financial statements.
- (b) 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.
- (c) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- (d) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note No. 29(xiv) of the financial statements attached herewith, no funds 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 entity/ies ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediaries



# J. C. Ranpura & Co.

Chartered Accountants

shall, 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 the behalf of the Ultimate Beneficiaries.

- (e) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note No. 29(xiv) of the financial statements attached herewith, no funds have been received by the Company from any person/s or entity/ies including foreign entity/ies ("Funding Party/ies"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party/ies ("Ultimate Beneficiaries") or provide any guarantee, security or the like on the behalf of the Ultimate Beneficiaries.
- (f) Based on the audits procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that representations under sub-clauses (i) and (ii) of clause (e) of Rule 11 contain any material mis-statement.
- (g) During the financial year under audit, no dividend has been declared, or paid by the Company.
- (h) Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company w.e.f. 1st April, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended 31 March, 2023.

For J. C. RANPURA & Co.,  
Chartered Accountants  
FRN: 108647W



**Ketan Y. Sheth**  
Partner

Membership No. 118411

UDIN: 23118411BGWSAW9604

Place: Rajkot  
Date: 29.08.2023

## ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT

In terms of the information and explanations sought by us and given by the Company and the books of account made available to us in the normal course of audit and to the best of our knowledge and belief, we state that:

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant, and equipment.
  - (B) The Company has maintaining proper records showing full particulars of intangible assets.
  - (b) These property, plant, and equipment have been physically verified by the management during the year and no material discrepancies were identified on such verification. In our opinion, the frequency of verification is reasonable having regard to the size of the Company and the nature of its assets.
  - (c) The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the Company.
  - (d) The Company has not revalued its Property, Plant, and Equipment (including Right of Use assets) or intangible asset or both during the year, and hence, this clause is not applicable to the Company.
  - (e) As per information and explanations furnished during the course of audit, no proceedings have been initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- (ii) (a) The inventory has been physically verified during the year by the management. We were not physically present at the time such verification and therefore, we are unable to comment as to whether the coverage and procedure of such verification by the management of the company are appropriate or not. As reported to us, discrepancies of 10% or more in the aggregate for each class of inventories were not noticed.
  - (b) As disclosed in note 29(vii) to the financial statements, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks and financial institutions during the year on the basis of security of current assets of the Company. The quarterly returns/statements filed by the Company with such banks and financial institutions are not in agreement with the books of account of the Company and the details are as follows:



M/S. SOVEREIGN METALS LIMITED, AHMEDABAD.

Significant Accounting Policies and Notes to account for the financial year ended on 31 March 2023.

Sr. No.	Name of the lenders	Current Assets	Quarter ending	Value as per books of Accounts	Value as per quarterly return/ statement	Discrepancy
1.	Indusind Bank Limited					Due to change in valuation method, there is difference in stock in stock statement submitted to bank and as shown in books.
		Inventories	June	1,17,81,28,802	1,17,81,28,802	
			September	1,07,20,63,500	1,07,20,63,500	
			December	1,22,12,65,758	1,22,12,65,758	
			March	83,13,92,228	76,20,74,780	

(iii) The Company has not made investment in, provided any guarantee or security, but has granted loans or advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties.

(a) During the year the Company has provided loans or advances in the nature of loans as follows:

	Loans (₹. In Lakhs)
Aggregate amount granted/ provided during the year	
- Others	6.50
Balance outstanding as at balance sheet date in respect of above cases	
- Others	8.24

(b) As the Company has not made investments, or provided guarantee, or given any security, this clause is not applicable for the year under audit.

(c) The Company has granted loans during the year to other parties where the schedule of repayment of principal and payment of interest has been stipulated and the repayment or receipts are regular.

(d) There are no amounts of loans and advances in the nature of loans granted to companies, firms, limited liability partnerships or any other parties which are overdue for more than ninety days.

(e) There were no loans or advance in the nature of loan granted other parties which was fallen due during the year, that have been renewed or extended or fresh loans granted to settle the overdue of existing loans given to the same parties.

(f) The Company has not granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to other parties. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.

(iv) As per information and explanation furnished, the company has complied with section 185 and 186 of the Companies Act, 2013, wherever applicable.





M/S. SOVEREIGN METALS LIMITED, AHMEDABAD.

Significant Accounting Policies and Notes to account for the financial year ended on 31 March 2023.

- (v) In our opinion, the Company has complied Sec 73 to 76 of the Companies Act, 2013 for the year under audit. As per information and explanation given and records made available to us, the company had borrowed unsecured loans of ₹. 7.42 Crores from its promoters in pursuance of stipulation of bank providing cash credit facility and except that the Company has not accepted any funds from public.
- (vi) The Central Government has not specified for the maintenance of costs records for the business of the Company. Accordingly, the requirement to report on clause 3(vi) of the Order is not applicable to the Company.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of 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 have been regularly deposited during the year by the Company with the appropriate authorities. No undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, duty of customs, value added tax, goods and services tax, cess, and other material statutory dues were in arrears as at 31 March 2023 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there are no material dues of income tax, sales tax, service tax, wealth tax, duty of customs, duty of excise, value added tax, goods and services tax, and cess which have not been deposited with the appropriate authorities on account of any dispute.
- (viii) There were no transactions which have, during the financial year under audit, been surrendered or disclosed as income during the year in the tax assessment under the Income-tax Act, 1961.
- (ix) (a) As per information and explanation given to us, the company is generally regular in repayment of loans or borrowing to financial institutions, banks, or Government.
- (b) As per books of account produced before us, the Company is not a declared willful defaulter by any bank or financial institution or other lender.
- (c) Term loans were applied for the purpose for which the loans were obtained
- (d) On an overall examination of the financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company.



M/S. SOVEREIGN METALS LIMITED, AHMEDABAD.

Significant Accounting Policies and Notes to account for the financial year ended on 31 March 2023.

- (e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Hence, the requirement to report on clause (ix)(f) of the Order is not applicable to the Company.
- (x) (a) On the basis of the records examined by us, the Company has not raised money by way of initial public offer or further public offer (including debt instruments), and therefore, this clause is not applicable.
- (b) On the basis of our verification of records and information furnished to us, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and therefore, the requirement of sections 42 and 62 of the Companies Act, 2013 is not required to be complied with.
- (xi) (a) On the basis of our examination of the books of account and other relevant records and information made available to us, prima facie, we have not noticed any fraud (i.e. intentional material misstatements resulting from fraudulent financial reporting and misappropriations of assets) on or by the company, during the year. Further, the management has represented to us that no fraud by the company or any fraud on the company by its officers or employees has been noticed or reported during the year. However, we are unable to determine/verify as to whether any such reporting has been made during the year or not.
- (b) The auditor of the company has not filed any report under sub-section (12) of section 143 of the Companies Act, 2013 in Form ADT-4 as prescribed under rule 13 of the Companies (Audit and Auditors) Rules, 2014.
- (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- (xii) (a) The Company is not a Nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(a) of the Order is not applicable to the Company.
- (b) The Company is not a Nidhi company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(b) of the Order is not applicable to the Company.



M/S. SOVEREIGN METALS LIMITED, AHMEDABAD.

Significant Accounting Policies and Notes to account for the financial year ended on 31 March 2023.

- (c) The Company is not a nidhi company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(c) of the Order is not applicable to the Company.
- (xiii) As certified by the management of the Company, all transactions with related parties are in compliance with section 177 and 188 of the Companies Act, 2013 where applicable and the details have been disclosed in the financial statements etc. as required by the applicable Accounting Standards.
- (xiv) (a) The Company has an internal audit system commensurate with the size and nature of its business.
- (b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.
- (xv) In our opinion and according to the information and the explanations given to us, the Company has not entered into non-cash transactions with directors or persons connected with him.
- (xvi) (a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.
- (b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities. Accordingly, the requirement to report on clause (xvi)(b) of the Order is not applicable to the Company.
- (c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.
- (d) There is no Core Investment Company as a part of the Group, hence, the requirement to report on clause 3(xvi)(d) of the Order is not applicable to the Company.
- (xvii) The Company has not incurred cash losses in the financial year under audit and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.
- (xix) We are of the opinion that no material uncertainty exists as on the date of the audit report that the Company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.



M/S. SOVEREIGN METALS LIMITED, AHMEDABAD.


Significant Accounting Policies and Notes to account for the financial year ended on 31 March 2023.

- (xx) (a) According to the information and explanations given to us, the provisions of section 135 of the Act are applicable to the Company. The Company has made the required contributions during the year and there are no unspent amounts which are required to be transferred to Fund specified in Schedule VII to the Companies Act within a period of six months of the expiry of the financial year in compliance with second proviso to sub-section (5) of section 135 of the said Act.
- (b) In our opinion and according to the information and the explanations given to us, Company has not carried out or contributed to ongoing projects and accordingly no amount is/was required to be transferred to special account in compliance with the provision of subsection (6) of section 135 of the said Act.
- (xxi) The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements. Accordingly, no comment in respect of the said clause has been included in the report.

Place: Rajkot  
Date: 29.08.2023



For J. C. RANPURA & Co.,  
Chartered Accountants  
FRN:108647W

  
**Ketan Y. Sheth**  
Partner  
Membership No. 118411  
UDIN: 23118411BGSAAW9604

## Report on the Internal Financial Controls

under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (the "Act")

- 1 We have audited the internal financial controls over financial reporting of **M/s. Sovereign Metals Limited, Ahmedabad** (the "Company") as of **31<sup>st</sup> March, 2023** in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

### Management's Responsibility for Internal Financial Controls:

- 2 The Company's management is 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. 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:

- 3 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.
- 4 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.



**Meaning of Internal Financial Controls Over Financial Reporting:**

- 6 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 authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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:**

- 7 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:**

- 8 In our opinion, 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 31st March, 2023 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.

Place: Rajkot  
Date: 29.08.2023



For **J. C. RANPURA & Co.**  
Chartered Accountants  
[FRN: 108647W]

**(Ketan Y. Sheth)**  
Partner  
(Membership No. 118411)  
UDIN: 23118411BGWSAW9604

**M/S. SOVEREIGN METALS LIMITED**  
**BALANCE SHEET AS AT 31ST MARCH 2023**  
 (All amounts are in Lakhs of Indian Rupees unless stated to be otherwise)

PARTICULARS		NOTES	FIGURES AS AT THE END OF 31.03.2023	FIGURES AS AT THE END OF 31.03.2022
[1]		[2]	[3]	[4]
<b>I.</b>	<b>EQUITY AND LIABILITIES</b>			
(1)	<b>Shareholders' funds</b>			
(a)	Share capital	3	6,060.00	6,060.00
(b)	Reserves and surplus	4	1,936.00	759.86
(c)	Money received against share warrants		-	-
			7,996.00	6,819.86
(2)	Share application money pending allotment		-	-
(3)	<b>Non-current liabilities</b>			
(a)	Long-term borrowings	5	942.68	1,004.92
(b)	Deferred tax liabilities (Net)	6	-	-
(c)	Other Long term liabilities	7	-	-
(d)	Long-term provisions	8	86.71	54.96
			1,029.39	1,059.88
(4)	<b>Current liabilities</b>			
(a)	Short-term borrowings	9	4,616.56	5,040.35
(b)	<b>Trade payables :-</b>	10		
	(i) total outstanding dues of micro enterprises and small enterprises; and		-	-
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		14,201.65	4,603.63
(c)	Other current liabilities	11	265.03	285.83
(d)	Short-term provisions	12	444.31	395.70
			19,527.55	10,325.51
	<b>TOTAL</b>		<b>28,552.94</b>	<b>18,205.25</b>
<b>II.</b>	<b>ASSETS</b>			
(1)	<b>Non-current assets</b>			
(a)	Property, Plant and Equipment and Intangible assets:			
	(i) Property, Plant and Equipment	13	2,730.64	2,702.25
	(ii) Intangible assets		6.86	4.67
	(iii) Capital work-in-progress		-	-
	(iv) Intangible assets under development		-	-
(b)	Non-current investments	14	-	-
(c)	Deferred tax assets (net)	15	61.12	87.49
(d)	Long-term loans and advances	16	-	-
(e)	Other non-current assets	17	25.65	5.08
			2,824.27	2,799.49
(2)	<b>Current assets</b>			
(a)	Current investments	18	-	-
(b)	Inventories	19	8,313.92	7,557.51
(c)	Trade receivables	20	11,087.23	3,739.35
(d)	Cash and cash equivalents	21	3,789.83	1,896.66
(e)	Short-term loans and advances	22	2,537.68	2,212.24
(f)	Other current assets	23	-	0.01
			25,728.67	15,405.77
	<b>TOTAL</b>		<b>28,552.94</b>	<b>18,205.25</b>

Significant Accounting Policies and Notes to financial statements

1 to 48 As per our report of even date

For and on behalf of the Board of Directors of  
**M/s. SOVEREIGN METALS LIMITED, RAJKOT**

*K. C. Lodhiya*  
**Kaushik Lodhiya**  
 Director  
 DIN : 02060605

*Viral Lodhiya*  
**Viral Lodhiya**  
 Managing Director  
 DIN : 08228595

*S. N. Shingala*  
**Shruti Shingala**  
 Chief Financial Officer

*Jay Rathod*  
**Jay Rathod**  
 Company Secretary  
 Membership No. A37589

Place: Rajkot  
 Date: 29.08.2023



For **J C RANPURA & CO**  
 Chartered Accountants  
 [FRN:108647W]

*Ketan Y Sheth*  
**(Ketan Y Sheth)**  
 Partner  
 (Membership No. 118411)  
 [UDIN: 23118411BGSAAW9604]

**M/S. SOVEREIGN METALS LIMITED**  
**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2023**  
 (All amounts are in Lakhs of Indian Rupees unless stated to be otherwise)

	PARTICULARS	NOTES	Figures as at the end of 31.03.2023	Figures as at the end of 31.03.2022
	[1]	[2]	[3]	[4]
I.	Revenue from operations	17	6,28,189.73	5,55,851.43
II.	Other income	18	234.40	25.98
III.	<b>Total Income (I + II)</b>		<b>6,28,424.13</b>	<b>5,55,877.41</b>
IV.	<b>Expenses:</b>			
	Cost of Materials Consumed	19	5,70,986.77	3,88,091.62
	Purchases of Stock-in-Trade		52,991.11	1,59,120.99
	Changes in inventories of finished goods, work-in-progress and Stock-in-trade	20	(1,400.99)	4,659.81
	Employee benefit	21	649.62	548.60
	Finance costs	22	1,009.38	802.26
	Depreciation and amortization expense	23	354.00	370.75
	Other expenses	24	2,223.04	1,031.83
	<b>Total expenses</b>		<b>6,26,812.94</b>	<b>5,54,625.87</b>
V.	Profit before exceptional and extraordinary items and tax (III-IV)		1,611.19	1,251.54
VI.	Exceptional items		-	-
VII.	Profit before extraordinary items and tax (V - VI)		1,611.19	1,251.54
VIII.	Extraordinary Items		-	-
IX.	Profit before tax (VII- VIII)		1,611.19	1,251.54
X.	<b>Tax expense:</b>			
	(1) Current tax		407.00	300.00
	(2) Deferred tax		26.37	198.08
	(3) Prior period tax		2.21	-
			435.58	498.08
XI.	Profit (Loss) for the period from continuing operations (IX-X)		<b>1,175.61</b>	<b>753.45</b>
XII.	Profit/(loss) from discontinuing operations		-	-
XIII.	Tax expense of discontinuing operations		-	-
XIV.	Profit/(loss) from Discontinuing operations (after tax) (XII-XIII)		-	-
XV.	Profit (Loss) for the period (XI + XIV)		<b>1,175.61</b>	<b>753.45</b>
XVI.	Earnings per equity share:			
	(1) Basic	47	2.71	1.24
	(2) Diluted	48	2.71	1.24

Significant Accounting Policies and Notes to financial statements

1 to 48 As per our report of even date

For and on behalf of the Board of Directors of  
**M/s. SOVEREIGN METALS LIMITED, RAJKOT**

*K.C. Lodhiya*  
 Kaushik Lodhiya  
 Director  
 DIN : 02060605

*Viral Lodhiya*  
 Viral Lodhiya  
 Managing Director  
 DIN : 08228595

*S.N. Shingala*  
 Shruti Shingala  
 Chief Financial Officer

*Jay Rathod*  
 Jay Rathod  
 Company Secretary  
 Membership No. A37589

**For J C RANPURA & CO**  
 Chartered Accountants  
 [FRN:108647W]



*Ketan Y Sheth*  
 (Ketan Y Sheth)  
 Partner  
 (Membership No. 118411)  
 UDIN: 23118411BGWSAW9604

Place: Rajkot  
 Date: 29.08.2023



**M/S. SOVEREIGN METALS LIMITED  
CASH FLOW STATEMENT**

(Amount in ₹)

	DESCRIPTION	2023	2022
OPERATIONS	Net profit after tax	1,175.61	753.45
	Depreciation and non cash items-amortization	354.00	370.75
	(Increase)/Decrease in deferred taxes	26.37	198.08
	(Gain)/Loss on sale of assets	-	-
	(Increase)/Decrease in current assets	(10,819.76)	1,556.81
	Increase/(Decrease) in current liabilities	9,202.03	(1,398.03)
	Long term Provisions	31.75	2.81
	Income Taxes Paid	-	-
	<b>CASH FLOW FROM OPERATIONS:</b>	<b>(29.99)</b>	<b>1,483.88</b>
INVESTMENTS	Capital Expenditures	(384.05)	(41.30)
	Acquisition in Other Co's	-	-
	Proceeds from Sales of Assets	-	-
	Purchases of Investments	-	-
	Sale of Investments	-	-
	Other Investment Activities	(20.58)	(2.98)
	<b>CASH FLOW FROM INVESTING ACTIVITIES</b>	<b>(404.63)</b>	<b>(44.28)</b>
FINANCING	Proceeds from Borrowings	-	-
	Payments on Borrowings	(62.24)	(9.23)
	Dividends Paid to Shareholders	-	-
	Proceeds from Minority Interest- Additional Capital int	-	-
	Increase in share capital	-	-
Purchase / Retire Common Stock	-	-	
	<b>CASH FLOW FROM FINANCING ACTIVITIES</b>	<b>(62.24)</b>	<b>(9.23)</b>
	<b>INCREASE / (DECREASE) TO CASH</b>	<b>(496.86)</b>	<b>1,430.37</b>
	<b>BEGINNING CASH BALANCE</b>	<b>1,747.45</b>	<b>317.08</b>
	<b>ENDING CASH BALANCE</b>	<b>1,250.60</b>	<b>1,747.45</b>

Significant Accounting Policies and Notes to accounts

For and on behalf of the Board of Directors of  
M/S. SOVEREIGN METALS LIMITED, RAJKOT

*K.C. Lodhiya*  
Kaushik Lodhiya  
Director  
DIN : 02060605

*Viral Lodhiya*  
Viral Lodhiya  
Managing Director  
DIN : 08228595

*S.N. Shingala*  
Shruti Shingala  
Chief Financial Officer

*Jay Rathod*  
Jay Rathod  
Company Secretary  
Membership No. A37589



For J C Ranpura & Co.,  
Chartered Accountants  
[FRN:117476W]

*Ketan Y. Sheth*  
[Ketan Y. Sheth]  
Partner  
[Membership No. 118411]  
UDIN: 23118411BQWSAW9604

Place: Rajkot  
Date: 29.08.2023

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO FINANCIAL STATEMENT FOR THE FINANCIAL YEAR 2022-23

**I COMPANY OVERVIEW:**

- [1] **M/s. Sovereign Metals Limited** [CIN. U27109GJ2012PLC069162] is a company incorporated under the provisions of The Companies Act, 1956 and is engaged in the business of Manufacturing and Trading of Gold, Gold Ornaments, and Diamond Jewellery & Silver Ornaments, having its registered office at Ahmedabad & Branches at Mumbai, Delhi, Coimbatore, Bangalore, Kolkata, Jaipur and Noida.

**II SIGNIFICANT ACCOUNTING POLICIES:**

**(1) BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

- (a) These financial statements have been prepared to comply with the Generally Accepted Accounting Principles in India (Indian GAAP), including the Accounting Standards notified under the relevant provisions of the Companies Act, 2013.
- (b) The financial statements are prepared on accrual basis under the historical cost convention. The financial statements are presented in Indian rupees rounded off to the Lakh of rupees and decimal thereof.

**(2) CHANGES IN ACCOUNTING POLICY**

- (a) During the year ended 31st March, 2023 there is no change in accounting policy having significant impact on presentation and disclosure made in the financial statements. The company has also reclassified the previous year figures in accordance with the requirements applicable in the current year.

**(3) USE OF ESTIMATES**

- (a) The preparation of financial statements in conformity with Indian GAAP requires judgments, estimates and assumptions to be made that affect the reported amount of assets and liabilities, disclosure of contingent liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period.
- (b) The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions, if any, to the accounting estimates are recognized in the period in which is revised and future periods affected.

**(4) PROPERTY, PLANT AND EQUIPMENT**

**TANGIBLE ITEMS**

- (a) Tangible items are stated at cost net of recoverable taxes, trade discounts and rebates and include amounts added on revaluation, less accumulated depreciation and impairment loss, if any.



**SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO FINANCIAL STATEMENT FOR THE FINANCIAL YEAR 2022-23**

- (b) The cost of Property, Plant & Equipment comprises its purchase price, borrowing cost and any cost directly attributable to bringing the asset to its working condition for its intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the assets.
- (c) Subsequent expenditures related to an item of property, plant and equipment are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.

**INTANGIBLE ASSETS**

- (d) Intangible Assets are stated at cost of acquisition net of recoverable taxes less accumulated amortization/depletion and impairment loss, if any. The cost comprises purchase price, borrowing costs, and any cost directly attributable to bringing the asset to its working condition for the intended use and net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the intangible assets.

**(5) DEPRECIATION, AMORTISATION AND DEPLETION**

**TANGIBLE ASSETS**

- (a) Depreciation on Property, Plant & Equipments is provided to the extent of depreciable amount on the Written down value (WDV) Method. Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013.
- (b) In respect of additions or extensions forming an integral part of existing assets and insurance spares, including incremental cost arising on account of translation of foreign currency liabilities for acquisition of Fixed Assets, depreciation is provided as aforesaid over the residual life of the respective assets.

**(6) IMPAIRMENT**

- (a) An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss is charged to the Profit and Loss Statement in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

**(7) FOREIGN CURRENCY TRANSACTIONS**

- (a) Transactions denominated in foreign currencies are recorded at the exchange rate prevailing on the date of the transaction or that approximates the actual rate at the date of the transaction.
- (b) Monetary items denominated in foreign currencies at the year-end are restated at year end rates. In case of items which are covered by forward exchange contracts, the difference between the year-end rate and rate on the



SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO FINANCIAL STATEMENT FOR THE FINANCIAL YEAR 2022-23

date of the contract is recognized as exchange difference and the premium paid on forward contracts is recognized over the life of the contract.

- (c) Non-monetary foreign currency items are carried at cost.
- (d) Any income or expense on account of exchange difference either on settlement or on translation is recognized in the Profit and Loss Statement, except in case of liabilities or land or property, plant and equipment, where they relate to acquisition of land or property, plant and equipment from outside India in which case they are adjusted to the carrying cost of such assets.

**(8) INVESTMENTS**

- (a) Current investments are carried at lower of cost and quoted/fair value, computed category-wise. Non-Current investments are stated at cost. Provision for diminution in the value of non-Current investments is made only if such a decline is other than temporary.

**(9) INVENTORIES**

- (a) Items of inventories are measured at lower of cost and net realizable value after providing for obsolescence, if any, except in case of by-products which are valued at net realizable value. Cost of inventories comprises of cost of purchase, cost of conversion and other costs including manufacturing overheads incurred in bringing them to their respective present location and condition.
- (b) Cost of raw materials, process chemicals, stores and spares, packing materials, trading and other products are determined on weighted average basis.

**(10) REVENUE RECOGNITION**

- (a) Revenue is recognized only when risks and rewards incidental to ownership are transferred to the customer, it can be reliably measured and it is reasonable to expect ultimate collection. Revenue from operations includes sale of goods, services, and sales during trial run period, adjusted for discounts (net).
- (b) Claims for damages etc. against the contractors/service providers are recognized on due basis, as and when the certainty to receive the claim is ascertained.
- (c) Interest income is recognized on a time proportion basis taking into account the amount outstanding and the interest rate applicable.

**(11) GOODS AND SERVICE TAX.**

- (a) Goods and services tax is accounted for at the time of removal of goods cleared / services provided.



SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO FINANCIAL STATEMENT FOR THE FINANCIAL YEAR 2022-23

**(12) EMPLOYEE BENEFITS**

**SHORT TERM EMPLOYEE BENEFITS**

- (a) The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognized as an expense during the period when the employees render the services. These benefits include performance incentive and compensated absences.

**POST-EMPLOYMENT BENEFITS DEFINED CONTRIBUTION PLANS**

- (b) A defined contribution plan is a post-employment benefit plan under which the Company pays specified contributions to a separate entity. The Company makes specified monthly contributions towards Provident Fund, State Government Schemes. The Company's contribution is recognized as an expense in the Profit and Loss Statement during the period in which the employee renders the related service.

**POST-EMPLOYMENT BENEFITS DEFINED BENEFIT PLANS**

- (c) The Liability in respect of defined benefits in the form of gratuity, leave encashment, post-retirement medical scheme is provided based on the percentage notified by the Government.

**(13) BORROWING COSTS**

- (a) Borrowing costs include exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to the Profit and Loss Statement in the period in which they are incurred.

**(14) FINANCIAL DERIVATIVES & COMMODITY HEDGING TRANSACTIONS**

- (a) In respect of derivative contracts, premium paid, gains/losses on settlement and losses on restatement are recognized in the Profit and Loss Statement except in case where they relate to the acquisition or construction of Fixed Assets, in which case, they are adjusted to the carrying cost of such assets.

**(15) INCOME TAXES**

- (a) Tax expense comprises of current tax and deferred tax. Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the provisions of the Income-tax Act 1961, using the applicable tax rates.
- (b) Deferred income tax reflects the current period timing differences between taxable income and accounting income for the period and reversal of timing differences of earlier years/period. Deferred tax assets are recognized only to



SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO FINANCIAL STATEMENT FOR THE FINANCIAL YEAR 2022-23

the extent that there is a reasonable certainty that sufficient future income will be available except that deferred tax assets, in case there are unabsorbed depreciation or losses, are recognized if there is virtual certainty that sufficient future taxable income will be available to realize the same.

- (c) Deferred tax assets and liabilities are measured using the tax rates and tax law that have been enacted or substantively enacted by the Balance Sheet date.

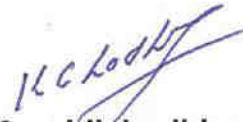
**(16) PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS**

- (a) Provision is recognized in the accounts when there is a present obligation as a result of past event(s), and it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

For and on behalf of the Board of Directors of  
**M/s. Sovereign Metals Limited**




**Viral Lodhiya**  
Managing Director  
Din: 08228595



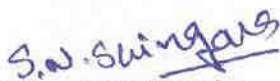
**Kaushik Lodhiya**  
Director  
Din: 02060605



For **J C Ranpura & Co.,**  
Chartered Accountants  
[FRN: 108647W]



**Ketan Y. Sheth**  
Partner  
[Membership No. 118411]  
UDIN: 23118411BGWSAW9604



**Shruti Shingala**  
Chief Financial Officer



**Jay Rathod**  
Company Secretary  
Membership No. A37589

Place: Rajkot  
Date: 29.08.2023

29.0 ADDITIONAL REGULATORY REQUIREMENTS

(i) Title deeds of immovable property not held in the name of the Company

Relevant line item in the balance sheet	Description of item of property	Gross Carrying value	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter or director	Property held since which date	Reason for not held in the name of the company
[1] PPE		-		-		-
[2] Investment Property		-		-		-
[3] PPE retired from active use and held for disposal		-		-		-
[4] Others		-		-		-

(ii) The Company has not revalued its Property, Plant and Equipments.

(iii) Disclosures relating to Loans and Advances in the nature of loans granted to promoters, directors, KIMPs and the related parties.

(a) repayable on demand or  
(b) without specifying any terms or period of repayment

Type of Borrower	Amount of loan or advance in the nature of loan outstanding	percentage to the total Loans or Advances in the nature of loan outstanding
1 Promoters		-
2 Directors		-
3 KIMPs		-
4 Related Parties		-

(iv) Capital-Work-in Progress (CWIP)

a CWIP ageing schedule

31.03.2022

CWIP	Amount in CWIP for a period of			(Amount in ₹.)
	Less than 1 year	1-2 years	2-3 year	
Projects in progress Factory Building CWIP Plant & Machi CWIP				Total
				-
				-
				-



	to be completed in			(Amount in ₹.) Total
	Less than 1 year	1-2 years	More than 3 years	
<b>CWIP</b>				
Projects in progress				
Projects 1				
Projects 2				

(v) a. **Intangible assets under development**  
Ageing schedule of intangible assets under development

	Amount in CWIP for a period of			(Amount in ₹.) Total
	Less than 1 year	1-2 years	More than 3 years	
<b>CWIP</b>				
Projects in progress				
Projects temporarily suspended				

b. **Details of CWIP of intangible assets overdue or costs of which exceeded its original plan**

	to be completed in			(Amount in ₹.) Total
	Less than 1 year	1-2 years	More than 3 years	
<b>CWIP</b>				
Projects in progress				
Projects 1				
Projects 2				

(vi) **Details of Benami Property held**

No proceedings are initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and the rule made thereunder.

(vii) **Details of Borrowings from banks or financial institutions on the basis of Security of Current Assets**

(a) Whether quarterly returns or statement of current assets filed by the company with banks or financial institution are in agreement with the books of account.

No.

(b) If not, summary of reconciliation and reason of material discrepancies, if any to be adequately disclosed.

Months	Returns or statement as filed with Banks or financial Institution	As per books of account	Difference	Whether material	Reason for discrepancies
<b>INVENTORY</b>					
June	11,781.29	11,781.29	-		
September	10,720.64	10,720.64	-		
December	12,212.66	12,212.66	-		
March	7,620.75	8,313.92	693.17	No	Due to change in valuation method, there is difference in stock in statement submitted to bank and as shown in books.





LIQUID RECEIVABLE	June	July	August	September	October	November	December	January	February	March

(viii) **Willful Defaulter**

(a) The board of directors of the Company is of the opinion that the Company has, till the date of signing of this financial statement, not been declared as willful defaulter by its banks or financial institution

(ix) **Relationship with Struck off Companies**

On the basis of confirmation with the parties, the board of directors of the Company is of the opinion that the Company did not have any transactions with companies struck off under section 248 of the Companies Act, 2013.

(x) **Details of Registration of charges or satisfaction with Registrar of Companies yet to be registered**

No charges or its satisfaction is yet to be registered with Registrar of Companies.

(xi) **Compliance with number of layers of companies**

N.A.

(xii) **Disclosures of Ratios**

	RATIOS	Formula	Numerators		Current Period	Previous Period	% Variance	Reason for variance
			Current period	Previous period				
[a]	Current Ratio	Current Assets Current Liabilities	25,728.67 19,527.55	15,405.77 10,325.51	1.32	1.49	-11.69%	
[b]	Debt-Equity Ratio	Debt Equity	5,559.24 7,996.00	6,045.26 6,819.86	0.70	0.89	-21.57%	
[c]	Debt-Service Coverage Ratio	Earnings before Interest, Tax and Exceptional Items	2,657.64	2,378.89	3.80	3.11	22.40%	
[d]	Return on Equity Ratio	Interest Expense + Principal Repayments made during the year for long term loans	699.01	765.82	0.16	0.12	35.71%	See Note 1
[e]	Inventory Turnover Ratio	Profit After Tax Average Net Worth	1,175.61 7,407.93	5,52,155.24	78.58	53.13	47.91%	See Note 2
[f]	Trade Receivables Turnover Ratio	Cost of Goods Sold (Cost of Material Consumed + Purchases + Changes in Inventory + Manufacturing Expenses) Average Inventory	6,23,596.46 7,935.72	5,55,851.43 1,958.70	84.74	283.79	-70.14%	See Note 3
[g]	Trade Payables Turnover Ratio	Value of Sales & Services Average Trade Receivables	52,991.11 9,402.64	1,59,120.99 3,716.01	5.64	42.82	-86.84%	See Note 4
[h]	Net Capital Turnover Ratio	Average Trade Payables Net Sales	6,28,189.73	5,55,851.43	111.37	125.07	-10.95%	
		Working Capital (Current Assets - Current Liabilities)	5,640.69	4,444.46				



Net Profit Ratio	Profit After Tax (after exceptional items)		753.45	0.19%	38.06%	See Note 5
	Value of Sales & Services	1,175.61				
Return on Capital employed	Earnings Before Interest and Tax	6,28,189.73	5,55,851.43	0.14%		
	Capital Employed	2,303.64	2,008.12	15.61%		
Return on Investment	Other Income (Excluding Dividend)	13,555.24	12,865.13			See Note 6
	Average Cash, Cash Equivalents & Other Marketable Securities					

Note:

- 1 Due to increase in overall sales, profit of the company increased and thus return on equity improved.
- 2 Average inventory decreased, and cost of material increased. This leads to increase in this ratio.
- 3 Balance of trade receivables are more as compared to previous year, thus average trade receivables increased. Thus, this ratio fell.
- 4 Balance of trade payables are more as compared to previous year, thus average trade payables increased. Thus, this ratio fell.
- 5 As increase in profit is more than increase in this sales, this ratio improved.
- 6 As company has not made any investment, this ratio is not applicable.

(xiii) Compliance with approved Scheme(s) of arrangements

Not applicable

(xiv)

No funds 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 persons or entity/fes including foreign entity/fes ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediaries shall lend or invest in party ("Ultimate Beneficiaries) identified by or on behalf of the Company.

The Company has not received any fund from any party(s) ("Funding Party/fes"), 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 by or on behalf of the Company ("Ultimate Beneficiary") or provide any guarantee, security, or the like on behalf of the Ultimate Beneficiary.



**M/S. SOVEREIGN METALS LIMITED**

Notes forming part of the financial statements attached herewith  
(All amounts are in Lakhs of Indian Rupees unless stated to be otherwise)

**3.0 SHARE CAPITAL**

PARTICULARS	AS AT 31ST MARCH			
	2023		2022	
	Number	₹.	Number	₹.
<b>Authorized</b> 6,06,00,000 Equity Shares of ₹. 10/- each	6,06,00,000	6,060	6,06,00,000	6,060
<b>Issued</b> 6,06,00,000 Equity Shares of ₹. 10/- each	6,06,00,000	6,060	6,06,00,000	6,060
<b>Subscribed &amp; Paid - up</b> 6,06,00,000 Equity Shares of ₹. 10/- each	6,06,00,000	6,060	6,06,00,000	6,060

**3.1 THE RECONCILIATION OF THE NUMBER OF EQUITY SHARES AND THE AMOUNT OUTSTANDING AT THE BEGINNING AND AT THE END OF**

PARTICULARS	AS AT 31ST MARCH			
	2023		2022	
	Number	₹.	Number	₹.
Equity shares at the beginning of the year	6,06,00,000	6,060	6,06,00,000	6,060
Add: Shares issued/allotted during the year	-	-	-	-
Less: Shares cancelled during the year	-	-	-	-
Equity shares at the close of the year	6,06,00,000	6,060	6,06,00,000	6,060

**3.2 RIGHTS, PREFERENCES, AND RESTRICTIONS ATTACHING TO EACH CLASS OF SHARES.**

The Company has only one class of issued, subscribed and paid-up equity shares having a par value of ₹. 10/- each. Each shareholder of equity shares is entitled to one vote per share. The dividend proposed by the Board of directors is subject to the approval of the shareholders in the ensuing annual general meeting, except in the case of interim dividend. In the event of liquidation of the Company, the shareholders of equity shares will be entitled to receive the 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.

**3.3 DETAILS OF SHARES HELD BY SPECIFIED ENTITIES**

Share held by	AS AT 31ST MARCH			
	2023		2022	
	Number	₹.	Number	₹.
1 Holding Company:	-	-	-	-
2 Ultimate Holding Company:	-	-	-	-
3 Subsidiaries or associates of Holding company:	-	-	-	-
4 Subsidiaries or associates of the Ultimate Holding company:	-	-	-	-

**3.4 DETAILS OF SHAREHOLDERS HOLDING MORE THAN 5% TOTAL EQUITY SHARES**

PARTICULARS	AS AT 31ST MARCH			
	2023		2022	
	Number of Shares	% of Shareholding	Number of Shares	% of Shareholding
1 Kaushik C. Lodhiya	72,72,000	12.00	72,72,000	12.00
2 Chimantlal L. Lodhiya	72,72,000	12.00	72,72,000	12.00
3 Viral P. Lodhiya	1,09,08,000	18.00	1,09,08,000	18.00
4 Dilipkumar Vishindas Lakhi	1,09,08,000	18.00	1,09,08,000	18.00
5 Manish Girdharilal Lakhi	1,09,08,000	18.00	1,09,08,000	18.00
6 Meenti Sanket Mehta	1,09,08,000	18.00	1,09,08,000	18.00
<b>Total</b>	<b>5,81,76,000</b>	<b>96.00</b>	<b>5,81,76,000</b>	<b>96.00</b>

**3.5 DETAILS OF SHARES RESERVED FOR ISSUE UNDER THE OPTIONS AND CONTRACTS/COMMITMENTS.**

There are no shares reserved for issue under the options and contracts/commitments.

**3.6 SHARES ISSUED OTHER THAN CASH, BONUS ISSUE, AND SHARES BOUGHT BACK FOR THE PERIOD OF FIVE YEARS IMMEDIATELY PRECEDING THE DATE AS AT WHICH THE BALANCE SHEET IS PREPARED.**

- 1 No shares were allotted as fully paid-up pursuant to contracts without payment being received in cash.
- 2 No shares were allotted as fully paid-up by way of bonus shares.
- 3 No shares were bought back.

**3.7 TERMS OF ANY SECURITY, CONVERTIBLE INTO EQUITY/PREFERENCE SHARES, ISSUED.**

- (a) There are no securities issued, which are convertible into equity/preference shares.



3.8 DETAILS OF CALLS UNPAID

(a) There are no calls unpaid.

3.9 DETAILS OF FORFEITED SHARES, INCLUDING THE AMOUNT ORIGINALLY PAID UP.

(a) No shares were forfeited during the financial year 2022-23.

3.10 Details of Shareholding of Promoters :

Shares held by promoters at the end of the year	31.03.2023		31.03.2022		% change during the year
	No. of Shares	% of total shares	No. of Shares	% of total shares	
Promoter Name					
Kaushik C. Lodhiya	72,72,000	12.00	72,72,000	12.00	-
Chimanlal L. Lodhiya	72,72,000	12.00	72,72,000	12.00	-
Viral P. Lodhiya	1,09,08,000	18.00	1,09,08,000	18.00	-
Dilipkumar Vishindas Lakhi	1,09,08,000	18.00	1,09,08,000	18.00	-
Manish Girdharilal Lakhi	1,09,08,000	18.00	1,09,08,000	18.00	-
Meenti Sanket Mehta	1,09,08,000	18.00	1,09,08,000	18.00	-
Shital P. Lodhiya	24,24,000	4.00	24,24,000	4.00	-
<b>Total</b>	<b>6,06,00,000</b>	<b>100.00</b>	<b>6,06,00,000</b>	<b>100.00</b>	<b>-</b>

4.0 RESERVES & SURPLUS

PARTICULARS	AS AT 31ST MARCH	
	2023	2022
(a) Capital Reserve	-	-
(b) Capital Redemption Reserve	-	-
(c) Security Premium	2,000.00	2,000.00
(d) Debenture Redemption Reserve	-	-
(e) Revaluation Reserve	-	-
(f) Share Option Outstanding Account	-	-
(g) <b>Other Reserves</b>	-	-
(h) Surplus		
Opening balance	(1,240.14)	(1,993.59)
(+) Net Profit/(Net Loss) For the current year	1,175.61	753.45
(+) Transfer from Reserves	-	-
(-) Proposed Dividends	-	-
(+) Prior Period Adjustment	0.53	-
(-) Bonus issue	-	-
Closing Balance	(64.00)	(1,240.14)
<b>Total</b>	<b>1,936.00</b>	<b>759.86</b>

5.0 LONG TERM BORROWINGS

PARTICULARS	AS AT 31ST MARCH	
	2023	2022
<b>TERM LOANS</b>		
<b>FROM BANKS</b>		
Secured	-	6.56
Unsecured	-	-
		6.56
<b>FROM OTHER PARTIES</b>		
Secured	-	-
Unsecured	942.68	998.36
	942.68	998.36
<b>DEPOSITS</b>		
Secured	-	-
Unsecured	-	-
	-	-
<b>LOANS AND ADVANCES FROM RELATED PARTIES:</b>		
	-	-
	942.68	1,004.92

6.0 DEFERRED TAX LIABILITY

PARTICULARS	AS AT 31ST MARCH	
	2023	2022
1 Relating to difference in depreciation as per books and income tax computation		
2 Relating to higher allowance of expenses as per income tax rules		



7.0 OTHER LONG TERM LIABILITIES

PARTICULARS	AS AT MARCH 31			
	2023		2022	
<b>TRADE PAYABLES:</b>				
Total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	-	-

7.1 DETAILS OF DELAYED PAYMENTS TO MSME

Particulars	2023	2022
the principal amount and the interest due thereon remaining unpaid at the end of each accounting year		
the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;		
the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006		
the amount of interest accrued and remaining unpaid at the end of each accounting year; and		
the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.		

7.2 Trade payable ageing schedule

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	Total
(a) MSME	-	-	-	-	-
(b) Others	-	-	-	-	-
(c) Disputed dues - MSME	-	-	-	-	-
(d) Disputed dues - Others	-	-	-	-	-
<b>Total</b>	-	-	-	-	-

8.0 LONG TERM PROVISIONS

PARTICULARS	AS AT MARCH 31			
	2023		2022	
<b>Provision for employee benefits</b>				
Gratuity	52.08		31.45	
Compensated Leave Absences	34.63		23.51	
<b>Other Provisions</b>				
		86.71		54.96

8.1 MOVEMENT OF LONG TERM PROVISIONS

PARTICULARS	AS AT MARCH 31			
	2023		2022	
<b>For Gratuity</b>				
As at 31st March, 2022 (As at 31st March, 2021)	31.45		28.86	*
Arising during the year	20.63		2.59	
Utilised during the year				
Unused amounts reversed				
<b>As at 31st March, 2023 (As at 31st March, 2022)</b>		52.08		31.45



<b>For Compensated Leave Absences</b>				
<b>As at 31st March, 2022 (As at 31st March, 2021)</b>	<b>23.51</b>		<b>23.29</b>	
Arising during the year	11.12		0.22	
Utilised during the year				
Unused amounts reversed				
<b>As at 31st March, 2023 (As at 31st March, 2022)</b>		<b>34.63</b>		<b>23.51</b>

9.0 **SHORT TERM BORROWINGS**

PARTICULARS	AS AT MARCH 31			
	2023		2022	
(a) Loans repayable on demand				
(A) From banks	-		-	
(B) From other parties.	-		-	
(b) Loans and advances from related parties;	-		-	
(c) Deposits;	-		-	
(d) Current maturity of long term borrowings	6.56		9.23	
(e) Other Loans and Advances	4,610.00		5,031.12	
		<b>4,616.56</b>		<b>5,040.35</b>

9.1 **GECL Loan is secured by :**

(1) Second charge over all the existing primary & collateral securities including mortgages created in favour of the Bank, subject to the subsisting charges created over various primary and collateral securities, including securities charged by third parties as follows:

(2) Primary Security: Pari- Passu charges on entire current assets including stock of gold dore and finished gold dore & finished gold bar, Stock-In-Process (SIP) Receivables and other current assets.

(3) Collateral Security: B 36, 36,37, 38, 40, Phase 3, GIDC Naroda Ahmedabad, Gujarat 382330 owned by Sovereign Metals Ltd.

(4) And is Guaranteed by ; Chimanlal L Lodhiya, Kaushik C Lodhiya, Sheetal Pankaj Lodhiya, Minti S Mehta, Dilipkumar Lakhi, Manish G Lakhi, and Vi

9.2 **WCDL Loan is secured by:**

(1) Primary Security: Hypothecation on entire current assets including stock of gold dore & finished gold bar., Stock-In-Process (SIP) , Receivables and other current assets (Exclusive Charge).

(2) Collateral Security: Exclusive Mortgage of factory premises in the name of Sovereign Metal Ltd situated at GIDC Naroda, Ahmedabad.

(3) And is Guaranteed by ; Chimanlal L Lodhiya, Kaushik C Lodhiya, Sheetal Pankaj Lodhiya, Minti S Mehta, Dilipkumar Lakhi, Manish G Lakhi, and Viral Pankaj Lodhiya.

10.0 **TRADE PAYABLE**

PARTICULARS	AS AT MARCH 31			
	2023		2022	
Total outstanding dues of micro enterprises and small enterprises		-		-
Total outstanding dues of creditors other than micro enterprises and small enterprises		14,201.65		4,603.63
		<b>14,201.65</b>		<b>4,603.63</b>

10.1 **Trade payable ageing schedule**

31.03.2023

Particulars	Outstanding for following periods from due date of payment#				
	Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	Total
(a) MSME	-	-	-	-	-
(b) Others	14,171.93	1.51	2.42	-	14,175.86
(c) Disputed dues - MSME	-	-	-	-	-
(d) Disputed dues - Others	-	-	-	-	-
<b>Total</b>	<b>14,171.93</b>	<b>1.51</b>	<b>2.42</b>	<b>-</b>	<b>14,175.86</b>

10.2 **Trade payable aging Schedule**

31.03.2022

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	Total
(a) MSME	-	-	-	-	-
(b) Others	4,601.22	2.42	-	-	4,603.64
(c) Disputed dues - MSME	-	-	-	-	-
(d) Disputed dues - Others	-	-	-	-	-
<b>Total</b>	<b>4,601.22</b>	<b>2.42</b>	<b>-</b>	<b>-</b>	<b>4,603.64</b>



10.3 Details of delayed payment to MSMEs

Particulars	2023	2022
	the principal amount and the interest due thereon remaining unpaid at the end of each accounting year	
the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;		
the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006.		
the amount of interest accrued and remaining unpaid at the end of each accounting year; and		
the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.		

11.0 OTHER CURRENT LIABILITIES

PARTICULARS	AS AT MARCH 31			
	2023		2022	
(a) Current maturity on finance lease obligations;	-		-	
(b) Interest accrued but not due on borrowings;	-		-	
(c) Interest accrued and due on borrowings;	-		-	
(d) Income received in advance;	-		-	
(e) Unpaid dividends;	-		-	
(f) Application money received for allotment of securities and due for refund and interest accrued thereon.	-		-	
(g) Unpaid matured deposits and interest accrued thereon;	-		-	
(h) Unpaid matured debentures and interest accrued thereon;	-		-	
(i) Other payables.				
(a) Advance From Customers	231.17		268.98	
(b) Other payables	-		0.75	
(c) Statutory Liabilities	33.86		16.11	
		265.03		285.83

12.0 SHORT TERM PROVISIONS

PARTICULARS	AS AT MARCH 31			
	2023		2022	
<b>Provision for employee benefits</b>				
Gratuity	5.87		3.51	
Compensated Leave Absences	8.26		5.28	
		14.13		8.79
<b>Other Provisions</b>		430.18		386.91
		444.31		395.70

12.1 MOVEMENT OF SHORT TERM PROVISIONS

PARTICULARS	AS AT MARCH 31				
	2023		2022		
	Others	Emp. Benefit	Others	Emp. Benefit	
As at 31st March, 2022 (As at 31st March, 2021)	386.91	8.79	20.20	9.92	
Arising during the year	43.27	5.34	366.71	(1.13)	
Utilised during the year	-	-	-	-	
Unused amounts reversed	-	-	-	-	
As at 31st March, 2023 (As at 31st March, 2022)	430.17	14.13	386.91	8.79	



14.0 NON CURRENT INVESTMENTS

PARTICULARS	AS AT MARCH 31	
	2023	2022
(a) Investment Property;	-	-
(b) Investment in Equity instruments;	-	-
(c) Investment in preference shares;	-	-
(d) Investment in Government & trust securities;	-	-
(e) Investment in debentures and bonds;	-	-
(f) Investment in mutual funds;	-	-
(g) Investment in partnership firms;	-	-
(h) Other non-current investments	-	-

Notes:

- 1) Aggregate amount of quoted investment and market value thereof;
- 2) Aggregate amount of unquoted investment;
- 3) Aggregate provision for diminution in value of investments.

15.0 DEFERRED TAX ASSETS

PARTICULARS	AS AT MARCH 31	
	2023	2022
1 Relating to Brought Forward business losses as per Income Tax	61.12	87.49
2 Relating to Brought Forward Unabsorbed Depreciation as per Income Tax	-	-
	61.12	87.49

16.0 LONG TERM LOANS AND ADVANCES

PARTICULARS	AS AT MARCH 31	
	2023	2022
<b>Capital Advances</b>		
Secured, considered good;	-	-
Unsecured, considered good;	-	-
Doubtful	-	-
Allowance for bad and Doubtful	-	-
<b>Loans and Advances to related parties</b>		
Secured, considered good	-	-
Unsecured, considered good	-	-
Doubtful	-	-
<b>Others</b>		
	-	-
	-	-
	-	-
	-	-

17.0 OTHER NON-CURRENT ASSETS

PARTICULARS	AS AT MARCH 31	
	2023	2022
<b>Long term trade receivables</b>		
Secured, considered good	-	-
Unsecured, considered good	-	-
Doubtful	-	-
Deposits	4.87	4.87
Others	20.78	0.21
	25.65	5.08

17.1 Long term trade receivables ageing schedule:

31.03.2023

Particulars	Outstanding from following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables						
Considered good	-	-	-	-	-	-
Undisputed trade receivables						
Considered doubtful	-	-	-	-	-	-
Disputed trade receivables						
Considered good	-	-	-	-	-	-
Disputed trade receivables						
Considered doubtful	-	-	-	-	-	-





Particulars	Outstanding from following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables Considered good	-	-	-	-	-	-
Undisputed trade receivables Considered doubtful	-	-	-	-	-	-
Disputed trade receivables Considered good	-	-	-	-	-	-
Disputed trade receivables Considered doubtful	-	-	-	-	-	-

## 18.0 CURRENT INVESTMENTS

PARTICULARS	AS AT MARCH 31			
	2022		2021	
(a) Investment in Equity instruments;	-	-	-	-
(b) Investment in preference shares;	-	-	-	-
(c) Investment in Government or trust securities;	-	-	-	-
(d) Investment in debentures or bonds;	-	-	-	-
(e) Investment in mutual funds;	-	-	-	-
(f) Investment in partnership firms;	-	-	-	-
(g) Other investments.	-	-	-	-

Notes:

- 1) The basis of valuation of individual investments
- 2) Aggregate amount of quoted investment and market value thereof;
- 3) Aggregate amount of unquoted investment;
- 4) Aggregate provision for diminution in value of investments.

## 19.0 INVENTORIES

PARTICULARS	MODE OF VALUATION	AS AT MARCH 31			
		2023		2022	
(a) Raw Materials	At Cost	983.80		1,623.09	
(b) Work-in-process	At Cost	4,022.68		1,156.93	
(c) Finished Goods	At Cost	1,261.93		3,535.89	
(d) Stock-in-trade		-		-	
(e) Stores and spares	At Cost	34.41		34.41	
(f) Loose tools		-		-	
(g) Others	At Cost	12.35		17.63	
			6,315.18		6,367.96
Coimbatore Branch	At Cost	52.20		63.21	
Delhi Branch	At Cost	572.09		651.40	
Mumbai Branch	At Cost	1,374.45		474.93	
			1,998.74		1,189.55
			8,313.92		7,557.51

## 20.0 TRADE RECEIVABLES

PARTICULARS	AS AT MARCH 31			
	2023		2022	
(a) Secured, considered good; <i>Debts Outstanding for a period exceeding six months</i>	7.94		0.45	
<i>Other Debts</i>	11,079.30		3,738.90	
(b) Unsecured, considered good;	-		-	
(c) Doubtful.	-		-	
		11,087.23		3,739.35



## 20.1 Trade receivables ageing schedule:

31.03.2023

Particulars	Outstanding from following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables Considered good	11,079.30	7.94	-	-	-	11,087.23
Undisputed trade receivables Considered doubtful			-	-	-	-
Disputed trade receivables Considered good			-	-	-	-
Disputed trade receivables Considered doubtful			-	-	-	-

## 20.2 Trade receivables ageing schedule:

31.03.2022

Particulars	Outstanding from following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables Considered good	3,738.90	0.45	-	-	-	3,739.35
Undisputed trade receivables Considered doubtful			-	-	-	-
Disputed trade receivables Considered good			-	-	-	-
Disputed trade receivables Considered doubtful			-	-	-	-

## 21.0 CASH &amp; CASH EQUIVALENTS

PARTICULARS	AS AT MARCH 31			
	2023		2022	
(a) Balance with banks	3,768.83		1,877.35	
(b) Cheques, drafts on hand	-		-	
(c) Cash on hand	21.00		19.30	
(d) Others	-		-	
		3,789.83		1,896.66

## 22.0 SHORT TERM LOANS AND ADVANCES

PARTICULARS	AS AT MARCH 31			
	2023		2022	
<b>Short term Loans and Advances to related parties</b>				
Secured, considered good;	-		-	
Unsecured, considered good;	-		-	
Doubtful.	-		-	
<b>Others</b>				
Deposits	74.34		116.10	
Loan to Staff	8.24		10.50	
Advance Statutory Payments	2,062.45		1,829.29	
Prepaid expenses	29.47		21.15	
Advances to Suppliers	363.17		235.21	
		2,537.68		2,212.24

## 23.0 OTHER CURRENT ASSETS

PARTICULARS	AS AT MARCH 31			
	2023		2022	
Others	-		0.01	
		-		0.01



24.0 CONTINGENT LIABILITIES AND COMMITMENTS

PARTICULARS	AS AT MARCH 31	
	2023	2022
<b>Contingent Liabilities:</b>		
(a) Claims against the Company not acknowledged as debt;	-	-
(b) Guarantees;	-	-
(c) Other money for which the company is contingently liable.	-	-
<b>Commitments:</b>		
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for;	-	-
(b) Uncalled liability on shares and other investments partly paid;	-	-
(c) Other commitments.	-	-

25.0 DETAILS OF DIVIDENDS AND ARREARS OF DIVIDEND

PARTICULARS	AS AT MARCH 31	
	2023	2022
<b>Per share Dividend</b>		
(a) To Equity share holders	-	-
(b) To Preference share holders	-	-
(c) Arrears of fixed cumulative dividends on preference share	-	-

26.0 DETAILS OF AMOUNT OF SECURITIES NOT USED FOR THE PURPOSE FOR WHICH SUCH SECURITIES HAVE BEEN ISSUED

During the financial year 2022-23, the Company has not issued any security.

27.0 DETAILS OF AMOUNT OF BORROWINGS FROM BANKS AND FINANCIAL INSTITUTION NOT USED FOR THE PURPOSE FOR WHICH SUCH BORROWINGS ARE TAKEN

During the financial year 2022-23, the Company has not used the borrowing from banks and financial institution for the purposes other than those for which such borrowings were raised

28.0 DETAILS OF ASSETS HAVING VALUE ON REALISATION LESS THAN THE AMOUNT AT WHICH THE SAID ASSETS ARE STATED.

As at the end of the financial year 2022-23, the Board of Directors of Company is of the opinion that the assets other than Property, Plant and Equipment, Intangible Assets and non-current investments are of the value at which the said assets are stated in the balance sheet



**30.0 REVENUE FROM OPERATIONS**

PARTICULARS	FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH,			
	2023		2022	
<b>Sale of Products</b>				
Domestic	6,09,372.19		5,55,752.20	
Export	19,475.01		-	
		6,28,847.21		5,55,752.20
<b>Sale of Service</b>				
<b>Other operating Revenue</b>		(657.48)		99.23
		6,28,189.73		5,55,851.43

**31.0 OTHER INCOME**

PARTICULARS	FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH,			
	2023		2022	
Miscellaneous Income	0.07		0.08	
Income from Lab Testing & certification	1.12		1.00	
Interest Income on Fixed Deposits	96.35		3.61	
Actuarial Gain	-		1.17	
Interest on Loan to Employees	1.07		1.33	
UGVCL Interest Income	2.46		2.46	
Job work	-		0.03	
Other Freight Income	17.53		-	
Refining Charges	70.62		15.78	
Melting charges	1.25		0.53	
Interest on IT Refund	40.96		-	
Interest on Excise Duty Refund	0.77		-	
ABRY Employer Benefit - PF	1.47		-	
Solar Credit Income	0.75		-	
		234.40		25.98

**32.0 COST OF CONSUMPTION OF MATERIALS:**

PARTICULARS	FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH,			
	2023		2022	
Consumption of Raw Materials	5,70,862.32		3,87,931.22	
Consumption of Stores & Spares	124.45		157.66	
Consumption of Fuel	-		2.74	
		5,70,986.77		3,88,091.62

**33.0 CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK IN PROGRESS**

PARTICULARS	FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH,			
	2023		2022	
<b>OPENING STOCK</b>				
Work-in-Process	1,156.93		1,857.99	
Finished Goods	4,725.44		8,684.20	
		5,882.37		10,542.18
<b>CLOSING STOCK</b>				
Work-in-process	4,022.68		1,156.93	
Finished Goods	3,260.68		4,725.44	
		7,283.36		5,882.37
		(1,400.99)		4,659.81

**34.0 EMPLOYEE BENEFIT EXPENSE**

PARTICULARS	FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH,			
	2023		2022	
Bonus	40.96		33.84	
Salary	261.34		244.73	
ESIC	3.57		3.03	
Employer's Contribution to Provident fund	21.80		24.37	
Employer's Contribution to Labour Welfare fund	0.02		0.02	
Employer's Contribution to NPS	0.54		0.54	
Staff Welfare Expenses	52.82		21.11	
Leave Encashment	2.06		11.68	
Compensated Leave Absences	14.10		0.26	
Gratuity	23.71		11.31	
Reimbursement Expense	8.10		7.94	
Overtime and other allowances	220.60		189.75	
		649.62		548.60



## 35.0 FINANCE COST

PARTICULARS	FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH,			
	2023		2022	
Interest Expense	692.45		756.59	
Bank Charges	276.93		22.07	
Other borrowing cost	40.00		23.60	
		1,009.38		802.26

## 36.0 DEPRECIATION AND AMORTIZATION EXPENSE

PARTICULARS	FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH,			
	2023		2022	
Depreciaton for the year	349.97		365.80	
Amortization for the year	4.04		4.95	
		354.00		370.75

## 37.0 OTHER EXPENSES

PARTICULARS	FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH,			
	2023		2022	
<b>Manufacturing Expense :</b>				
Electric Power Consumption	122.54		97.46	
Other Miscellaneous	897.03		185.36	
		1,019.57		282.82
<b>Administrative &amp; Selling Expenses :</b>				
Audit Fees	3.00		3.00	
Rent, rates & taxes	57.59		55.52	
Repair & Maintenance	33.13		28.54	
Insurance	22.28		8.53	
Miscellaneous expense	1,087.47		653.42	
		1,203.47		749.02
		2,223.04		1,031.83

## 38.0 VALUE OF IMPORT ON CIF BASIS

PARTICULARS	FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH,			
	2023		2022	
	Foreign currency	₹.	Foreign currency	₹.
Raw Materials	62,89,23,532.94		47,35,81,587.8	
Components and spares parts	USD	5,01,098.68	USD	3,53,121.18
Capital Goods	18,997.04 EURO	16.73	-	-

## 39.0 EXPENDITURE IN FOREIGN CURRENCY

PARTICULARS	FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH,			
	2023		2022	
	Foreign currency	₹.	Foreign currency	₹.
Professional and consultancy fees	-	-	-	-
Foreign Travelling Expense	-	-	-	6.27
Freight	1,00,469.15	82.73	-	-

## 40.0 IMPORTED AND INDIGENOUS RAW MATERIALS, SPARES PARTS AND COMPONENTS CONSUMED AND ITS PERCENTAGE TO THE TOTAL CONSUMPTION

PARTICULARS	FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH,			
	2023		2022	
	Imported	Indigenous	Imported	Indigenous
Raw Materials (in Amt)	5,66,776.97	4,085.35	3,54,081.51	33,849.71
Raw Materials (in %)	99.26%	0.72%	91.24%	8.72%
Components and spares parts (in Amt)	-	124.45	-	160.40
Components and spares parts (in %)	-	0.02%	-	0.04%
Total	99.26%	0.74%	91.24%	8.76%

## 41.0 EARNINGS IN FOREIGN EXCHANGE

PARTICULARS	FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH,			
	2023		2022	
(i) Exports of goods on F.O.B. value basis	19,475.01		-	
(ii) Royalty, know-how, professional and consultation fees	-		-	
(iii) Interest and dividend	-		-	
(iv) Other income		19,475		



42.0 The Company has not disclosed any transaction not recorded in books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income-tax Act, 1961 and also not recorded any previously unrecorded income and related assets .

43.0 CORPORATE SOCIAL RESPONSIBILITY

PARTICULARS	FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH,	
	2023	2022
a amount required to be spent by the Company during the year	11.91	-
b amount of expenditure incurred	12.00	-
c shortfall at the end of the year	-	-
d total of previous years shortfall	-	-
e reason for shortfall	Donation	
f nature of CSR activities		
g Details of related parties transactions Donation to Lodhiya Foundation	12.00	
h where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year.		

44.0 DETAILS OF CRYPTO CURRENCY OR VIRTUAL CURRENCY

The Company has not traded or invested in Crypto Currency or Virtual Currency during the financial year ended on 31 March, 2023

45.0 DEFERRED TAX ASSETS/(LIABILITY)

PARTICULARS	FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH,	
	2023	2022
DEFERRED TAX ASSETS/(LIABILITY)	(26.37)	(198.08)
	(26.37)	(198.08)

46.0 DETAILS OF RELATED PARTY RELATIONSHIP

Names of Related Parties	Description of Relationship
Kaushik C. Lodhiya	Director
Chimanlal L. Lodhiya	Director
Viral P. Lodhiya	Director
Sheetal P. Lodhiya	Director
Urmilaben C. Lodhiya	Wife of Director
Payal K. Lodhiya	Wife of Director
Shreeji Trading Co. (Prop: Pankaj Lodhiya)	Relative of Director
Jay Rathod	Company Secretary
Shruti Shingala	Chief Financial Officer
Dilipkumar Lakhi	Shareholder
Manish Lakhi	Shareholder
Meenti Mehta	Shareholder
Shreeji Ornaments Private Limited	Sister concern
Ariplutus Metals Pvt. Ltd.	Sister concern
Virmit Jewels Private Limited	Sister concern
Lodhiya Foundation	Concern in which directors of the company are having significant influence

46.1 DETAILS OF TRANSACTION DURING THE YEAR WITH RELATED PARTY

Names of Related Parties	Nature of Transaction	Amount	FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH,	
			2023	2022
Shreeji Ornaments Private Limited	Sales	2,415.00	Sales	1,512.42
	Purchase	1,962.18	Purchase	1,512.52
	Loan Taken	-	Loan Taken	340.00
	Loan Repayment	-	Loan Repayment	340.00
Ariplutus Metals Pvt. Ltd.	Loan Taken	10,818.69	Loan Taken	55,048.05
	Loan Repayment	10,618.69	Loan Repayment	55,048.05
	Business	1.82	Business	-
	Promotion Exp	1.82	Promotion Exp	-
	Purchase	481.94	Purchase	-
	Sales	1,180.13	Sales	-
Shreeji Trading Co. (Prop: Pankaj Lodhiya)	Sales	1,864.61	Sales	-
Viral P. Lodhiya	Director's salary	56.82	Director's salary	42.00
	Loan Taken	255.69	Loan Taken	-
	Loan Repayment	0.01	Loan Repayment	-
	Reimbursement of Expense		Reimbursement of Expense	-



Kaushik C. Lodhiya	Reimbursement of Expense	16.15	Reimbursement of Expense	-
Sheetal P. Lodhiya	Rent	6.60	Rent	6.00
Urmilaben C. Lodhiya	Rent	6.60	Rent	6.00
Payal K. Lodhiya	Rent	6.60	Rent	6.00
Virmit Jewels Private Limited	Purchase Refining Charges	4.88	Purchase Refining Charges	-
	Gold Sales	5.40	Gold Sales	-
Shruti Shingala	Salary	14.06	Salary	14.06
Jay Rathod	Salary	6.55	Salary	-
Lodhiya Foundation	CSR Expense	12.00	CSR Expense	-

47.0 **EARNINGS PER SHARE**

PARTICULARS	AS AT MARCH 31	
	2023	2022
Net profit/(loss) for the year	16,41,40,187	7,53,45,373
Weighted average number of equity shares	6,06,00,000	6,06,00,000
Basic Earning Per Share	2.71	1.24

48.0 **DILUTED EARNINGS PER SHARE**

PARTICULARS	AS AT MARCH 31	
	2023	2022
Net profit/(Loss) for calculation of basic EPS (Profit after tax) as adjusted for dilutive potential equity shares	16,41,40,187	7,53,45,373
Weighted Average Number of Equity shares	6,06,00,000	6,06,00,000
Potential weighted average number of equity shares	-	-
Total of 2 and 3 above	6,06,00,000	6,06,00,000
Diluted EPS	2.71	1.24



Property, Plant and Equipment and Intangible asset :  
(All amounts are in Lakhs of Indian Rupees unless stated to be otherwise)

(A) Property, Plant and Equipment

Sr. No.	Particulars	Gross Block			Accumulated Depreciation			Net Block		
		Balance as at 01/04/2022	Additions/ (Disposals)	Deduction or Adjustment	Balance as at 31/03/2023	Balance as at 01/04/2022	Depreciation charge for the year	Deduction	Balance as at 31/03/2022	Balance as at 31/03/2023
1	Land	1,900.16	-	-	1,900.16	1,010.20	15.31	-	889.96	874.66
2	Buildings	2,905.42	26.03	-	2,931.45	2,409.64	47.95	-	495.78	473.86
3	Plant and Equipments	4,560.84	281.51	-	4,842.35	3,359.91	244.67	-	1,200.93	1,237.76
4	Furniture and Fixtures	156.80	48.27	-	205.06	88.12	21.60	-	68.68	95.35
5	Vehicles	33.06	-	-	33.06	13.58	6.09	-	19.49	13.40
6	Office equipments	68.45	1.54	-	70.00	65.15	0.18	-	3.30	4.66
7	Computers	69.46	20.08	-	89.54	62.23	11.29	-	7.24	16.03
8	Dies and Moulds	24.01	0.93	-	24.94	7.12	2.89	-	16.89	14.93
	<b>Total</b>	<b>9,718.20</b>	<b>378.36</b>	<b>-</b>	<b>10,096.56</b>	<b>7,015.95</b>	<b>349.97</b>	<b>-</b>	<b>2,702.25</b>	<b>2,730.64</b>
(B)	<b>Intangible Assets</b>									
1	Goodwill	-	-	-	-	-	-	-	-	-
2	Brand/Trademarks	-	-	-	-	-	-	-	-	-
3	Computer Software	44.93	6.23	-	51.16	40.26	4.04	-	4.67	6.86
	<b>Total</b>	<b>44.93</b>	<b>6.23</b>	<b>-</b>	<b>51.16</b>	<b>40.26</b>	<b>4.04</b>	<b>-</b>	<b>4.67</b>	<b>6.86</b>
(C)	<b>Capital Work In Progress</b>									
1	Factory building	-	-	-	-	-	-	-	-	-
2	Residential building	-	-	-	-	-	-	-	-	-
3	Machinery and plants	-	-	-	-	-	-	-	-	-
	<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
(D)	<b>Intangible assets under Development</b>									
1		-	-	-	-	-	-	-	-	-
2		-	-	-	-	-	-	-	-	-
	<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>Total</b>	<b>9,763.13</b>	<b>384.58</b>	<b>-</b>	<b>10,147.71</b>	<b>7,056.21</b>	<b>354.00</b>	<b>-</b>	<b>2,706.92</b>	<b>2,737.50</b>

For and on behalf of the Board of Directors of  
M/s. SOVEREIGN METALS LIMITED, RAJKOT

*K C Lodhiya*  
Kaushtik Lodhiya  
Director  
DIN : 02060605

*Viral Lodhiya*  
Viral Lodhiya  
Managing Director  
DIN : 08228595

*S.N. Shingala*  
Shruti Shingala  
Chief Financial Officer

*Jay Rathod*  
Jay Rathod  
Company Secretary  
Membership No. A37589

Place: Rajkot  
Date: 29.08.2023

For J C RANPURA & CO.,  
Chartered Accountants  
[FRN:108647W]



*(Ketan Y Sheeth)*  
Partner  
(Membership No. 118411)  
[UDIN: 23118411BGWSAW9604]



**M/S. SOVEREIGN METALS LIMITED**  
**Details & Disclosure of Items shown in Balance Sheet & Statement of Profit & Loss:**  
 (All amounts are in Lakhs of Indian Rupees unless stated to be otherwise)

**1 Term Loans**

PARTICULARS	AS AT MARCH 31			
	2023		2022	
<b>Secured:</b>				
HDFC KIA Car loan	6.56		15.79	
		6.56		15.79

**2 Loans and advances from related parties**

PARTICULARS	AS AT MARCH 31			
	2023		2022	
<b>Loans from Directors and their relatives:</b>				
Viral P. Lodhiya	-		255.68	
				255.68
<b>From Shareholders:</b>				
Manish G. Lakhi	495.12		495.12	
Meentl S. Mehta	247.56		247.56	
		742.68		742.68
<b>Inter Corporate Deposit</b>				
Ariplutus Metals Private Limited	200.00		-	
		200.00		-
		942.68		998.36

**3 SHORT TERM BORROWINGS**

PARTICULARS	AS AT MARCH 31			
	2023		2022	
<b>Current Maturities of Long Term Debt</b>				
Current Maturities-HDFC Car Loan	6.56		9.23	
		6.56		9.23

**4 Other Loans and Advances**

PARTICULARS	AS AT MARCH 31			
	2023		2022	
<b>SECURED CASH CREDIT</b>				
<b>From Banks</b>				
Indusind Bank CC (650014105169)	-		-	
GECL Loan	2,110.00		2,531.12	
WCDL Loan	2,500.00		2,500.00	
		4,610.00		5,031.12

**5 Deferred Tax Assets / (Liabilities)**

Particulars	As at 01.04.2022	Charge/ (Reversal)	As at 31.03.2023
<b>Deferred Tax Assets related to:</b>			
Brought forward unabsorbed depreciation	-	-	-
Difference in balance of Property, plant and Equipment as per books and of Fixed assets under Income-tax records	75.42	(45.74)	29.68
	75.42	(45.74)	29.68
<b>Deferred Tax Liability related to:</b>			
Difference in wdv of fixed assets as per books and as under Income-tax records	-	-	-
	-	-	-
<b>Deferred Tax Assets related to:</b>			
Created for loss on sale of assets	0.29	-	0.29
Created for disallowances under section 43B of gratuity and leave absences	11.77	19.37	31.14
	12.07	19.37	31.44
Deferred Tax Assets (Deferred Tax Liability)	87.49	(26.37)	61.12

**6 Trade Payables**

PARTICULARS	AS AT MARCH 31			
	2023		2022	
<b>Total outstanding dues of creditors other than micro enterprises and small enterprises</b>				
<b>Creditors for Goods</b>				
Yes Bank GML	5,018.50		-	
Yes Bank Ltd - Chennai	2,081.79		-	
Yes Bank Ltd - Mumbai	3,852.10		-	
		10,952.38		



<b>Creditors for Import of Goods &amp; Services</b>			
A.M. Mining Resources Sac	605.15		969.41
Fenix Metals DO Brasil Eireli	575.57		3,655.25
Geopromining Gold LLC	2.73		-
Oxidos De Pasco S.A.C.	1,943.34		-
The London Bullion Market Association	3.35		-
IBI International Logistics INC	24.43		-
India International Depository IFSC Limited	0.26		-
		3,154.83	4,624.66
<b>Debit balances of creditors for goods</b>			
Intl Fcstone Commodities Dmcc.	-		30.32
ICBC Standard Bank	-		47.64
			77.96
			(77.96)
<b>Creditors for Expenses</b>			
A 1 Acid Ltd	0.96		-
AB Lab Solutions	0.53		-
A D Colour Spectra	0.07		-
Air France Cargo	0.08		-
Brinks India Private Limited	0.38		4.65
Brinks India Private Limited (Delhi)	-		1.03
Brinks India Private Limited (Mumbai)	0.01		-
Delta Systems & Peripherals	-		0.18
Enervetic Enterprises	0.23		-
Jay Info Services	0.00		-
Jemkon Private Limited	0.85		-
Naroda Utilities Services	0.28		0.24
Navkar Trading Co.	0.05		0.01
Siddhi and Associates	-		0.30
Suntech Business Solutions	2.42		2.42
Newjen Technologies	0.05		-
Nishan Trading Company	0.29		-
Nivaan Enterprise	0.14		-
Ajanta Chemicals	0.64		3.30
Aman Engineering	1.43		-
Amba Enterprise	0.05		-
Aml Enterprise	0.57		-
Astha Enterprise	0.97		-
Citizen Traders	0.07		-
Creative Engineers	0.03		-
Cybera Print art	-		0.01
Deepankit Trading Co.	0.57		-
Viral P. Lodhiya	-		0.92
Anand Shyam Estate Devlopers Pvt. Ltd.	1.51		1.51
Creative Jewel	18.83		-
India Bullion & Jewellers Association Ltd	0.89		-
Dr. Hetalbhai Shah	0.15		0.13
C.G. Enterprise	0.15		0.15
Ganpat Borana	-		0.06
Graphite & Carbon Product	0.98		-
Green City Link	0.61		-
Gujarat Fluorochemicals Limited	0.00		-
Gujarat Laboratory	0.00		-
Hiralal & Sons	0.76		-
HIS Pumps & Systems Pvt. Ltd.	1.20		-
Indra Security & Allied service Pvt Ltd	3.96		3.82
International Cargo Services	0.00		-
Jayco Industries	0.62		-
Jemkon Private Limited - Mumbai	0.61		-
Khodal Refrigeration	0.10		-
Krishna Lights	2.11		-
K V Exports	0.30		-
Madhuraj Industrial Gases Pvt. Ltd.	0.49		-
Maruti Engineering	0.01		-
Meghana Traders	0.28		-
Moitra Consultancy & Allied Services	2.54		-
Naidu Associates	-		0.14
Patel Courier & Cargo Service	0.00		0.01
Pragati Scales	0.19		-
Payal K. lodhiya	0.50		-
Sheetal P. lodhiya	0.50		-
Urmilaben C. Lodhiya	0.50		-
Quality Services	0.30		-
Radix Innovations Private Limited	0.03		-
Rajesh Enterprise	0.02		-
Rajesh Enterprises	0.07		-
Shyaam Fire Safe Solution	-		0.03
Orosol International	-		0.22
R K Tondon	-		0.18
Ravi Hardware Stores	0.03		0.37
Regus Enigmatic spaces pvt ltd	0.19		0.15
Regus Chennai Office Centre Pvt Ltd	0.15		-
Salvi Corporation	0.32		-
Sandeep Uniyal	1.62		-
Savva Corporation	0.02		-



Shalibhdra Stationers	0.25		-	
Shiv Indane	-		0.06	
Shiv Indane - Prop.	1.83		-	
Siddhi & Associates	0.39		-	
Shreenathji Welding & Safety Pvt Ltd	-		0.06	
Square Print Line	0.16		-	
Stacker's and Mover's (I) Mfg. Co.	0.01		-	
Tullip Corporation	0.12		-	
Vasudev Designer & Printer	0.09		-	
Vinayak Engineering - Naranpura	0.10		-	
Virat Acid Private Limited	1.86		-	
V V Electrotech	0.20		-	
		56.17		19.92
<b>Employees benefits payables</b>				
Salary Payable	38.28		37.01	
		38.28		37.01
		14,201.65		4,603.63

7 Other Payables

PARTICULARS	AS AT MARCH 31			
	2023		2022	
<b>Advance From Customers</b>				
Bullionline LLP	122.34		122.34	
Jurassic Refiners & Jewels Pvt. Ltd.	72.40		72.40	
Lotus Bullion Pvt. Ltd.	0.34		0.34	
Ambuja Bullion TDS	0.23		0.15	
Balaji Bullion (firm) TDS	-		0.39	
Bankutramana Bullion & Diamond PVT LTD TDS	-		0.52	
Deepakbhai Prabhudasbhai Ranpara TDS	-		0.54	
Dhanlaxmi Jewellers TDS	-		0.34	
Dilipkumar Manilal Ranpara TDS	-		3.06	
Om Santi Electricals	-		0.01	
M. S. Bullion TDS	-		0.75	
Pankaj Jewellers TDS	-		0.39	
Parekh Brothers TDS	0.69		1.26	
Pooja Jewellers TDS	0.39		-	
Sai Shivam Jewellers Private Limited TDS	4.28		-	
Tanvi Exports India Limited TDS	1.35		-	
Tanvi Findings TDS	0.56		-	
Tanvi Gold Cast LLP TDS	2.88		-	
Shree Sahjanand Trading co. TDS	-		0.00	
Shree Vraj Jewellers TDS	-		0.02	
Arihant Gems TDS A/C	0.40		1.00	
Bharat Varma Jewellers TDS A/C	-		0.40	
Bombay Gold Lab TDS A/C	-		6.01	
Devika TDS A/C	1.00		0.19	
Digital Gold India Private Limited Telangana TDS A/C	0.40		-	
Digital Gold India Private Limited Mumbai TDS A/C	0.28		-	
D. M. Enterprise TDS A/C	0.30		-	
Jagani Trading CO. TDS A/C	0.38		-	
Jain Impex TDS A/C	-		1.42	
Kanak Jewellers TDS A/C	0.96		-	
Mahavir Bullion TDS A/C	-		0.19	
Pawar & Sons TDS A/C	-		1.88	
Shiv Shakti Overseas TDS A/C	0.17		0.15	
Shri Krishna Jewells Pvt Ltd TDS A/C	-		0.05	
Caps Gold Private Limited Telangana	-		0.01	
Komal Silver Mart	-		0.03	
RadhaMohan Purushottam Das Jewellers LLP(Kanpur)	-		34.21	
RadhaMohan Purushottam Das Jewellers Pvt Ltd(Kanpur)	21.83		-	
D A R Paradise Private Limited	-		0.07	
Sukraa Hallmarking Centre	-		19.17	
Vardhman Jewellers	-		0.00	
Alukka Gold Palace	-		0.05	
Bombay Gold Lab	-		0.05	
L.D. Gold Lab	-		0.01	
M.J. International	-		1.45	
Raja & co. Overseas Private Limited	-		0.14	
		231.17		268.98
<b>Other payables</b>				
K C Joy	-		0.71	
Sajan Varghese	-		0.04	
				0.75



<b>Statutory Liabilities</b>				
IGST on Import Payable	14.48		-	
TDS Payable	16.31		12.34	
Provident Fund Payable (Employee)	1.47		1.65	
Voluntary PF	0.34		0.61	
TCS Payable	1.00		1.25	
ESIC Payable(Employee)	0.07		0.07	
Employee's contribution to Labour welfare Fund	0.00		0.00	
Professional taxes Payable	0.20		0.19	
		33.86		16.11
		265.03		285.83

**8 Other Provisions**

PARTICULARS	AS AT MARCH 31			
	2023		2022	
Provision for Audit Fees	3.00		3.00	
Provision for Income tax	407.00		300.00	
Provision for custom duty	-		61.86	
Provision for Bonus expense	18.34		18.59	
Employer's Contribution to PF	1.50		1.78	
Employer's Contribution to ESIC	0.29		0.29	
Employer's Contribution to NPS	0.04		0.04	
Provision for Professional Fees	-		1.35	
		430.18		386.91

**9 Long term deposits (Aseets)**

(Amount in `)

PARTICULARS	AS AT MARCH 31			
	2023		2022	
<b>Fixed Deposits with Banks</b>				
ICICI Bank FD No. 2773 (Mt Dt 23.05.2023)	1.87		1.87	
SBI FD 40868588974 (Mt Dt 22.03.2025)	3.00		3.00	
		4.87		4.87

**10 Other Non current assets**

PARTICULARS	AS AT MARCH 31			
	2023		2022	
Accrued Interest on Fixed Deposits	20.78		0.21	
		20.78		0.21

**11 Other Trade Receivables**

PARTICULARS	AS AT MARCH 31			
	2023		2022	
<b>Debtors For Exports</b>				
Pinnacle   DMCC Export	5,134.36		-	
SVS Global DMCC	5,865.06		-	
VAMOR GOLD LLC Export	26.89		-	
		11,026.32		
<b>Others</b>				
Hazooralal & Sons Jewellers Private Limited	0.03		-	
Virsons Jewels	0.02		-	
Bankutramana Bullion & Diamond PVT LTD	-		530.37	
Bharatkumar & sons	-		0.08	
Pritam Bullion Private Limited	-		0.00	
Radhamohan Purushottam Das Jewellers Pvt Ltd	-		1,463.95	
Raksha Bullion	-		8.51	
MMTC Pamp India Pvt Ltd	0.03		-	
Mudra Finvest (Guj) Ltd	7.94		-	
P. M. Jewellers	52.85		-	
Zaveri and Company Private Limited	0.05		-	
S MahendraKumar Devichand	-		1,736.00	
		60.92		3,738.90
		11,087.23		3,738.90

**12 Balance with banks**

PARTICULARS	AS AT MARCH 31			
	2023		2022	
<b>Balances with Banks in Current Accounts/Cash credit Accounts</b>				
Indusind Bank CC (650014105169)	599.70		1,685.88	
Corporation Bank A/c. No. 510101006088782	0.11		0.11	
HDFC BANK LTD - 00600340073169	0.13		0.13	
HDFC BANK LTD - 00600460001783	0.14		0.14	
ICICI Bank A/c No. 000405100962	37.75		35.77	
SBI A/C. NO 40209991326	43.79		0.70	
YES BANK LTD - 026885700000165	287.25		0.35	
YES BANK LTD - 119421100005202	258.37		-	
Thomos Cook One Currency Card no. 3383	1.35		1.35	
Thomos Cook One Currency Card no. 7652	1.01		3.71	
		1,229.60		1,728.15



Balance with Banks in Fixed deposits Accounts (Only Account which will be matured within 12 months from the balance sheet date)			
ICICI Bank FD No. 7667	1.00		1.00
ICICI Bank FD No. 6299	92.00		92.00
ICICI Bank FD No. 6794	0.25		0.25
ICICI Bank FD No. 8732	1.00		1.00
Indusind Bank FD 300730251230	57.98		54.95
Indusind Bank FD 300923901133	202.98		-
Indusind Bank FD 300923901348	202.98		-
Indusind Bank FD 30092337557	164.39		-
Indusind Bank FD 300927638455	93.49		-
Indusind Bank FD 300927639094	5.14		-
Indusind Bank FD 300931846228	268.02		-
Indusind Bank FD 300943353509	240.00		-
Indusind Bank FD 300943976180	200.00		-
Yes Bank FD 009840300014715/1	10.00		-
Yes Bank FD 009840300014765/1	1,000.00		-
		2,539.23	149.20
		3,768.83	1,877.35

13 Short term deposits (Others)

PARTICULARS	AS AT MARCH 31		
	2023		2022
<b>Security Deposit</b>			
Ahmedabad flat rent deposit	-		0.50
Delhi Office rent deposit	5.10		5.10
Noida rent deposit	0.26		0.26
IBJA rent deposit	2.25		2.25
Electricity Deposit	0.03		0.03
Madhuraj Industrial Gases Pvt. Ltd. Deposit	1.50		1.50
VAT Deposit	0.09		0.09
Bank of Maharashtra MVAT	0.25		0.25
Mediclaim Insurance deposit	-		0.93
Government of West Bengal Deposit	0.50		0.50
Raghubhai Ghelabhai Bharwad Deposit	0.05		0.05
SBI A/c. Comm Tax Deposit	0.35		0.35
SBI A/c. CST Dept Deposit	0.10		0.10
UGVCL Security Deposit	57.81		57.81
Shiv Indane - Deposit	0.09		0.09
BSES Security Deposit	0.09		0.09
Goodfaith Agencies Ltd. (Rent Deposits)	0.14		0.14
ICICI Mediclaim Insurance Deposit	0.41		0.19
CST Deposit	-		43.63
Soham Biomethane Pvt Ltd Deposit	0.05		0.05
Urmiya Enviro Project LLP Deposit	2.76		-
Regus Chennai office Centre Pvt Ltd Rent Deposit	0.25		-
Regus Enigmatic Spaces Pvt Ltd Rent Deposit	0.07		-
<b>UGVCL Interest Receivable</b>	2.21	72.13	113.89
		2.21	2.21
		74.34	116.10

14 Staff Loan

PARTICULARS	AS AT MARCH 31		
	2023		2022
Anil Parmar	0.06		0.26
Ashok Parmar	0.04		0.25
Dipesh Maru	-		0.50
Dipak Solanki	0.07		0.22
Hitesh Pardhi	0.89		-
Jigar Desai	0.57		1.16
Kesharinandan	-		0.29
Komal Singh Parmar	0.41		-
Lakhabhai Bharwad	0.27		1.26
Mahesh Thakor	0.36		0.85
Mitesh Rathod	0.72		-
Mitul Panchal	0.24		-
Naresh Parmar	-		0.95
Pratap Singh Tomar	1.10		-
Pankaj Dulera	-		0.40
Pravin Chauhan	0.04		0.25
Priyesh Nareshkumar Suthar	0.96		-
Sahil Dobariya	0.12		0.37
Sanjay Panchal	0.58		1.36
Shankar Dabhi	0.04		0.25
Siddharth Panchal	0.14		0.65
Sunil Kumar Verma	1.33		-
Tushar Parmar	-		0.18
Vanraj Chauhan	0.06		0.26
Vipul Parmar	0.12		0.58
Viral Nayi	0.14		0.44
		8.24	10.50



15 Short term deposits (Others)

PARTICULARS	AS AT MARCH 31			
	2023		2022	
<b>Balances with Revenue Authorities</b>				
Excise Duty Receivable	0.37		29.98	
Goods & Service Tax	1,270.44		755.75	
Service Tax Receivable	1.37		1.37	
TDS Receivable (2015-16)	-		1.60	
TDS Receivable (2016-17)	0.01		0.01	
TDS Receivable (2020-21)	5.23		5.23	
TDS Receivable (2021-22)	-		0.99	
TDS Receivable (2022-23)	9.47		470.34	
TDS Receivable (2023-24)	634.48		-	
TCS Receivable (2021-22)	-		160.47	
TCS Receivable (2022-23)	-		24.22	
VAT Receivable	1.43		1.43	
Custom Duty Receivable	9.81		-	
Income-tax Demand AY 20-21	1.07		-	
UGVCL Outstanding Arrears	0.00		-	
		1,933.67		1,451.37
<b>MAT Credit Entitlement</b>	128.78		377.93	
		128.78		377.93
		2,062.45		1,829.29

16 Prepaid expenses

PARTICULARS	AS AT MARCH 31			
	2023		2022	
Prepaid Insurance Expenses	23.69		20.72	
Prepaid Internet Expenses	0.19		0.17	
Prepaid Rent Expenses	0.58		0.26	
Prepaid Expenses	5.12		-	
		29.47		21.15

17 Advances to Suppliers

PARTICULARS	AS AT MARCH 31			
	2023		2022	
Hindustan Zinc Ltd.	0.63		0.17	
Ajay S. Rathod	4.50		-	
Anand Plast Chemi	0.14		-	
Mukesh Matreja	0.03		-	
Industrial Bank Ltd. Bullion A/c	0.03		0.03	
Innova Enterprise	-		2.07	
Naroda Industries Association	-		0.06	
J V Commodities Pvt. Ltd.	-		0.01	
J V Equities Pvt. Ltd.	336.59		217.29	
Tera Automation SRL	11.42		10.79	
Eva Industrial Solutions	-		0.68	
ICICI Lombard General Insurance co. ltd	-		0.16	
Tarun Moitra	-		1.20	
Acquitech Engineers Pvt Ltd	-		0.21	
AF Ferrari Secure Logitech Pvt. Ltd.	-		0.02	
Gaya Connection	-		0.40	
Leak Proof Engineering PVT LTD	-		0.30	
Pankaj Dulera	-		0.03	
Quality Council of India	0.04		0.04	
Vision Infra & Interior	-		1.16	
Appolo Electricals	-		0.25	
Nucleus Analytics Pvt Ltd	-		0.35	
CRISIL Ratings Limited	7.12		-	
Pawansut Air Engineering Corporation	1.42		-	
Raza Gas & Domestic Appliances	0.10		-	
SICO Industries	0.04		-	
Vimal Apparels	1.12		-	
		363.17		235.21

18 Deferred Tax Assets / (Liabilities)

Particulars	As at	Charge	Reversal	As at
	01.04.2022			31.03.2023
<b>Deferred Tax Assets related to:</b>				
Brought forward unabsorbed depreciation	-	-	-	-
Difference in balance of Property, plant and Equipment as per books and of Fixed assets under Income-tax records	75.42	0.01	45.75	29.68
	75.42	0.01	45.75	29.68
<b>Deferred Tax Liability related to:</b>				
Difference in wdv of fixed assets as per books and as under Income-tax records	-	-	-	-
	-	-	-	-



<b>Deferred Tax Assets related to:</b>				
Created for loss on sale of assets	0.29	-	-	0.29
Created for disallowances under section 43B of gratuity and leave absences and Bonus	11.77	19.37	-	31.14
	12.07	19.37	-	31.44
<b>Deferred Tax Assets (Deferred Tax Liability)</b>	<b>87.49</b>	<b>19.38</b>	<b>45.75</b>	<b>61.12</b>

19 Sale of Products

PARTICULARS	AS AT MARCH 31			
	2023		2022	
<b>Domestic Sales :</b>				
<b>Ahmedabad Head Office</b>				
Gold Bars	5,99,073.82		4,42,319.83	
Silver	9,540.69		22,030.54	
Less: Branch Transfer	42,382.12		68,950.80	
		5,66,232.39		3,97,399.58
<b>Mumbai Branch</b>				
Gold Bars	5,853.82		14,473.37	
Silver	-		4,848.28	
Less: Branch Transfer	-		4.66	
		5,853.82		19,316.99
<b>Coimbatore Branch</b>				
Gold Bars	18.61		4,433.77	
Silver	-		29.44	
Less: Branch Transfer	-		1,275.04	
		18.61		3,188.18
<b>Delhi Branch</b>				
Gold Bars	65,915.73		1,53,685.61	
Silver	8.34		8.05	
Less: Branch Transfer	28,656.69		19,840.44	
		37,267.37		1,33,853.22
<b>Bangalore Branch</b>				
Gold Bars	-		3.89	
Silver	-		-	
Less: Branch Transfer	-		3.89	
		-		-
<b>Noida Branch</b>				
Gold Bars	-		5.18	
Silver	-		-	
Less: Branch Transfer	-		5.18	
		-		-
<b>Jaipur Branch</b>				
Gold Bars	-		-	
Silver	-		1,994.23	
Less: Branch Transfer	-		-	
		-		1,994.23
		6,09,372.19		5,55,752.20
<b>Income from Treasury Operations &amp; Investments</b>				
Profit/Loss on trading in Currency Derivative Instruments		(664.38)		98.72
<b>Other Operating Revenue</b>				
Waste Sales	6.90		0.51	
Alloy sales	-		-	
		6.90		0.51
<b>Export Sales :</b>				
<b>Ahmedabad Head Office</b>				
Gold	16,160.21		-	
		16,160.21		-
<b>Mumbai Branch</b>				
Gold	3,314.80		-	
		3,314.80		-
		6,28,189.73		5,55,851.43



20 Cost of Consumption of Raw Materials

PARTICULARS	AS AT MARCH 31			
	2023		2022	
<b>CONSUMPTION OF RAW MATERIALS:</b>				
Opening Stock	1,623.09		2,583.43	
Add: Purchases	5,07,545.01		3,53,121.18	
Custom Duty Expense	65,063.16		36,044.16	
Profit on Sale of MEIS/SEIS License	(2,385.15)		(2,194.45)	
	5,71,846.12		3,89,554.31	
Less: Closing Stock	983.80		1,623.09	
(A)		5,70,862.32		3,87,931.22
<b>CONSUMPTION OF STORES &amp; SPARES:</b>				
Opening Stock	34.41		91.03	
Add: Purchases	124.45		101.05	
	158.86		192.08	
Less: Closing Stock	34.41		34.41	
(B)		124.45		157.66
<b>CONSUMPTION OF FUEL:</b>				
Opening Stock	-		-	
Add: Purchases	-		2.74	
	-		2.74	
Less: Closing Stock	-		-	
(C)				2.74
Total (A+B+C)		5,70,986.77		3,88,091.62

21 Inventories

PARTICULARS	AS AT MARCH 31			
	2023		2022	
<b>Head Office (Ahmedabad)</b>				
Work-in-progress	4,022.68		1,156.93	
Finished Goods	1,261.93		3,535.89	
Stores and Spares	-		-	
MEIS/SEIS License Stock	12.35		17.63	
		5,296.96		4,710.45
Coimbatore Branch		52.20		63.21
Delhi Branch		572.09		651.40
Mumbai Branch		1,374.45		474.93
		7,295.71		5,900.00

22 Purchases

PARTICULARS	AS AT MARCH 31			
	2023		2022	
<b>Head Office</b>				
Gold Bars	30,684.89		50,277.91	
Silver	1,737.22		17,529.95	
Gold For Export	15,706.99		-	
Branch Transfer	(28,656.69)		(21,129.20)	
Demurrage Charges	-		0.95	
Documentation Charges	-		0.02	
		19,472.41		46,679.63
<b>Mumbai Branch</b>				
Gold Bars	6,843.00		14,942.27	
Silver	-		4,880.61	
Gold For Export	3,229.72		-	
Less: Head Office Silver Transfer	-		-	
Less: Head Office Gold Transfer	(5,358.00)		(14,937.61)	
		4,714.72		4,885.27
<b>Coimbatore Branch</b>				
Gold Bars	-		4,660.76	
Silver	-		-	
Less: Head Office Silver Transfer	-		-	
Less: Head Office Gold Transfer	-		(3,444.23)	
				1,216.54
<b>Delhi Branch</b>				
Gold Bars	65,828.10		1,53,165.55	
Silver	-		6.80	
Less: Head Office Silver Transfer	-		(48,842.95)	
Less: Head Office Gold Transfer	(37,024.12)		(6.80)	
		28,603.98		1,04,322.61





Bangalore Branch	-	-	3.88	3.88
Gold	-	-	-	-
Noida Branch	-	-	5.18	5.18
Gold	-	-	-	-
Jaipur Branch	-	-	2,007.89	2,007.89
Silver	-	-	-	-
		52,991.11		1,59,120.99

23 Other Miscellaneous Manufacturing Expense

PARTICULARS	AS AT MARCH 31	
	2023	2022
Alloy	4.42	-
Other Purchase	0.20	-
Refining Charges	153.53	-
Freight	247.11	102.49
Factory Expense	45.02	23.34
Housekeeping Service Charges	21.01	18.09
Insurance Expense	41.10	29.54
Jobwork Expense	366.86	4.63
MEIS/SEIS License written off	7.78	7.27
	897.03	185.36

24 Bank Interest

PARTICULARS	AS AT MARCH 31	
	2023	2022
Interest on GML	152.62	-
Interest on CC	-	633.11
Interest on GECL Loan	215.48	58.41
Interest on WCDL Loan	323.47	63.50
Interest on kia car loan	0.89	1.57
	692.45	756.59

25 Other Miscellaneous Administrative & Selling Expense

PARTICULARS	AS AT MARCH 31	
	2023	2022
Advertisement and Business Promotion	2.22	6.52
Accounting Charges	0.72	0.60
BOE Late filing fees	-	1.74
BIS Fees	-	1.03
Brokerage Charges	16.13	2.65
Conveyance	1.23	0.89
CSR Expense	12.00	-
Electricity	3.86	4.08
Legal & Professional fees	87.82	66.88
Telephone & Internet	4.99	5.19
Foreign Travelling	40.17	2.07
Travelling and Conveyance	6.50	18.29
(Profit)/Loss in trading in Commodity Transaction	-	1.77
Prior period	0.46	0.10
Security Charges	41.65	37.88
Airport Charges	-	4.95
Agency Charges	46.33	29.32
Assaying and testing charges	0.93	0.70
SEBI Fees	-	0.23
Computer	-	0.04
Custody Fees	0.87	0.90
Gardner	5.35	5.75
GIDC Charges	-	0.24
Hotel/Accommodation	7.18	0.85
Clearing Charges	1.30	0.44
License Fees	-	1.00
Membership Fees	12.54	9.29
Office	1.33	1.20
Registration Fees	-	2.77
Professional Tax	0.03	0.05
Subscription	0.01	0.24
Sponsorship	-	14.30
Transportation charges on Export	16.43	-
Other Miscellaneous	11.89	6.76
LEI Registration fees	-	0.03



NABL training fees	-		0.24
Transaction Charges	3.86		2.26
Kasar	-		(0.01)
Stationery & Printing	3.91		2.31
Stamp charges	-		8.17
Interest on TDS/TCS	0.19		0.21
Interest on Professional Tax	-		0.00
Interest on GST	0.01		0.57
Interest & penalty on PF	-		0.19
Late payment charges	0.01		0.00
Sundry Expenses written off	(1.45)		0.05
ROC Fees	0.48		0.10
Processing Fees	0.82		-
Post and courier	1.49		1.37
Vaulting Charges	0.03		0.08
UGVCL TDS	(0.02)		-
Valuation Charges	1.55		-
Net gain/loss on foreign currency transaction	752.83		410.97
VAT Expense	1.83		0.17
		1,067.47	
			653.42

**M/S. SOVEREIGN METALS LIMITED**

*Kaushik Lodhiya*  
**Kaushik Lodhiya**  
 Director  
 DIN : 02060605

*Viral Lodhiya*  
**Viral Lodhiya**  
 Managing Director  
 DIN : 08228595

*S.N. Shingala*  
**Shruti Shingala**  
 Chief Financial Officer

*Jay Rathod*  
**Jay Rathod**  
 Company Secretary  
 Membership No. A37589

Place : Rajkot  
 Date : 29.06.2023

