



SJ Corporation Ltd.

201, Shyam Bungalow, Plot No. 199/200,
Pushpa Colony, Fatimadevi School Lane,
Malad (E), Mumbai - 400 097.

36TH ANNUAL REPORT 2016-2017

BLANK

BOARD OF DIRECTOR & KMP

RAJIV N. SHAH	CHAIRMAN
DEEPAK B. UPADHYAY	MANAGING DIRECTOR
SAVJI D. PATEL	DIRECTOR
RAJESH J. SHAH	DIRECTOR
USHA S. PATEL	DIRECTOR
ASHISH SATANI	CFO
ROOPESH AGRAWAL	COMPANY SECRETARY

AUDITORS

SDBA & Co.

Chartered Accountants,
601, A Wing, Aarus Chamber,
S.S. Amrutwar Marg,
Behind Mahindra Towers,
Worli, Mumbai - 400 013.

BANKERS

Bank of India

Bullion Exchange Branch,
Sheikh Menon Street,
Zaveri Bazar, Mumbai - 400002.

Jewellery Unit

Plot no. 102, First Floor,
Surat SEZ, Diamond Park,
Sachin GIDC,
Surat - 394230, Gujarat

Registered Office

201, "Shyam Bungalow",
Plot No.199/200, Pushpa Colony,
Fatimadevi School Lane,
Manchubhai Road, Malad (East),
Mumbai - 400097.
Tele/Fax : 022-28449521
E-mail ID : sjcorporation9@yahoo.com
Website : www.sjcorp.in

NOTICE

Notice is hereby given that the 36th Annual General Meeting of the Members of **SJ Corporation Limited** will be held at 201, Shyam Bungalow, 199/200, Pushpa Colony, Fatimadevi School Lane, Manchubhai Rd., Malad (East), Mumbai- 400097 on **Wednesday, September 27, 2017 at 10.00 A.M.** to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Standalone Audited Financial Statements of the Company for the year ended March 31, 2017 together with the Reports of the Board of Directors and Auditor's thereon.
2. To appoint a Director in place of Mrs. Usha Patel (*DIN: 06986525*) who retires by rotation and being eligible, offers herself for re-appointment.
3. To ratify the appointment of M/s. SDB & Co., Chartered Accountants (Firm Registration no. 142004W) as statutory auditors of the Company and to fix their remuneration and to pass the following resolution as an ordinary resolution thereof:
"RESOLVED THAT pursuant to the provisions of Sections 139 and 142 of the Companies Act, 2013 and the Rules made thereunder, and pursuant to the recommendations of the audit committee of the Board of Directors, and pursuant to the resolution passed by the members at the AGM held on 24th September 2016, the appointment of M/s. SDB & Co., Chartered Accountants (Firm Registration no. 142004W) as the statutory auditors of the Company to hold office till the conclusion of the 40th consecutive AGM to be held in the financial year 2021 is hereby ratified on a remuneration of Rs.1,00,000/- plus applicable taxes and reimbursement of out-of-pocket expenses incurred by them in connection with the audit of the accounts of the Company for the financial year 2017-18."

For and on behalf of the Board of Directors

Place: Mumbai
Date: 09/08/2017

DEEPAK UPADHYAY
MANAGING DIRECTOR
[DIN: 0227038]

Registered Office:

201, Shyam Bungalow, 199/200, Pushpa Colony,
Fatimadevi School Lane, Manchubhai Rd.,
Malad (East), Mumbai- 400097.

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. The proxy form should be lodged with the Company at its Registered Office at least 48 hours before the commencement of the Meeting.
A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
2. A proxy shall not have a right to speak at the AGM and shall not be entitled to vote except on poll.
3. The Register of Members and Share Transfer Books of the Company will remain closed from **Wednesday, September 20, 2017 to Wednesday, September 27, 2017 (both days inclusive)**.
4. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
5. Members who hold shares in electronic form are requested to write their Client ID and DP ID number and

those who hold shares in physical form are requested to write their folio number in the attendance slip for attending the meeting to facilitate identification of membership at the AGM.

6. For convenience of members, an attendance slip, proxy form and the route map of the venue of the Meeting are annexed hereto. Members are requested to affix their signature at the space provided and hand over the attendance slip at the place of meeting. The proxy of a member should mark on the attendance slip as 'proxy'.
7. All documents referred to in the Notice are open for inspection at the Registered Office of the Company during office hours on all days except Sunday & public holidays between 11.00 a.m. to 1.00 p.m. up to the date of Annual General Meeting.
8. The Annual Report for 2016-2017, the Notice of the 36th AGM and instructions for e-voting, along with the Attendance slip and Proxy form, are being sent by electronic mode to all the members whose email address are registered with the Company/Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email addresses, physical copies of the aforesaid documents are being sent by permitted mode of dispatch.
9. If the members have any queries on the audited accounts, directors' report & auditor's report, the same should be forwarded to the company in writing at its registered office at least 10 days before the meeting so that the same can be replied at the time of annual general meeting to the members' satisfaction.
10. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013, will be available for inspection by members.
11. The Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Companies Act, 2013, will be available for inspection by the members at the AGM.
12. Additional information, pursuant to Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, in respect of the directors seeking appointment/re-appointment at the AGM, is furnished as annexure to the Notice. The directors have furnished consent / declaration for their appointment / re-appointment as required under the Companies Act, 2013 and the Rules thereunder.
13. The Company is providing facility for voting by electronic means (e-voting) through an electronic voting system which will include remote e-voting as prescribed by the Companies (Management and Administration) Amendment Rules, 2015 as presently in force and the business set out in the Notice will be transacted through such voting.
14. Members are requested to bring their copies of the reports to Annual General Meeting.
15. Members holding shares in the same set of names under different ledger folios are requested to apply for consolidation of such folios along with share certificates to the Company.
16. Members are requested to promptly notify any changes in their addresses to the Company at its Registered Office.
17. The voting rights of the Members shall be in proportion to their share in the paid up equity share capital of the Company as on the cut off date i.e. **September 20, 2017**.
18. The Securities and Exchange Board of India ("SEBI") has mandated the submission of Income Tax Permanent Account Number ("PAN") by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company or its Registrar and Share Transfer Agents.
19. In order to exercise strict control over the transfer documents, members are requested to send the transfer documents/ correspondence, if any, directly to:

SHAREX DYNAMIC (INDIA) PRIVATE LIMITED

Unit: SJ CORPORATION LIMITED

Unit 1, Luthra Industrial Premises,

Safed Pool, Andheri Kurla Road,

Andheri (E), Mumbai: 400 072.

Ph. 022 28515606 Fax: 022 28512885

Voting through electronic means:

- i. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Clause 35B of the Listing Agreement, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).
- ii. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
- iii. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
- iv. The remote e-voting period commences on Sunday, 24th September, 2017 (9:00 am) and ends on Tuesday, 26th September, 2017 (5:00 pm). During this period members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 20th September, 2017, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
- v. The process and manner for remote e-voting are as under:
 - A. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/Depository Participants(s)] :
 - (i) Open email and open PDF file viz; "sjcorp e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial password.
 - (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>
 - (iii) Click on Shareholder - Login
 - (iv) Put user ID and password as initial password/PIN noted in step (i) above. Click Login.
 - (v) Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
 - (vi) Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
 - (vii) Select "EVEN" of "SJ Corporation Limited".
 - (viii) Now you are ready for remote e-voting as Cast Vote page opens.
 - (ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
 - (x) Upon confirmation, the message "Vote cast successfully" will be displayed.
 - (xi) Once you have voted on the resolution, you will not be allowed to modify your vote.
 - (xii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to deep@deepshukla.com with a copy marked to evoting@nsdl.co.in
 - B. In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company/Depository Participants(s) or requesting physical copy] :
 - (i) Initial password is provided as below/at the bottom of the Attendance Slip for the AGM:
EVEN (Remote e-voting Event Number) USER ID PASSWORD/PIN
 - (ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.
- vi. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the downloads section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990.
- vii. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.
- viii. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- ix. The voting rights of members shall be in proportion to their shares of the paid up equity share capital

- of the Company as on the cut-off date of Wednesday, 20th September, 2017.
- x. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 20th September, 2017, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or RTA i.e. evoting@sharexindia.com. However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using “Forgot User Details/Password” option available on www.evoting.nsdl.com or contact NSDL at the following toll free no.: 1800-222-990.
 - xi. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.
 - xii. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
 - xiii. Mr. Deep Shukla, Practicing Company Secretary (Membership No. 5652) has been appointed for as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.
 - xiv. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of “remote e-voting” for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
 - xv. The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer’s report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
 - xvi. The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company www.sjcorp.in and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Limited, Mumbai.
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**Details of Directors seeking appointment / re-appointment at the Annual General Meeting
[In pursuance of Clause 36 (3) of the SEBI (Listing Obligations and Disclosure Requirements),
Regulations, 2015]**

Name of Director	: Mrs. Usha Patel
Age	: 55
Nature of expertise	: Social Relationship
Qualification	: S.S.C.
Disclosure of relationships between directors inter-se	: Wife of Mr. Savji D. Patel
Membership in the committees of other public Companies	: NIL
Shareholding of Directors	: 27,96,000

DIRECTORS' REPORT

To,
The Members,
SJ Corporation Limited

Your Directors have pleasure in presenting their 36th Annual Report on the Standalone Audited Statement of Accounts of SJ Corporation Limited [*"Company"*] for the Financial Year ended March 31, 2017.

FINANCIAL RESULTS

The summarized financial performance of the Company for the FY 2016-17 and FY 2015-16 is given below:
[Amount in Rs]

Particulars	Standalone	
	2016-2017	2015-2016
Gross Income	12,90,46,554	39,51,08,206
Profit Before Tax, Interest and Depreciation	(9,72,781)	32,07,750
Finance Charges	27,18,773	32,05,331
Provision for Depreciation	6,74,114	9,04,188
Net Profit Before Tax	(43,65,668)	(9,01,769)
Provision for Tax		
Current Tax	-	-
Deferred Tax (Liability)/Assets	41,096	93,607
Excess/(short) provision for earlier years	(38,222)	(1646)
Net Profit After Tax	(43,62,794)	(8,09,808)
Balance of Profit brought forward	4,50,28,816	4,63,41,418
Balance available for appropriation	4,06,66,022	4,55,31,601
Proposed Dividend on Equity Shares	-	4,17,750
Tax on proposed Dividend	-	85,044
Difference in provision of Dividend(net of tax) due to rounding off	(132)	-
Transfer to General Reserve	-	-
Surplus carried to Balance Sheet	4,06,65,890	4,50,28,816

REVIEW OF OPERATIONS

During the year under review, the Company has posted total Income of Rs. 12,90,46,554/- as against Rs. 39,51,08,206/- for the corresponding previous year.

Further, the Company incurred Net Loss to the tune of Rs. 43,62,794/- as against Net Loss of Rs. 8,09,808/- for the corresponding previous year.

STATE OF AFFAIRS AND FUTURE OUTLOOK

The business model of the Company consists of three main activities i.e. sourcing of polished diamonds, manufacturing of diamond studded jewellery and exporting the diamond studded jewellery. It has strong focus on the export market with clientele worldwide. In present era, diamond and diamond studded jewelry are under threat of CVD diamond (i.e. synthetic diamond) as public at large are unable to differentiate between real diamond and CVD diamond (i.e. synthetic diamond). Hence, the consumers are taking extra measures and care to buy real diamond jewelry as it is difficult to distinguish between real diamond and CVD diamond. Further only major buyers are taking interest in diamond jewellery as it is quite costly for retailers to get lab certified diamond, and due to same, the diamond jewellery business is experiencing slowdown in demand.

In the coming years, the management does not foresee any major improvement in market conditions and hence is contemplating to diversify the business portfolio of the Company into more profitable business avenues for future benefit of the Company. In this regard, the management is thinking over to diversify the business of the Company into more profitable areas viz. real estate and allied activities.

DIVIDEND AND RESERVES

Due to loss incurred by the Company, your Directors do not recommend any dividend for the year under review.

SHARE CAPITAL

The Paid-up Equity Share Capital of the Company as on 31st March, 2017 is Rs. 83,55,000/-comprising of

83,55,000 shares of Re. 1/- each. During the year under review, the Company has not issued any equity shares.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

At the 35th Annual General Meeting held on 24th September, 2016, Mr. Savjibhai Patel was re-appointed as the Director of the Company, liable to retire by rotation.

In accordance with section 152(6) of the Companies Act, 2013 and in terms of Articles of Association of the Company Mrs. Usha Patel (DIN: 06986525), Director of the Company, retires by rotation and being eligible; offers herself for re-appointment at the forthcoming 36th Annual General Meeting. The Board recommends the said reappointment for shareholders' approval.

All the directors of the Company have confirmed that they satisfy the fit and proper criteria as prescribed under the applicable regulations and that they are not disqualified from being appointed as directors in terms of Section 164(2) of the Companies Act, 2013.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(3)(c) & 134(5) of the Companies Act, 2013, the Board of Directors of the Company hereby confirm that:

- (a) In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (b) The directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- (c) The directors have 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 have prepared the annual accounts on a going concern basis;
- (e) The directors have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- (f) The directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

The information required pursuant to Section 197 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016 in respect of employees of the Company, is enclosed as **Annexure I** and forms part of this Report.

Further, as per the provisions specified in Chapter XIII of Companies (Appointment & Remuneration of Managerial Personnel) Amendment Rules, 2016 none of the employees of the Company are in receipt of remuneration exceeding Rs. 1,02,00,000/- per annum, if employed for whole of the year or Rs. 8,50,000/- per month if employed for part of the year.

Further, the names of top ten employees in terms of remuneration drawn are disclosed in **Annexure II** and forms part of this Report.

EXTRACT OF ANNUAL RETURN:

The details forming part of the Extract of the Annual Return in Form MGT-9, as required under Section 92 of the Companies Act, 2013 is included in this Report as **Annexure III** and forms part of this Report.

NUMBER OF BOARD MEETINGS

The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013 and the Listing Agreement.

During the year **05 (Five) Board Meetings** were held during the year ended March, 2017, the dates which are 14th May, 2016, 29th July, 2016, 12th November, 2016, 22nd January, 2017 and 4th February, 2017.

Name of the Directors	No. of Board Meetings attended
Mr. Savjibhai Doongarshibhai Patel	05
Mr. Rajiv Navinchandra Shah	04
Mr. Deepak Bhikhalal Upadhyay	05
*Mr. Sanjay Vallabhshah Patel	02
Mr. Rajesh Jesinglal Shah	02
Mrs. Usha Savjibhai Patel	01

*Resigned on 04/02/2017

SJ CORPORATION LIMITED

BOARD EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and the Listing Agreement/ SEBI (LODR) Regulations, 2015, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its Committees. The Directors expressed satisfaction with the evaluation process.

INDEPENDENT DIRECTORS

The Independent Director(s) have submitted their disclosure to the Board that they fulfill all the requirements as to qualify for their appointment as Independent Director, under the provisions of section 149 of the Companies Act, 2013 as well as Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

DETAILS OF SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES

The Company does not have any subsidiary company and has not entered into joint venture with any other company.

STATUTORY AUDITORS' AND AUDITORS' REPORT

At the 35th Annual General Meeting held on 24th September, 2016, M/s SDB & Co., Chartered Accountant were appointed as Statutory Auditors of the Company to hold office till the conclusion of the Annual General Meeting to be held in financial year 2021. In the terms of the first proviso to Section 139 of the Companies Act, 2013, the appointment of the Auditors shall be placed for ratification at every Annual General Meeting. Accordingly, the appointment of M/s. SDB & Co., Chartered Accountants, as Statutory Auditors of the Company, is placed for ratification by the Shareholders. In regard to the Company has received a Certificate from the Auditors to the effect that if they are reappointed, it would be in accordance with the provisions of Section 141 of the Companies act, 2013.

Auditors Report as issued by M/s. SDB & Co., Chartered Accountants, Auditors of the Company is self explanatory and need not call for any explanation by your Board.

SECRETARIAL AUDIT

In terms of Section 204 of the Act and Rules made there under, M/s. Deep Shukla & Associates, Practicing Company Secretaries, have been appointed Secretarial Auditors of the Company. The Secretarial Audit Report is enclosed as **Annexure V** to this report.

EXPLANATION(S)/ COMMENT(S) PURSUANT TO SECTION 134(3)(f)(ii), IF ANY, OF THE COMPANIES ACT, 2013:

- i. The Company is in the process to file relevant eforms for appointment of internal auditor and secretarial auditor.

INTERNAL AUDIT & CONTROLS

The Company has in place adequate internal financial controls with reference to the financial statement. The Audit Committee of the Board periodically reviews the internal control systems with the management, Internal Auditors and Statutory Auditors. Significant internal audit findings are discussed and follow-ups are taken thereon.

COMPOSITION OF AUDIT COMMITTEE

Your Company has formed an Audit Committee as per the Companies Act, 2013 and the listing agreement. All members of the Audit Committee possess strong knowledge of accounting and financial management. The Managing Director, Executive Director and Director (Finance) are regularly invited to attend the Audit Committee meetings.

Sr. No.	Name of Directors	Designation	Designation in Committee
1	Mr. Rajiv Shah	Non Executive Independent Director	Chairman
2	Mr. Rajesh Shah	Non Executive Independent Director	Member
3.	*Mr. Sanjay Patel	Executive Director	Member
4.	Mr. Savji Patel	Non Executive Director	Member

**Resigned on 04/02/2017*

COMPOSITION OF NOMINATION & REMUNERATION COMMITTEE

Your Company has formed a Nomination & Remuneration Committee to lay down norms for determination of remuneration of the executive as well as non-executive directors and executives at all levels of the Company.

The Nomination & Remuneration committee has been assigned to approve and settle the remuneration package with optimum blending of monetary and non-monetary outlay.

Sr. No.	Name of Directors	Designation	Designation in Committee
1	Mr. Rajiv Shah	Non Executive Independent Director	Chairman
2	Mr. Rajesh Shah	Non Executive Independent Director	Member
3	Mr. Savji Patel	Non Executive Director	Member

NOMINATION AND REMUNERATION POLICY

The Board of Directors has framed a policy which lays down a framework in relation to remuneration of Directors. This policy also lays down criteria for selection and appointment of Board Members. The Board of Directors is authorized to decide Remuneration to Executive Directors. The Remuneration structure comprises of Salary and Perquisites. Salary is paid to Executive Directors within the Salary grade approved by the Members. The Nomination & Remuneration committee has been assigned to approve and settle the remuneration package with optimum blending of monetary and non-monetary outlay.

In terms of requirements prescribed under Section 178(3) of the Companies Act, 2013, the Nomination and Remuneration Policy inter-alia providing the terms for appointment and payment of remuneration to Directors and Key Managerial Personnel is annexed to this Report as **Annexure IV**.

S.N.	Name of Directors	Designation	Remuneration per annum (In Rs.)
1	Mr. Deepak Upadhyay	Managing Director	2,85,000/-
2	*Mr. Sanjay Patel	Executive Director	1,60,000/-

**Resigned on 04/02/2017*

COMPOSITION OF STAKEHOLDERS RELATIONSHIP COMMITTEE

Your Board has constituted a Stakeholders Relationship Committee to specifically look into the mechanism of redressal of grievances of shareholders etc. The Committee reviews Shareholder's / Investor's complaints like non-receipt of Annual Report, physical transfer/ transmission/transposition, split/ consolidation of share certificates, issue of duplicate share certificates etc. This Committee is also empowered to consider and resolve the grievance of other stakeholders of the Company including security holders.

The total numbers of complaints received during the year were Nil and there was no pending complaint as on 31st March, 2017.

Sr.No.	Name of Directors	Designation	Designation in Committee
1	Mr. Rajiv Shah	Non Executive Independent Director	Chairman
2	Mr. Rajesh Shah	Non Executive Independent Director	Member
3.	*Mr. Sanjay Patel	Executive Director	Member
4.	Mr. Savji Patel	Non Executive Director	Member

**Resigned on 04/02/2017*

EMPLOYEES' STOCK OPTION PLAN

The Company has not provided stock options to any employee.

VIGIL MECHANISM

In pursuant to the provisions of section 177(9) & (10) of the Companies Act, 2013, a Vigil Mechanism for directors and employees to report genuine concerns has been established. The Vigil Mechanism Policy has been uploaded on the website of the Company at www.sjcorp.in. The employees of the Company are made aware of the said policy at the time of joining the Company.

RISK MANAGEMENT POLICY

The Company has laid down the procedure to inform the Board about the risk assessment and minimization procedures. These procedures are reviewed by the Board annually to ensure that there is timely identification and assessment of risks, measures to mitigate them, and mechanisms for their proper and timely monitoring and reporting.

The Company does not fall under the ambit of top 100 listed entities, determined on the basis of market capitalisation as at the end of the immediately preceding financial year. Hence, compliance under Regulation 21 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is not applicable.

CORPORATE GOVERNANCE REPORT

The provisions of the Corporate Governance is not applicable to the Company pursuant to regulation 15(2)(a) of Securities And Exchange Board of India (Listing Obligations And Disclosure Requirements) Regulations, 2015.

DEPOSITS

The Company has neither accepted nor renewed any fixed deposits during the year under review under Section 76 of the Companies Act, 2013. There are no unclaimed deposits, unclaimed / unpaid interest, refunds due to the deposit holders or to be deposited to the Investor Education and Protection Fund as on March 31, 2017.

LOANS & GUARANTEES

During the year under review, the Company has not provided any loan, guarantee, security or made any investment covered under the provisions of Section 186 of the Companies Act, 2013 to any person or other body corporate.

INSURANCE

The properties/assets of the Company are adequately insured during the year ended 31.03.2017

RELATED PARTY TRANSACTIONS

As no related party transaction was entered into by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons pursuant the provisions of Section 188(1) of the Companies Act, 2013 during the financial year 2016-17, the particulars as required in form AOC-2 have not been furnished.

MANAGEMENT DISCUSSION AND ANALYSIS

The Management Discussion and Analysis Report, which gives a detailed state of affairs of the Company's operations, form a part of this Annual Report.

CONSERVATION OF ENERGY, RESEARCH AND DEVELOPMENT, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE

The details of conservation of energy, technology absorption, foreign exchange earnings and outgo are as follows:

(a) Conservation of Energy:

Even though its operations are not energy-intensive, significant measures are taken to reduce energy consumption by using energy-efficient equipment. The Company regularly reviews power consumption patterns across all locations and implement requisite improvements/changes in the process in order to optimize energy/ power consumption and thereby achieve cost savings. Energy costs comprise a very small part of the Company's total cost of operations. However, as a part of the Company's conservation of energy programme, the management has appealed to all the employees/workers to conserve energy.

(b) Absorption of Technology:

I. The efforts made towards technology absorption:

The Company values innovation and applies it to every facet of its business. This drives development of distinctive new products, ever improving quality standards and more efficient processes.

The Company has augmented its revenues and per unit price realization by deploying innovative marketing strategies and offering exciting new products. The depth of designing capabilities was the core to our success over the years.

The Company uses the service of in-house designers as well as those of free-lancers in developing product designs as per the emerging market trends. The Company uses innovation in design as well as in technology to develop new products.

II. Benefits derived as a result of the above efforts:

As a result of the above, the following benefits have been achieved:

- a) Better efficiency in operations,
- b) Reduced dependence on external sources for technology for developing new products and upgrading existing products,

- c) Expansion of product range and cost reduction,
- d) Greater precision,
- e) Retention of existing customers and expansion of customer base,
- f) Lower inventory stocks resulting in low carrying costs.

III. The Company has not imported any technology during the year under review;

IV. The Company has not expended any expenditure towards Research and Development during the year under review.

(c) Foreign Exchange Earnings and Outgo:

Particulars	F.Y 2016-2017	F.Y 2015-2016
C.I.F. Value of Imports	9,90,26,777/-	42,11,22,190/-
Foreign travelling expenses	68,124/-	-
F.O.B. Value of Exports	12,67,38,251/-	39,26,62,505/-

TRANSFER OF AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND

As per the provision of Section 125 of the Companies Act, 2013 read with rule 4 of Companies (Declaration and Payment of Dividend) Rules, 2014, Dividend which remain unclaimed for the period of seven years are required to be transferred to the Investor Education Protection Fund administered by the Central Government. The Company has already filed the necessary form and uploaded the details of unpaid and unclaimed amounts lying with the Company, as on the date of last AGM (i.e. 24th September, 2016), with the Ministry of Corporate Affairs.

Dates of declaration of dividends since 2010-2011 and the corresponding dates when unclaimed dividends are due to be transferred to the Central Government are given in the below table.

Financial Year Ended	Date of declaration of Dividend	Amount Remaining unclaimed/Unpaid as on 31.03.2017 (Rs.)	Last date for claiming unpaid dividend amount (before)	Last date for transfer to IEPF
31.03.2010	04.09.2010	16,137.00	10.10.2017	09.11.2017
31.03.2011	29.09.2011	3287.00	04.11.2018	03.12.2018
31.03.2012	31.08.2012	2758.00	07.10.2019	06.11.2019
31.03.2013	30.08.2013	802.00	06.10.2020	05.11.2020
31.03.2014	25.09.2014	0.00	01.11.2021	01.12.2021
31.03.2015	26.09.2015	8721.00	02.11.2022	02.12.2022
31.03.2016	24.09.2016	3484.00	31.10.2023	31.10.2023

Members are requested to note that after completion of seven years, no claims shall lie against the said fund or company for the amounts of dividend so transferred, nor shall any payment be made in respect of such claims.

CORPORATE SOCIAL RESPONSIBILITY

The Company does not meet the criteria of Section 135 of Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 so there is no requirement to constitute Corporate Social Responsibility Committee and frame a policy thereof.

COST AUDIT

As per the Cost Audit Orders and in terms of the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014, Cost Audit is not applicable to our Company.

OBLIGATION OF COMPANY UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of the Sexual

SJ CORPORATION LIMITED

Harassment at workplace (Prevention, prohibition and Redressal) Act, 2013. All employees (permanent, contractual, temporary, trainees) are covered under this policy. During the year ended 31st March 2017, Company has not received any complaint of harassment.

LISTING WITH STOCK EXCHANGE:

The shares of the Company are listed on BSE during the year under review.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS:

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

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY:

There have been 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.

ACKNOWLEDGEMENT

The Directors would like to thank all shareholders, customers, bankers, suppliers and everybody else with whose help, cooperation and hard work the Company is able to achieve the results. The Directors would also like to place on record their appreciation of the dedicated efforts put in by the employees of the Company.

For and on behalf of the Board of Directors

RAJIV SHAH
CHAIRMAN
[DIN: 01765200]

Place: Mumbai
Date: 09th Aug, 2017

Annexure I

Information required under Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016

- i. The Ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2016-2017 and
- ii. The percentage increase/decrease in remuneration of each Director, Managing Director, Chief Financial Officer and Company Secretary of the Company in the financial year 2016-17.

Name & Designation	*Remuneration of each Director & KMP for Financial Year 2016-17(Rs.)	% increase/ decrease in remuneration in the Financial Year 2016-17	Ratio of remuneration of each Directors to median remuneration of employees
A. Directors			
Deepak Upadhyay (MD)	2,85,000.00	18.75%	2.96:1
*Sanjay Patel (WTD)	1,60,000.00	Not Applicable	1.66:1
B. Key Managerial Personnel			
Mr. Ashish Satani (CFO)	2,13,000.00	17.65%	2.21:1
Mr. Roopesh Agrawal	1,44,000.00	Not Applicable	1.50:1

Legends: MD - Managing Director, CFO – Chief Financial Officer; WTD- Whole Time Director.

*Resigned on 04/02/2017

Notes:

1. Median remuneration of all the employees of the Company for the financial year 2016-17 is Rs.96,250/-.

- iii. The percentage decrease in the median remuneration of employees in the financial year 2016-17.

Particulars	Financial Year 2016 - 17 (Rs.)	Financial Year 2015 - 16 (Rs.)	Decrease (%)
Median remuneration of all employees	96,250	1,43,300	32.82%

Note: The calculation of % increase/Decrease in the median remuneration has been done based on comparable employees.

- iv. The number of permanent employees on the rolls of Company.

There were 4 permanent employees on the rolls of Company as on March 31, 2017.

- v. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.

Average percentile decrease in the salaries of employee other than the MD in the Financial Year 2016-17 was 27.38% and there is 18.75% increase in the salary of the MD.

The average decrease of 27.38% in the salaries of employees was in line with the market projection, the performance of the Company in the financial year 2016-17, the individual performance of the employees, the criticality of the roles they play and skills set they possess.

- vi. Affirmation that the remuneration is as per the Remuneration Policy of the Company

Pursuant to Rule 5(1)(xii) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, it is affirmed that the remuneration paid to the Directors, KMPs, Senior Management and other employees of the Company is as per the Remuneration Policy of the Company.

For and on behalf of the Board of Directors

Place: Mumbai
Date: 09/08/2017

RAJIV SHAH
CHAIRMAN
[DIN: 01765200]

Annexure II

Information required under Section 197 of the Companies Act, 2013 read with Rule 5(2)(a) of the Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016

Names of employees	Designation/ Nature of Duties	Remuneration Received [Rs.] p.a.	Qualification	Experience in years	Age in years	Date of commencement of employment	Last employment held	% of share- holding
Deepak B. Upadhyay	Managing Director	2,85,000	H . S . C .	31	57	23-07-2008	NIL	NIL
Sanjay V. Patel	Executive Director	1,60,000	S . S . C	15	39	24-01-2009	NIL	NIL
Vipul D. Vaghasiya	Sr. Finance & Account Manager	4,05,000	M . B . A .	6	29	17-10-2011	NIL	NIL
Ashish D. Satani	C F O	2,13,000	B.com.	4	22	12-07-2015	S.V. Marathi & Associates	NIL
Roopesh Agrawal	CS & Compliance Officer	1,44,000	C . S .	4	38	31-03-2015	Inam Commercial Enterprise Pvt Ltd	NIL
Manish Lodaliya	Manager	1,80,000	B.com.	5	27	01-01-2016	Abhinandan Export	NIL
Paresh Kevadiya	Worker	1,12,500	Std.9th	9	35	01-04-2013	NIL	NIL
Nimesh Thakor	Worker	1,03,400	S S C	8	32	01-12-2015	NIL	NIL
Raju A. Shekh	Worker	1,03,150	S S C	9	36	01-04-2011	NIL	NIL
Jagdishbhai Patel	Worker	99,200	S S C	6	36	01.10.2015	NIL	NIL

- None of the above employees are related to the Directors of the Company.

For and on behalf of the Board of Directors

RAJIV SHAH
CHAIRMAN
[DIN: 01765200]

Place: Mumbai
Date: 09/08/2017

Annexure III**FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN**

As on financial year ended on 31-03-2017
[Pursuant to Section 92 (3) of the Companies Act, 2013 read with The Companies
(Management & Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

CIN	L51900MH1981PLC025223
Registration Date	15/09/1981
Name of the Company	SJ Corporation Limited
Category/Sub-category of the Company	Company Limited By Shares Indian Non-Government Company
Address of the Registered office & contact details	201, Shyam Bunglow, 199/200, Pushpa Colony, Fatimadevi School Lane, Manchubhai Rd, Malad (E), Mumbai-400097, Maharashtra, INDIA. Tel. No. : 022-28449521 Fax. No. : 022-28449521 Email : sjcorporation9@yahoo.com Website : www.sjcorp.in
Whether listed company	YES
Name, Address & contact details of the Registrar & Transfer Agent, if any	Sharex Dynamic (India) Pvt. Ltd Unit 1, Luthra Ind Premises, Safed Pool, Andheri Kurla Road, Andheri(East), Mumbai-400072. Tel. No. : 022 28515606 Fax. No. : 022 28512885 Email : sharexindia@vsnl.com Website : www.sharexindia.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company are as under:

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Jewellery Studded with Gems	7113	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES :

S. No.	Name And Address of The Company	CIN/GLN	Holding/Subsidiary/ Associates	% of shares held	Applicable Section

IV. SHARE HOLDING PATTERN

(i) Category-wise Share Holding

Category of shareholders	No. of Shares held at the beginning of the year [As on 01-04-2016]				No. of Shares held at the end of the year [As on 31-03-2017]				% of Change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
A. Promoters									
(1) Indian									
a) Individual	5920000	0	5920000	70.86	5920000	0	5920000	70.86	0.00
b) Central Govt	0	0	0	0.00	0	0	0	0.00	0.00
c) State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00
d) Bodies Corp.	0	0	0	0.00	0	0	0	0.00	0.00
(e). FIINS / BANKS.			0				0		0
(f). Any Other			0				0		0
Sub-total (A) (1):-	5920000	0	5920000	70.856	5920000	0	5920000	70.856	0
(2). FOREIGN									
(a). Individual NRI / For Ind		0				0			0
(b). Other Individual		0				0			0
(c). Bodies Corporates		0				0			0
(d). Banks / FI		0				0			0
(e). Qualified Foreign Investor		0				0			0
(f). Any Other Specify		0				0			0
Sub-total (A) (2):-	0	0	0	0	0	0	0	0	0
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	5920000	0	5920000	70.856	5920000	0	5920000	70.856	0
(B) (1). PUBLIC SHAREHOLDING									
(a). Mutual Funds		0				0			0.000
(b). Banks / FI		0				0			0.000
(c). Central Govt.		0				0			0.000
(d). State Govt.		0				0			0.000
(e). Venture Capital Funds		0				0			0.000
(f). Insurance Companies		0				0			0.000
(g). FIs		0				0			0.000
(h). Foreign Venture Capital Funds		0				0			0.000
(i). Others (specify)		0				0			0.000
Sub-total (B)(1):-	0	0	0	0	0	0	0	0	0
2. Non-Institutions									
(a). BODIES CORP.									
(i). Indian	17376	0	17376	0.208	15419	0	15419	0.185	-0.023
(ii). Overseas		0				0			0.000
(b). Individuals									
(i) Individual shareholders holding nominal share capital upto Rs.1 lakh	825145	50000	875145	10.475	825296	50000	875296	10.476	0.001
(ii) Individual shareholders holding nominal share capital in excess of Rs.1 lakh	1541780	0	1541780	18.453	1541780	0	1541780	18.453	0.000
(c). Other (specify)									
Non Resident Indians	699	0	699	0.008	1468	0	1468	0.018	0.01
Overseas Corporate Bodies			0				0		0
Foreign Nationals			0				0		0
Clearing Members		0			1037	0	1037	0.012	0.012
Trusts			0				0		0
Foreign Boodies - D R			0				0		0
Sub-total (B)(2):-	2385000	50000	2435000	29.144	2385000	50000	2435000	29.144	0
Total Public Shareholding (B)=(B)(1)+ (B)(2)	2385000	50000	2435000	29.144	2385000	50000	2435000	29.144	0
C. Shares held by Custodian for GDRs & ADRs		0				0			0.000
Grand Total (A+B+C)	8305000	50000	8355000	100.00	8305000	50000	8355000	100.00	0

(ii) Shareholding of Promoter-

Sr. No.	Shareholder's name	Shareholding at the beginning of the year			Shareholding at the end of the year			% Change in share holding during the year
		No. of shares	% of total Shares Of the Company	% of shares pledged/ encumbered To total shares*	No. of shares	% of total Shares Of the Company	% of shares pledged/ encumbered To total shares*	
1	Savji D Patel	31,24,000	37.39	0.00	31,24,000	37.39	0.00	0.00
2	Usha S Patel	27,96,000	33.46	0.00	27,96,000	33.46	0.00	0.00

(iii) Change in Promoters' Shareholding

SN	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Savji D. Patel				
	At the beginning of the year	31,24,000	37.39	31,24,000	37.39
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.):	-	-	-	-
	At the end of the year	31,24,000	37.39	31,24,000	37.39
2.	Usha S. Patel				
	At the beginning of the year	27,96,000	33.46	27,96,000	33.46
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.):	-	-	-	-
	At the end of the year	27,96,000	33.46	27,96,000	33.46

(iv) Shareholding Pattern of top ten Shareholders:

(Other than Directors, Promoters and Holders of GDRs and ADRs)

Sr. No.	Name	No. of Shares at the beginning/ end of the Year	% of the Shares of the company	Date	Increasing/ Decreasing in shareholding	Reason	No. Of shares	% of total Shares of the company
1	DHARMISHTA RAMESHBHAI PATEL	396200	4.742	01-04-2016				
	-Closing Balance			31-03-2017		No Change	396200	4.742
2	RESHMA R PATEL	394000	4.716	01-04-2016				
	-Closing Balance			31-03-2017		No Change	394000	4.716
3	RAMESH DHANJIBHAI PATEL	391580	4.687	01-04-2016				
	-Closing Balance			31-03-2017		No Change	391580	4.687
4	VASANTBEN LALJI CHANCHPARA	124000	1.484	01-04-2016				
	-Closing Balance			31-03-2017		No Change	124000	1.484
5	PRITESH LALJIBHAI CHANCHPARA	120000	1.436	01-04-2016				
	-Closing Balance			31-03-2017		No Change	120000	1.436
6	LALJIBHAI CHANCHPARA	116000	1.388	01-04-2016				
	-Closing Balance			31-03-2017		No Change	116000	1.388
7	SHANTIBHAI MANJIBHAI CHANCHPARA	82248	0.984	01-04-2016				
	-Closing Balance			31-03-2017		No Change	82248	0.984
8	BHARAT H GABANI	62000	0.742	01-04-2016				
	-Closing Balance			31-03-2017		No Change	62000	0.742
9	KALYANBHAI JIVRAJBHAI JIVANI	35000	0.419	01-04-2016				
	-Closing Balance			31-03-2017		No Change	35000	0.419
10	UMESH H PATEL	32000	0.383	01-04-2016				
	-Closing Balance			31-03-2017		No Change	32000	0.383

(v) Shareholding of Directors and Key Managerial Personnel:

SN	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Mr. Savji Patel				
	At the beginning of the year	31,24,000	37.39	31,24,000	37.39
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	-	-	-	-
	At the end of the year	31,24,000	37.39	31,24,000	37.39
2	Mrs. Usha S Patel				
	At the beginning of the year	27,96,000	33.46	27,96,000	33.46
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	-	-	-	-
	At the end of the year	27,96,000	33.46	27,96,000	33.46

V. INDEBTEDNESS -Indebtedness of the Company including interest outstanding/accrued but not due for payment.

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	98,223,009.00			98,223,009.00
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
TOTAL(i+ii+iii)	98,223,009.00			98,223,009.00
Change in Indebtedness during the Financial year				
Addition*	-	-	-	-
Reduction**	90,894,252.00			90,894,252.00
Net Change	(90,894,252.00)			(90,894,252.00)
Indebtedness at the end of the financial year				
i) Principal Amount	7,328,757.00	-	-	7,328,757.00
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
TOTAL(i+ii+iii)	7,328,757.00			7,328,757.00

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sr. No.	Particulars of Remuneration	Name of MD / WTD/Manager		Total Amount
		Mr. Deepak Upadhyay	*Mr. Sanjay V. Patel	
1	Gross salary			
	a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	2,85,000.00	1,60,000.00	4,45,000.00
	b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	-	-	-
	c) Profits in lieu of salary under section 17(3) of the Income-tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission - as % of profit - others	-	-	-
5	Others			
	TOTAL(A)	2,85,000.00	1,60,000.00	4,45,000.00
	Ceiling as per the Act	<i>The Remuneration paid to Managing Director and Whole-time Director is within the ceiling prescribed under the Companies Act, 2013.</i>		

*Resigned on 04/02/2017

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B. Remuneration to other Directors:

Particulars of Remuneration	Name of Directors				Total Amount
Independent Directors - Fee for attending board/ committee meetings - Commission - Others, please specify					
TOTAL (1)					
Other Non- Executive Directors - Fee for attending board/ committee meetings - Commission - Others, please specify					
TOTAL (2) Total (B)=(1+2)					
Total Managerial Remuneration					
Overall Ceiling as per the Act					

NONE

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

Sr. No.	Particulars of Remuneration	Key Managerial Personnel			Total
		CEO	CS	CFO	
1	Gross salary a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961 c) Profits in lieu of salary under section 17(3) of the Income-tax Act, 1961	-	1,44,000	2,13,000*	3,57,000
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission - as % of profit - Others, please specify	-	-	-	-
5	Others, please specify	-	-	-	-
	TOTAL		1,44,000	2,13,000*	3,57,000

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief Description	Details of Penalty/ punishment/ compounding fees imposed	Authority (RD/ NCLT/ COURT)	Appeal made, if any (give details)
A. COMPANY					
Penalty					
Punishment					
Compounding					
B. DIRECTORS					
Penalty					
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					

NIL

Annexure - IV
NOMINATION AND REMUNERATION POLICY
CONSTITUTION OF COMMITTEE

The Board of Directors of the Company (“*the Board*”) constituted the committee to be known as the Nomination and Remuneration Committee consisting of three or more non-executive directors out of which not less than one-half are independent directors. The Chairman of the Committee is an Independent Director. However, the chairperson of the company (whether executive or nonexecutive) may be appointed as a member of the Nomination and Remuneration Committee but shall not chair such Committee.”

OBJECTIVE

The Nomination and Remuneration Committee and this Policy shall be in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and Clause 49 under the Listing Agreement. The objective of this policy is to lay down a framework in relation to remuneration of directors, KMP, senior management personnel and other employees.

The Key Objectives of the Committee would be:

- To guide the Board in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management.
- To formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration of Directors, key managerial personnel and other employees.
- To formulation of criteria for evaluation of Independent Director and the Board.
- To evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation of the Board.
- To recommend to the Board on Remuneration payable to the Directors, Key Managerial Personnel and Senior Management.
- To provide to Key Managerial Personnel and Senior Management reward linked directly to their effort, performance, dedication and achievement relating to the Company's operations.
- To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.
- To develop a succession plan for the Board and to regularly review the plan.
- To assist the Board in fulfilling responsibilities.
- To Implement and monitor policies and processes regarding principles of corporate governance.

APPLICABILITY

- Directors (Executive and Non Executive)
- Key Managerial Personnel
- Senior Management Personnel

DEFINITIONS:

“**Act**” shall mean the Companies Act, 2013 and the Rules made thereunder, including the modifications, amendments, clarifications, circulars or re-enactment thereof.

“**Board**” means Board of Directors of the Company.

“**Committee**” means Nomination and Remuneration Committee of the Company as constituted or reconstituted by the Board.

“**Company**” means SJ Corporation Limited.

“**Directors**” mean Directors of the Company.

“**Independent Director**” means a Director referred to in Section 149 (6) of the Companies Act, 2013.

“**Key Managerial Personnel**” means key managerial personnel as defined under the Companies Act, 2013 and includes –

- Managing Director, or Executive Director or manager and in their absence, a whole- time director; (includes Executive Chairman)
- Company Secretary;
- Chief Financial Officer; and
- Such other officer as may be prescribed.

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

“**Remuneration**” means any money or its equivalent given or passed to any person for services rendered by him and includes perquisites as defined under the Income Tax Act, 1961.

“**Senior Management**” Senior Management means personnel of the company who are members of its core

management team excluding the Board of Directors. This would also include all members of management one level below the executive directors including all functional heads.

Unless the context otherwise requires, words and expressions used in this policy and not defined herein but defined in the Companies Act, 2013 and the Listing Agreement as may be amended from time to time shall have the meaning respectively assigned to them therein.

ROLE AND POWER OF THE COMMITTEE:-

Matters to be dealt with, perused and recommended to the Board by the Nomination and Remuneration Committee:

The Committee shall:

- Formulate the criteria for determining qualifications, positive attributes and independence of a director.
- Identify persons who are qualified to become Director and persons who may be appointed in Key Managerial and Senior Management positions in accordance with the criteria laid down in this policy.
- Recommend to the Board, appointment and removal of Director, KMP and Senior Management Personnel.

Policy for appointment and removal of Director, KMP and Senior Management

(i). 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. A 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 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.

(ii). 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, 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 other capacity, either directly or indirectly. However, if a person who has already served as an Independent Director for 5 years or more in the Company as on October 1, 2014 or such other date as may be determined by the Committee as per regulatory requirement; he/ she shall be eligible for appointment for one more term of 5 years only.
- At the time of appointment of Independent Director it should be ensured that number of Boards 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.

c. Evaluation

- The Committee shall carry out evaluation of performance of every Director, KMP and Senior Management Personnel at regular interval (yearly).

d. Removal

- Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, rules and regulations thereunder, 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.

e. Retirement

- The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. 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 relating to the Remuneration for the Whole-time Director, KMP and Senior Management Personnel

(i). General:

- The remuneration / compensation / commission etc. to the Whole-time Director, KMP and Senior Management Personnel will be determined by the Committee and recommended to the Board for approval. The remuneration / compensation / commission etc. shall be subject to the prior/post approval of the shareholders of the Company and Central Government, wherever required;
- The remuneration and commission to be paid to the Whole-time Director shall be in accordance with the percentage / slabs / conditions laid down in the Articles of Association of the Company and as per the provisions of the Act;
- Increments to the existing remuneration/ compensation structure may be recommended by the Committee to the Board which should be within the slabs approved by the Shareholders in the case of Whole-time Director;
- Where any insurance is taken by the Company on behalf of its Whole-time Director, Chief Executive Officer, Chief Financial Officer, the Company Secretary and any other employees for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel. Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.

(ii). Remuneration to Whole-time / Executive / Managing Director, KMP and Senior Management Personnel:

- Fixed pay:
The Whole-time Director/ KMP and Senior Management Personnel shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee. The breakup of the pay scale and quantum of perquisites including, employer's contribution to P.F, pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board/ the Person authorized by the Board on the recommendation of the Committee and approved by the shareholders and Central Government, wherever required.
- Minimum Remuneration:
If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Whole-time Director in accordance with the provisions of Schedule V of the Act and if it is not able to comply with such provisions, with the previous approval of the Central Government.
- Provisions for excess remuneration:
If any Whole-time Director draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Act or without the prior sanction of the Central Government, where required, he / she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government.

(iii). Remuneration to Non- Executive / Independent Director:

- Remuneration / Commission:
The remuneration / commission shall be fixed as per the slabs and conditions mentioned in the Articles of Association of the Company and the Act.
- Sitting Fees
The Non- Executive / Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof. Provided that the amount of such fees shall not exceed Rs. One Lac per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.
- Commission:
Commission may be paid within the monetary limit approved by shareholders, subject to the limit not exceeding 1% of the profits of the Company computed as per the applicable provisions of the Act.
- Stock Options:

An Independent Director shall not be entitled to any stock option of the Company.

MEMBERSHIP:-

- The Committee shall consist of a minimum 3 non-executive directors, majority of them being independent.
- Minimum two (2) members shall constitute a quorum for the Committee meeting.
- Membership of the Committee shall be disclosed in the Annual Report.
- Term of the Committee shall be continued unless terminated by the Board of Directors.

CHAIRMAN:-

- Chairman of the Committee shall be an Independent Director;
- Chairperson of the Company may be appointed as a member of the Committee but shall not be a Chairman

of the Committee;

- In the absence of the Chairman, the members of the Committee present at the meeting shall choose one amongst them to act as Chairman;
- Chairman of the Nomination and Remuneration Committee meeting could be present at the Annual General Meeting or may nominate some other member to answer the shareholders' queries.

FREQUENCY OF MEETINGS

The meeting of the Committee shall be held at such regular intervals as may be required.

COMMITTEE MEMBERS' INTERESTS

A member of the Committee is not entitled to be present when his or her own remuneration is discussed at a meeting or when his or her performance is being evaluated.

The Committee may invite such executives, as it considers appropriate, to be present at the meetings of the Committee.

SECRETARY

The Company Secretary of the Company shall act as Secretary of the Committee.

VOTING

- Matters arising for determination at Committee meetings shall be decided by a majority of votes of Members present and voting and any such decision shall for all purposes be deemed a decision of the Committee.
- In the case of equality of votes, the Chairman of the meeting will have a casting vote.

MINUTES OF COMMITTEE MEETING

- Proceedings of all meetings must be minuted and signed by the Chairman of the Committee at the subsequent meeting. Minutes of the Committee meetings will be tabled at the subsequent Board and Committee meeting.

IMPLEMENTATION

- The Committee may issue guidelines, procedures, formats, reporting mechanism and manuals in supplement and for better implementation of this policy as considered appropriate.
- The Committee may Delegate any of its powers to one or more of its members.

AMENDMENTS TO THE POLICY

- The Board of Directors on its own and / or as per the recommendations of Nomination and Remuneration Committee can amend this Policy, as and when deemed fit.

AMENDMENTS IN THE LAW

- Any subsequent amendment/modification in the listing agreement and/or other applicable laws in this regard shall automatically apply to this Policy.

ANNEXURE V

SECRETARIAL AUDIT REPORT

For the financial year ended March 31, 2017

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

To

The Members

SJ CORPORATION LIMITED

201, Shyam Bunglow, 199/200, Pushpa Colony

Fatimadevi School Lane, Manchubhai Rd.,

Malad (East), Mumbai- 400097.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **SJ Corporation Limited** (hereinafter called the Company). The Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March 2017 ('Audit Period') complied with the statutory provisions listed hereunder and subject to the observations mentioned in this report, the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March 2017 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder subject to certain observation(s);
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings (*to the extent as may be applicable to the Company*);
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): —
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (Not Applicable to the Company during the Audit Period);
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (Not Applicable to the Company during the Audit Period);
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not Applicable to the Company during the Audit Period);
 - (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;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;(Not Applicable to the Company during the Audit Period);and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;(Not Applicable to the Company during the Audit Period);
- (vi) Other laws applicable specifically to the Company, namely:
 - (a) Special Economic Zones Act, 2005 read with Special Economic Zone Rules, 2006.

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

- (a) Secretarial Standards issued by The Institute of Company Secretaries of India
- (b) The Listing Agreement entered into by the Company with BSE Ltd along with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as applicable for respective periods.

SJ CORPORATION LIMITED

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above, subject to the observations mentioned hereinunder:

- The Company has not yet filed relevant eforms with respect to the appointment of internal auditor and secretarial auditor.

I further report that:

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes that took place in the composition of the Board of Directors were in proper compliance during the period under review.
- Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- All the decisions at the Board Meetings and the Committee Meetings were carried out unanimously as recorded in the minutes of the Board of Directors and minutes of the Committee Meetings as the case may be.

I further report that:

- There are adequate systems and processes in the Company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period there were no specific events/actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, guidelines and standards.

**For: M/s. DEEP SHUKLA & ASSOCIATES
COMPANY SECRETARIES**

**Place: Mumbai
Date: 09/08/2017**

**DEEP SHUKLA
{PROPRIETOR}
FCS: 5652
CP NO.5364**

ANNEXURE TO THE SECRETARIAL AUDIT REPORT

To
**The Members
SJ CORPORATION LIMITED**

I further state that my said report of the even date has to be read along with this letter.

1. Maintenance of Secretarial/ Statutory Records is the responsibility of the Management of the Company. My responsibility is to express an opinion on these records based on the audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial Records.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required I have obtained the Management representation about the compliance of laws, rules and regulations and happenings of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standard is the responsibility of management. My examination is 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: M/s. DEEP SHUKLA & ASSOCIATES
COMPANY SECRETARIES**

**Place: Mumbai
Date: 09/08/2017**

**DEEP SHUKLA
{PROPRIETOR}
FCS: 5652
CP NO.5364**

MANAGEMENT DISCUSSION AND ANALYSIS

Business Performance and Overview

Gems and Jewellery (G&J) is one of the oldest industries in the world that has gone through a transition in the last decade with the rise of emerging markets and recessionary scenario in the traditional developed markets. Among the various types of jewellery viz. gold, silver, platinum, palladium jewellery, diamond studded jewellery, gemstones etc, diamond studded jewellery accounts for the largest share of the global jewellery market, followed by plain gold jewellery. Geographically, USA continues to be the largest consumer for gems and jewellery, followed by China, India, the Middle East and Japan. In Western Europe, the UK and Italy are the largest consumers and Italy is also one of the world's largest jewellery fabrication centers. The emerging markets, like China, India which have been traditional hubs of jewellery consumption, are expected to develop as the largest consumption markets for both traditional as well as branded jewellery. The global market for gems and jewellery has major contribution coming from India, Italy, China, Thailand and USA. By CY 2016, India and China are expected to together equal the USA jewellery market and global G&J trade is expected to touch USD 230 bn. The industry is primarily classified into segments like cut & polished (C&P) diamonds, gemstones, gold and diamond jewellery, pearl & synthetic stones & others which include precious metal jewellery (other than gold), synthetic stones and lastly costume fashion jewellery. Gold and diamond jewellery are the two major segments of the industry globally and India dominates in both of them.

The Indian jewellery industry has been evolving over the past few years. Traditionally a gold dominated industry, it is now showing a greater acceptance towards diamond and other precious stones jewellery as well. The new age consumers, who are well travelled, prefer frequenting the modern retail formats like malls and departmental stores. A relatively higher affinity towards branded products coupled with higher disposable incomes and a preference for trusted fine quality products are also significant contributors to the growth of the branded jewellery segment. The branded retail jewellery market is growing at a robust rate and going forward, many domestic and international brands would capture substantial market size given number of factors like increased urbanizations and changing demographics. As a matter of on-going practice, the masses still prefer to purchase jewellery from their tried and trusted jewellers but the constant exercise of 'branding' through advertising and other sales promotional activities has ensured steady inflow of new customers in this segment of organised retailing. India's small and independent jewellers are starting to organize themselves and expand in size to share a common brand identity and marketing strategy.

OUTLOOK, OPPORTUNITIES AND THREATS

In present era, diamond and diamond studded jewelry are under threat of CVD diamond (i.e. synthetic diamond) as public at large are unable to differentiate between real diamond and CVD diamond (i.e. synthetic diamond). Hence, the consumers are taking extra measures and care to buy real diamond jewelry as it is difficult to distinguish between real diamond and CVD diamond. Further only major buyers are taking interest in diamond jewelry as it is quite costly for retailers to get lab certified diamond, and due to same, the diamond jewellery business is experiencing slowdown in demand. Even though company is able to fulfill export orders during the last year but didn't get the expected margin on sale of its products. In the coming years, the management does not foresee any major improvement in market conditions and hence is contemplating to diversify the business portfolio of the Company into more profitable business avenues for future benefit of the Company.

CAUTIONARY STATEMENT

Statement in this Management's Discussion and Analysis detailing the Company's objectives, projections, estimates, expectations or predictions are "forward-looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include global and Indian demand-supply conditions, finished goods prices, feedstock availability and prices, cyclical demand and pricing in the Company's principal markets, changes in Government regulations, tax regimes, economic developments within India and the countries within which the Company conducts business and other factors such as litigation and labor negotiations.

INDEPENDENT AUDITOR'S REPORT

To the Members of
SJ Corporation Ltd.
Mumbai

Report on the Standalone Financial Statements

1. We have audited the accompanying standalone financial statements of **SJ Corporation Limited** ("the Company") which comprise of the Balance Sheet as at 31 March, 2017, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the standalone Financial Statements

2. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act read with relevant rules issued thereunder. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting 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 statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

3. Our responsibility is to express an opinion on these financial statements based on our audit.
4. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.
5. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the institute of Chartered Accountants of India. Those Standards and pronouncement require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. 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. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.
7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, the accompanying financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (i) in the case of the balance sheet, of the state of affairs of the Company as at 31 March 2017;
 - (ii) in the case of the statement of profit and loss, of the *loss* for the year ended on that date;
 - (iii) in the case of the cash flow statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

9. As required by the Companies (Auditor's Report) Order, 2016("the Order"), issued by the Central Government of India in terms of section 143(11) of the Act, and on the basis of such checks of the books and records of the company as we considered appropriate and according to information and explanations given to us. we give in the "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the Order.
10. As required by section 143(3) of the Act, we report that:

- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
- b. In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
- c. The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- d. In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with relevant rule issued thereunder ;
- e. On the basis of the written representations received from the directors as on 31st March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.
- f. 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 B**”; and
- g. 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 knowledge and belief and according to the information and according to the explanations given to us :
 - i. The Company does not have any pending litigations which would impact its financial position;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended 31st March, 2017; and
 - iv. The Company has provided requisite disclosures in its standalone financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8 November, 2016 to 30 December, 2016. Base on audit procedures, and relying on the management representation, we report that, the disclosures are in accordance with books of account maintained by the Company and as produced to us by the management - Refer clause 29 of Note 20 to the financial Statement.

For **SDBA & Co.**
Chartered Accountants
(FRN : 142004W)

(SANJEEV MEHTA)
Partner
M. No. 041287

Mumbai
May 26, 2017

“Annexure A” to the Independent Auditors’ Report

Referred to in paragraph 9 of the Independent Auditors Report of even date to the members of SJ Corporation Limited on the standalone financial statements of the Company for the year ended March 31, 2017:

- i. a. The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- b. All the assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such verification.
- c. The title deeds of immovable properties, as disclosed in the Note 7 on fixed assets to the financial statements, are held in the name of the company except least hold land at Special Economic Zone, Sachin, Surat which has been taken on lease from DGDC, SEZ, Surat for a period of 15 years.
- ii. a. The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
- b. The discrepancies noticed on physical verification of the inventory as compared to books records which has been properly dealt with in the books of account were not material.
- iii. The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under by clause (76) of Section 2 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (c) of the Order are not applicable to the Company and hence not commented upon.
- iv. In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 In respect of loans, investments, guarantees, and security provided by it.
- v. The Company has not accepted any deposit from the public within the meaning of section 73,74,75 and 76 of the Act and the Rules framed there under to the extent notified.
- vi. We have broadly reviewed the books of account maintained by the Company pursuant to the Rule made by the Central Government for maintenance of cost records under section 148(1) of the Companies Act, 2013 and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we are not required to carry out and have not carried out a detailed examination of the records with a view to determine whether they are accurate or complete.
- vii. a. According to the information and explanation given to us and the records of the company examined by us, in our opinion, the company is generally regular in depositing the undisputed statutory dues including provident fund, employees’ state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, Value added tax, cess and any other statutory dues, as applicable, with the appropriate authorities, though there has been a slight delay in few cases.
- b. As per records of the company and in accordance with the information and explanation given to us, there are no dues of income tax, sales tax, duty of excise, service tax and value added tax which have not been deposited on account of any dispute.
- viii. According to the records of the company examined by us and the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks. The Company has not taken any loan either from financial institutions or from the government and has not issued any debentures.
- ix. Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer (including debt instruments) and term Loans during the year. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon.
- x. Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.
- xi. Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act;
- xii. In our opinion, the Company is not a Nidhi Company and hence, reporting under clause 3(xii) of the Order is not applicable to the Company.
- xiii. In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
- xiv. Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3(xiv) of the Order is not applicable to the Company.
- xv. Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3(xv) of the Order is not applicable to the Company.
- xvi. In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3(xvi) of the Order is not applicable to the Company and hence not commented upon.

For **SDBA & Co.**
Chartered Accountants
(FRN : 142004W)

(SANJEEV MEHTA)
Partner
M. No. 041287

Mumbai
May 26, 2017

“Annexure B” to the Independent Auditor’s Report

Referred to in paragraph 10(f) of the independent Auditors’ Report of even date to the members of SJ corporation Limited on the standalone financial statements for the year ended March 31, 2016.

Report on the Internal Financial controls under Clause (i) of Sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls over financial reporting of **SJ Corporation Limited** (“the Company”) as of March 31, 2017 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 Act.

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 deemed to be prescribed under section 143(10) of the Act, 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. 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 authorisations of management and directors of the company; and
 - (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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 March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India”.

For **SDBA & Co.**
Chartered Accountants
(FRN : 142004W)

(SANJEEV MEHTA)
Partner
M. No. 041287

Mumbai
May 26, 2017

BALANCE SHEET AS AT 31ST MARCH, 2017

	Notes	2017 Rs.	2016 Rs.
I. EQUITY AND LIABILITIES			
1. <u>Shareholders' Funds</u>			
a. Share Capital	1	8,355,000	8,355,000
b. Reserves & Surplus	2	78,295,890	82,658,816
c. Money Received against share warrants		-	-
		<u>86,650,890</u>	<u>91,013,816</u>
2. Share application money pending allotment		-	-
3. <u>Non Current Liabilities</u>			
a. Long Term Borrowing		-	-
b. Deferred tax Liabilities (Net)		-	-
c. Other Long Term Liabilities		-	-
d. Long Term Provision		-	-
		<u>-</u>	<u>-</u>
4. <u>Current Liabilities</u>			
a. Short Term Borrowing	3	7,328,757	98,223,009
b. Trade Payables		-	-
Due to Micro and Small Enterprises		-	-
Due to others	4	-	32,303,322
c. Other Current Liabilities	5	954,086	1,006,004
d. Short Term Provision	6	185,000	687,794
		<u>8,467,843</u>	<u>132,220,129</u>
	TOTAL	<u>95,118,733</u>	<u>223,233,945</u>
II. ASSETS			
1. <u>Non-Current Assets</u>			
a. <u>Fixed Assets</u>	7		
i. Tangible Assets		10,171,802	10,845,916
ii. Intangible Assets		-	-
iii. Capital Work in Progress		-	-
b. Non- Current Investments	8	15,180,252	14,217,148
c. Deferred Tax Assets (net)		264,580	223,484
d. Long Term Loans & Advances	9	62,405	62,405
e. Other Non-Current Assets		-	-
		<u>25,679,039</u>	<u>25,348,953</u>
2. <u>Current Assets</u>			
a. Current Investments		-	-
b. Inventories	10	49,247,340	74,013,877
c. Trade Receivable	11	19,563,683	121,409,928
d. Cash & Bank Balance	12	517,323	703,781
e. Short -Term Loans & Advances	13	111,348	1,757,406
f. Other Current Assets		-	-
		<u>69,439,694</u>	<u>197,884,992</u>
	TOTAL	<u>95,118,733</u>	<u>223,233,945</u>
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Significant Accounting Policies
Notes are an integral part of the financial statements

In terms of our report of even date.

For & on behalf of Board of Directors

For **SDBA & Co.**
Chartered Accountants
(FRN : 142004W)

(SANJEEV MEHTA)

Partner
M. No. 041287

Mumbai
May 26, 2017

DEEPAK UPADHYAY
SAVJI D. PATEL
ROOPESH AGRAWAL
ASHISH SATANI

MANAGING DIRECTOR
DIRECTOR
COMPANY SECRETARY
CFO

Mumbai
May 26, 2017

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2017

	Notes	2017 Rs.	2016 Rs.
I. Revenue from Operation	14	126,738,251	392,662,505
II. Other Income	15	2,308,303	2,445,701
III. Total Revenue (I + II)		129,046,554	395,108,206
IV. EXPENSES			
Cost of Materials Consumed	16	171,925,653	383,423,903
Purchase of Stock-in-trade		-	-
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	17	(48,394,463)	-
Employee Benefit Expense	18	2,623,200	3,387,850
Depreciation & amortisation expenses	7	674,114	904,188
Finance Cost	19	2,718,773	3,205,331
Other Expenses	20	3,864,945	5,088,703
Total Expenses		13,34,12,222	39,60,09,975
V. Profit/(Loss) before exceptional and extraordinary items and tax (III- IV)		(4,365,668)	(901,769)
VI. Exceptional Item		-	-
VII. Profit/(Loss) before extraordinary items and tax (V- VI)		(4,365,668)	(901,769)
VIII. Extraordinary Items		-	-
IX. Profit/(Loss) before tax (VII - VIII)		(4,365,668)	(901,769)
X. <u>Tax Expense</u>			
Current Tax		-	-
Deferred Tax (Liability)/ Assets		41,096	93,607
Excess/(Short) Provision for earlier years		(38,222)	(1,646)
XI. Profit/(Loss) for the period from continuing operations (IX - X)		(4,362,794)	(809,808)
XII. Profit/(Loss) from discouting operations		-	-
XIII. Tax expense of discouting operations		-	-
XIV. Profit/(Loss) from discouting operations (after tax) (XII - XIII)		-	-
XV. Profit for the year (XI + XIV)		(4,362,794)	(809,808)
XVI. Earnings per equity shares of Rs.1 each			
(1) Basic		(0.52)	(0.097)
(2) Diluted		(0.52)	(0.097)

Significant Accounting Policies

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Notes are an integral part of the financial statements

In terms of our report of even date.

For & on behalf of Board of Directors

For **SDBA & Co.**
Chartered Accountants
(FRN : 142004W)

(SANJEEV MEHTA)

Partner
M. No. 041287

Mumbai
May 26, 2017

DEEPAK UPADHYAY
SAVJI D. PATEL
ROOPESH AGRAWAL
ASHISH SATANI

Mumbai
May 26, 2017

MANAGING DIRECTOR
DIRECTOR
COMPANY SECRETARY
CFO

SJ CORPORATION LIMITED

FOR THE YEAR ENDED 31ST MARCH, 2017

	2017 Rs.	2016 Rs.
Note '1': SHARE CAPITAL		
Authorised		
50000000 (Previous Year : 5000000) Equity shares of Re.1 each	50,000,000	50,000,000
	50,000,000	50,000,000
Issued, Subscribed and fully paid up shares		
83,55,000 (Previous Year : 83,55,000) Equity shares of Re.1 each	8,355,000	8,355,000
TOTAL	8,355,000	8,355,000

Notes

(a) Reconciliation of the Equity Shares outstanding at the beginning and at the end of the year :

Particulars	31 March 2017		31 March 2016	
	No. of Shares	Amount	No. of Shares	Amount
At the beginning of the period	8,355,000	8,355,000	8,355,000	8,355,000
Issued during the period	-	-	-	-
Outstanding at the end of the year	8,355,000	8,355,000	8,355,000	8,355,000

(b) Equity Shareholder holding more than 5% equity shares along with number of equity shares is given below :

Name of the Shareholder	31 March 2017		31 March 2016	
	No. of Shares	%	No. of Shares	%
Shri Savji D Patel	3,124,000	37.39	3,124,000	37.39
Smt. Usha D Patel	2,796,000	33.47	2,796,000	33.47

(c) Terms/rights attached to equity shares :

The company has only one class of equity shares having a par value of Re.1/- per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Note '2': RESERVES AND SURPLUS

Share Premium reserve

Balance in Share Premium Account	37,630,000	37,630,000
	37,630,000	37,630,000

Surplus in the Statement of Profit/(Loss)

Balance as at the beginning of the year	45,028,816	46,341,418
Add: Net Profit after tax for the Current period	(4,362,794)	(809,808)
Amount Available for the Appropriation	40,666,022	45,531,610

Appropriations :

Proposed Dividend	-	(417,750)
Tax on Dividend	-	(85,044)
Difference in provision of Dividend(net of tax) due to rounding off	(132)	-

Balance as at the end of the year	40,665,890	45,028,816
TOTAL	78,295,890	82,658,816

FOR THE YEAR ENDED 31ST MARCH, 2017

	2017 Rs.	2016 Rs.
Note '3' : SHORT TERM BORROWING		
Secured		
Bank of India FBC A/c	4,362,746	55,868,749
Bank of India PCFC A/c	2,966,011	42,354,260
Nature of Security		
Prime Security: Hypothecation of stock of cut & polished diamonds, gold, Diamond studded gold Jewellery, Export Bills/Receivables. Further secured by collateral security by way of equitable mortgage of factory and land situated at Surat SEZ, owned by the company, immovable properties belonging to Dungarshibhai Patel, Savji Bhai Patel and Smt Usha Patel, flats belonging to Dungarshibhai Patel, Smt Shanta Ben Patel and Savji Bhai Patel and secured by other collateral securities acceptable to the bank.		
Rate of Interest on PCFC A/c. Libor plus 2.5% (Previous Year : Libor plus 2.5%)		
	7,328,757	98,223,009
Note '4' : TRADE PAYABLES		
Due to Micro Enterprises and Small Enterprises	-	-
Due to creditors other than Micro Enterprises and Small Enterprises	-	-
Trade Payables (including acceptance)	-	32,303,322
	-	32,303,322
Note		
Based on the information collected/available with the management, there were no amounts due to small scale and/or ancillary industrial supplier on account of principal and/or interest at the close of the year. This has been relied upon by the Auditors.		
Note '5' : OTHER CURRENT LIABILITIES		
Current Maturities of long term borrowings (Refer Note 3)	-	156,369
Other Liabilities		
Statutory dues payable	10,000	17,028
Expenses Payable	944,086	832,607
	954,086	1,006,004
Note '6' : SHORT TERM PROVISIONS		
Provision for Wealth Tax	185,000	185,000
Provision for Proposed Dividend	-	417,750
Provision for Dividend Tax	-	85,044
	185,000	687,794

SJ CORPORATION LIMITED
FOR THE YEAR ENDED 31ST MARCH, 2017
Note '7' : FIXED ASSETS

NAME OF THE ASSETS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	Cost as on 01.04.16	Addition During the year	Disposal During the year	Total cost as on 31.03.17	As on 01.04.16	<---Written---> back off during the year	As on 31.03.17	As on 31.03.17	As on 31.03.16	
Plot of Land	7,045,850	-	-	7,045,850	-	-	-	-	7,045,850	7,045,850
Lease hold Land	1,750,000	-	-	1,750,000	933,335	-	116,667	1,050,002	699,998	816,665
Building	2,994,515	-	-	2,994,515	1,401,065	-	162,400	1,563,465	1,431,050	1,593,450
Machinery	1,419,700	-	-	1,419,700	965,110	-	90,756	1,055,866	363,834	454,590
Mettler & Weight	34,427	-	-	34,427	25,241	-	1,894	27,135	7,292	9,186
Furniture	682,694	-	-	682,694	450,769	-	64,681	515,450	167,244	231,925
Office Equipment	689,978	-	-	689,978	545,681	-	63,553	609,234	80,744	144,297
Computer	160,740	-	-	160,740	140,072	-	10,999	151,071	9,669	20,668
Electrical Equipment	50,000	-	-	50,000	32,948	-	5,040	37,988	12,012	17,052
Motor Cycle	121,734	-	-	121,734	54,623	-	17,381	72,004	49,730	67,111
Motor Car	1,072,943	-	-	1,072,943	627,821	-	140,743	768,564	304,379	445,122
Current Year's Total	16,022,581	-	-	16,022,581	5,176,665	-	674,114	5,850,779	10,171,802	10,845,916
Previous Year's Total	15,943,081	79,500	-	16,022,581	4,272,477	-	904,188	5,176,665	10,845,916	11,670,604

Note '8' : NON - CURRENT INVESTMENTS
Long Term Non Trade investments (valued at cost)

Name of the Company	No. of Shares	Face Value	Paid-up Value	2017 Rs.	2016 Rs.
Investment in Quoted Equity Instruments					
Ahluwalia Contracts (India) Ltd.	1,500	2	2	-	155,754
EIH Associated Hotels Ltd.	1,500	10	10	257,895	257,895
Flawless Diamond Ltd.	23,062	1	1	31,134	31,134
Inventure Growth & Securities Ltd.	6,000	10	10	-	91,019
Omnitech Infosolution Ltd.	250	10	10	52,845	52,845
Shri Laxmi Cotsyn Ltd.	1,000	10	10	6,069	6,069
Signet Industries Ltd.	210,000	1	1	3,572,841	3,572,841
Timbor Home Ltd.	10,000	10	10	49,591	49,591
Tata Motors DVR	1,400	2	2	430,127	
				4,400,502	4,217,148
Soverign Gold Bonds Scheme	250			779,750	-
				779,750	-
Investment in Preference Shares (Unquoted)					
Agrawal Marbles India Pvt. Ltd.	1,000,000	10	10	10,000,000	10,000,000
				15,180,252	14,217,148
Market Value of Quoted Shares				4,540,216	7,868,173

FOR THE YEAR ENDED 31ST MARCH, 2017

	2017 Rs.	2016 Rs.
Note '9' : LONG TERM LOANS AND ADVANCES		
(Unsecured and considered good)		
Security Deposits	62,405	62,405
	62,405	62,405
Note '10' : INVENTORY		
<u>Inventories</u>		
(As valued and certified by management)		
(Valued at lower of cost or net realisable value)		
<u>Raw-material</u>		
Polished Diamonds	-	72,640,243
Precious Metal & Alloys	647,877	906,510
Consumables	205,000	467,124
Finished Goods - Jewellery	48,394,463	-
	49,247,340	74,013,877
Note '11' : TRADE RECEIVABLE		
<u>Unsecured and considered good</u>		
Trade Receivable outstanding for a period exceeding six months from the date they are due for payment.		
	5,957,149	-
Trade Receivable outstanding for a period less than six months from the date they are due for payment.		
	13,606,534	121,409,928
	19,563,683	121,409,928
Note '12' : CASH AND BANK BALANCE		
<u>Cash & Cash equivalents</u>		
Balances with Bank in current account	210,153	379,306
Cash in Hand	307,170	324,475
	517,323	703,781
Note '13' : SHORT TERM LOANS AND ADVANCES		
(Unsecured and considered good)		
Income-tax Receivable	37,571	909,671
Prepaid Expenses	55,178	305,448
Other Advances	18,599	542,287
	111,348	1,757,406
Note '14' : REVENUE FROM OPERATIONS		
Export of Diamond Studded Jewellery	126,738,251	392,662,505
	126,738,251	392,662,505
Note '15' : OTHER INCOME		
Dividend on Long Term Investments	16,500	9,000
Interest	105,603	18,812
Net gain on foreign exchange fluctuation	1,897,892	1,878,263
Profit on Sale of Investment	288,309	539,627
	2,308,304	2,445,701
Note '16' : COST OF MATERIALS CONSUMED		
Polished Diamonds	171,667,020	382,735,938
Bullion	258,633	687,965
	171,925,653	383,423,903

SJ CORPORATION LIMITED**FOR THE YEAR ENDED 31ST MARCH, 2017**

	2017	2016
	Rs.	Rs.
<u>NOTE 17 : CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE</u>		
<u>Finished Goods - Jewellery</u>		
Opening Stock	-	-
<u>Less: Closing Stock</u>	<u>48,394,463</u>	<u>-</u>
	<u>(48,394,463)</u>	<u>-</u>
<u>Note '18' : EMPLOYEE BENEFITS EXPENSE</u>		
Salary, Wages and Bonus	2,623,200	3,387,850
	<u>2,623,200</u>	<u>3,387,850</u>
<u>Note '19' : FINANCE COST</u>		
Interest	2,263,430	3,205,331
Other Borrowing Cost	455,343	-
	<u>2,718,773</u>	<u>3,205,331</u>
<u>Note '20' : OTHER EXPENSE</u>		
Advertisement Expenses	40,603	68,185
Auditor's Remuneration	115,000	118,608
Bank Charges & Commission	268,394	796,066
Clearing & Forwarding Charges	31,675	110,897
Communication Expenses	44,714	46,013
Consumables & Stores	1,587,879	2,106,521
Freight Charges	29,382	63,448
Legal & Professional Expenses	220,179	415,400
Listing & Processing Fees	229,000	224,720
Miscellaneous Expenses	530,434	448,790
Power & Fuel	113,740	138,238
Printing & Stationery	50,352	57,638
Rates & Taxes (excluding taxes on income)	24,505	45,444
Rent	300,000	300,000
Travelling & Conveyance	279,088	148,735
	<u>3,864,945</u>	<u>5,088,703</u>

FOR THE YEAR ENDED 31ST MARCH, 2017

NOTE '21': NOTES TO FINANCIAL STATEMENTS

Part 'A': Significant Accounting Policies

1. Basis of preparation

- (i) The financial statements have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP) and presented under the historical cost convention on accrual basis of accounting to comply with the accounting standards prescribed in the Companies (Indian Accounting Standards) Rules, 2015 and with the relevant provisions of the Companies Act, 2013.
- (ii) The preparation of financial statement in conformity with generally accepted accounting principles in India requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and the disclosure of contingent liabilities on the date of financial statements and reported amounts of income and expenses during the period. Any revision to the accounting estimates are recognised prospectively when revised.

2. Recognition of Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. Revenue from sale of goods is recognised when all the significant risks and rewards of ownership of the goods have been passed to the buyer, usually on delivery of the goods. The company collects sales taxes and value added taxes (VAT) on behalf of the government and therefore, these are not economic benefits flowing to the Company and accordingly they are excluded from revenue. Excise duty deducted from revenue (gross) is the amount that is included in the revenue (gross).

3. Fixed Assets

- (i) Fixed Assets are stated at cost (including adjustments on revaluation) less accumulated depreciation. Cost of acquisition is inclusive of freight, duties and other incidental expenses incurred during construction period and exclusive of cenvat credit availed thereon.
- (ii) Assets under erection/installation are shown as "Capital work-in-progress" and advance given for capital expenditure are shown as "Capital advances" under the head as long term loans and advances. Expenditure during construction period are shown as "pre-operative expenses" to be capitalized on erection/installation of the assets.
- (iii) The carrying amount of assets is reviewed at each balance sheet date for any indication of impairment based on internal & external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount and is charged to the Profit & Loss account in the year of identification as an impaired asset. The impairment loss recognized in prior accounting periods is reversed if there is a change in the estimate of recoverable amount.

4. Depreciation

Depreciation on pro-rata basis has been provided on written down value method based on useful life of the assets as prescribed in Schedule II of the Companies Act, 2013.

5. Foreign Currency Transactions

- (i) Transactions denominated in foreign currencies are normally recorded at the exchange rate prevailing at the time of the transaction.
- (ii) Foreign currency transactions remaining unsettled till the finalisation of accounts of the year are translated at contracted rates, when covered by forward exchange contracts and at year end rates, in all other cases.

6. Investments

- (i) Investments are either classified as current or non-current based on the management intention at the time of purchase.
- (ii) Current Investment are carried at the lower of cost or market value. The comparison of cost and market value is done separately in respect of each category of investments.
- (iii) Long term investments are carried at cost less any permanent diminution in value, determined separately for each individual investments. The reduction in the carrying amount is reversed when there is rise in the value of investments or if the reason for the reduction no longer exist.

7. Inventory

- (i) Closing stock of Finished Goods is stated at lower of the cost or net realisable value on FIFO Basis.
- (ii) Raw Materials are valued at Cost.

8. Sales tax

VAT collected by the Company is not treated as part of its income.

FOR THE YEAR ENDED 31ST MARCH, 2017**9. Provisions, Contingent Liabilities and Contingent Assets**

Provisions : Provisions are recognised when there is a present obligation as a result of a past event. It is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date and are not discounted to its present value.

Contingent Liability : Contingent Liabilities are disclosed when there is a possible obligation arising from the past event, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

Contingent Assets : Contingent Assets are neither recognised or disclosed in the financial statements.

10. Taxation

(i) Provision for current Tax is made and retained in the accounts on the basis of estimated tax liability as per the applicable provisions of the Income tax Act, 1961 and considering assessment orders and decisions of appellate authorities in Company's case.

(ii) Deferred tax for timing differences between tax profits and book profits is accounted for using the tax rates and laws that have been enacted or substantially enacted as of the balance sheet date.

11. Earning Per Share

The basic earning per share (EPS) is computed by dividing the net profit after tax for the year by the weighted average number of equity shares outstanding during the current year. For the purpose of calculating diluted earning per share, net profit or loss for the period attributable to equity shareholders and the weighted number of equity shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

12. Employee Benefits**(i) Post-employment benefit plans**

Defined Contribution Plan - Contributions to provident fund and pension fund are accrued in accordance with applicable statute and deposited with appropriate authorities.

(ii) Short term employment benefits

The amount of short term employee benefits expected to be paid in exchange for services rendered by employees is recognized during the period at the time of payment of the same to the employees.

13. Borrowing Cost

Borrowing Costs that are attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that takes necessarily substantial period of time to get ready for intended use. All other borrowing costs are charged to revenue.

14. Financial Derivatives & Commodity Hedging Transactions

(i) Financial derivatives and commodity hedging contracts are accounted on the date of their settlement and realised gain/loss in respect of settled contracts are recognised in the profit & loss account.

(ii) The unrealised loss on contracts outstanding at the year end are provided for in the books of account of the Company.

15. Leases

Lease rentals for operating leases are charged to statement of profit and loss on accrual basis in accordance with the respective lease agreements.

16. Impairment of assets

The carrying amount of assets is reviewed at each balance sheet date for any indication of impairment based on internal external factors. An impairment loss is recognised wherever the carrying amount of an asset exceeds its recoverable amount and is charged to the Profit & Loss account in the year of identification as an impaired asset. Impairment loss recognised in prior accounting periods is reversed if there is change in the estimate of recoverable amount.

Part 'B' : Others

	2017 Rs.	2016 Rs.
17. Deferred Tax assets		
Difference in value of assets as per books of accounts & W.D.V. as per I.T. Act, 1961.	264,580	223,484

FOR THE YEAR ENDED 31ST MARCH, 2017

	2017 Rs.	2016 Rs.
18. Auditor's Remuneration		
Statutory Audit fee	100,000	100,000
Service Tax	15,000	15,000
	115,000	115,000
19. C. I. F. Value of Imports		
Raw-Material	99,026,777	421,122,190
20. Expenditure in Foreign Currency		
Foreign Travelling Expenses	68,124	-
21. F.O.B. Value of Exports	126,738,251	392,662,505
22. Earnings Per Share		
Profit / (Loss) attributable to equity shareholders	(4,362,794)	(809,808)
Weighted Average number of Equity Shares outstanding	8,355,000	8,355,000
Basic :	(0.522)	(0.097)
Diluted :	(0.522)	(0.097)
(Face Value Rs.1/-)		

23. Value of imported & indigenous material consumed :

	2017		2016	
	%	Amount Rs.	%	Amount Rs.
Raw Material				
Indigenous	0.15	258,633	0.18	687,965
Imported	99.85	171,667,020	99.82	382,735,938
Stores & Spares				
Indigenous	100.00	1,587,879	100	2,106,521
Imported	-	-	-	-

24. In the opinion of the management and to the best of their knowledge, the current assets, loans & advances are approximately of the value stated, if realised in the ordinary course of business, unless otherwise stated.

25. Disclosures as required by Accounting Standard AS-18 "Related Parties Disclosure" issued by The Institute of Chartered Accountants of India are as follows :

1. Relationship

i. Key Management Personnel

Mr. Sanjay V. Patel

Mr. Deepak Upadhyay

Mr. Savji D. Patel

Persons having Significant Control

Mr. Savji D. Patel

Mrs. Usha S. Patel

ii. Details of Transactions

Remuneration to Director	445,000	480,000
Rent	300,000	300,000
Loan from director	-	700,000
Closing Balance	Nil	Nil

26. The company has only one reportable segment i.e. Studded Jewellery, therefore no separate information is being given under Accounting Standard - AS 17 "Segment Reporting".

27. Leases:

The company has taken office premises on operating lease agreement. The lease agreement does not have an escalation clause and there are no subleases. This lease is cancellable and renewable by mutual consent on mutually agreed terms. There are no restrictions imposed by lease agreement. The aggregate lease rentals paid/payable are charges as "Rent" under Note 19 'Other Expenses'.

28. The Company is trying to ascertain the enterprises covered under the Micro, Small and Medium Enterprises Development Act, 2006 (the Act). Based on the details regarding the status of the suppliers, to the extent obtained, no supplier is covered under the Act.

SJ CORPORATION LIMITED**FOR THE YEAR ENDED 31ST MARCH, 2017****29. Details of Specified Bank Notes (SBN) held and transacted during demontisation period from 08-11-2016 to 30-12-2016**

	SBNs	Other Demontisation Notes	Total
	Rs.	Rs.	Rs.
Closing Cash in hand as on 08.11.2016	600,500	7,292	607,792
(+) Permitted Receipts	-	-	-
(-) Permitted Payments	-	3,828	3,828
(-) Amount Deposited in Banks	600,500	-	600,500
Closing Cash in hand as on 30.12.2016	-	3,464	3,464

30. Figures have been rounded off to the nearest of a rupee.

31. Previous year's figures have been regrouped/reclassified to conform to current year's Classification.

Signature to Notes '1' to '21'

In terms of our report of even date.

For & on behalf of Board of Directors

For **SDBA & Co.**
Chartered Accountants
(FRN : 142004W)

(SANJEEV MEHTA)
Partner
M. No. 041287
Mumbai
May 26, 2017

DEEPAK UPADHYAY
SAVJI D. PATEL
ROOPESH AGRAWAL
ASHISH SATANI

Mumbai
May 26, 2017

MANAGING DIRECTOR
DIRECTOR
COMPANY SECRETARY
CFO

CASH FLOW STATEMENT FOR THE YEAR ENDED 31TH MARCH, 2017

	<u>2017</u>	<u>2016</u>
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit/(Loss) Before tax	(4,365,668)	(901,769)
<u>Adjustments for</u>		
Profit on sale of Investment	(288,309)	(539,627)
Dividend on long term Investment	(16,500)	(9,000)
Depreciation	674,114	904,188
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES :	(3,996,363)	(546,208)
<u>Adjustments for Working Capital Changes</u>		
Inventories	24,766,537	(38,668,978)
Trade & Other receivables	101,846,245	36,380,703
Trade Payables & Other Payables	(32,393,594)	3,976,825
Income Tax Paid	(888)	-
<i>Cash Utilised in Operations</i> (A)	<u>90,221,937</u>	<u>1,142,342</u>
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	-	(79,500)
Dividend on long term Investment	16,500	9,000
Sale/Redemption of Investments	535,082	1,842,700
Purchase of Investments	(1,209,877)	(55,660)
Movement in Loans & Advances	1,646,946	(245,051)
<i>Cash Generated from Investing Activities</i> (B)	<u>988,651</u>	<u>1,471,489</u>
C. CASH FLOW FROM FINANCING ACTIVITIES		
Dividend Paid	(502,794)	(502,921)
Proceeds from Long-Term Borrowings	-	(153,666)
Short-Term Borrowings	(90,894,252)	(2,417,120)
<i>Cash Generated from Financing Activities</i> (C)	<u>(91,397,046)</u>	<u>(3,073,707)</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)	<u>(186,458)</u>	<u>(459,876)</u>
Cash & cash equivalents as at 01.04.2016 (Opening Balance)	703,781	1,163,657
Cash & cash equivalents as at 31.03.2017 (Closing Balance)	517,323	703,781

In terms of our report of even date.

For & on behalf of Board of Directors

For **SDBA & Co.**Chartered Accountants
(FRN : 142004W)**(SANJEEV MEHTA)**

Partner

M. No. 041287

Mumbai

May 26, 2017

DEEPAK UPADHYAY
SAVJI D. PATEL
ROOPESH AGRAWAL
ASHISH SATANI

Mumbai

May 26, 2017

MANAGING DIRECTOR
DIRECTOR
COMPANY SECRETARY
CFO

E-COMMUNICATION REGISTRATION FORM

To,
Sharex Dynamic (India) Pvt.Ltd.
Unit no.1, Luthra Ind.Premises, Safed Pool,
Andheri Kurla Road, Andheri (East),
Mumbai - 400072
Tel: 2851 5606/ 5644/ 6338. Fax: 2851 2885
Visit us at: <http://www.sharexindia.com>

Dear Sir/Madam,

Re: Green Initiative in Corporate Governance

I/we shareholder(s) of **SJ CORPORATION LIMITED** agree to receive all communication from the Company in electronic mode. Please register my / our below mentioned e-mail ID in your records for sending communication through e-mail.

Folio No. :

DP ID :

Client ID :

Name of 1st Registered Holder :

Name of Joint Holder(s) :

Registered Address :

E-mail ID (to be registered) :

Date:

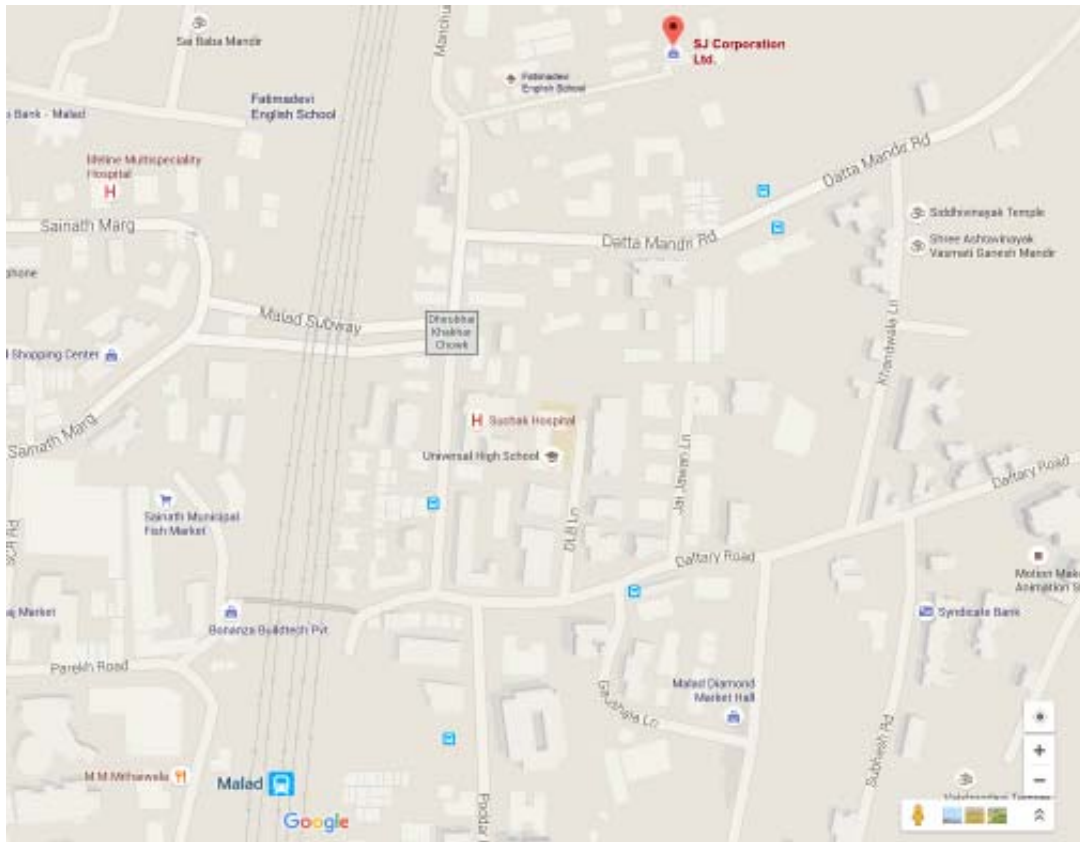
Signature:
(First Holder)

Important Notes:

1. On registration, all the communication will be sent to the e-mail ID registered in the folio/DP ID & Client ID.
2. The form is also available on the website of the company www.sjcorp.in
3. Shareholders are requested to keep Company informed as and when there is any change in the e-mail address. Unless the email ID given above is changed by you by sending another communication in writing, the Company will continue to send the notices/documents to you on the above mentioned e-mail ID.
4. shareholders are requested to send an e-mail to sjcorpgogreen@sharexindia.in or send a letter at Sharex Dynamic (India) Pvt.Ltd. Unit no.1, Luthra Ind.Premises, Safed Pool, Andheri Kurla Road, Andheri (East), Mumbai – 400072, Tel: 2851 5606/ 5644/ 6338, Fax: 2851 2885.

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ROUTE MAP



SJ CORPORATION LIMITED

Registered office of the company: 201, Shyam Bungalow, 199/200, Pushpa Colony, Fatimadevi School Lane, Manchubhai Road, Malad (E), Mumbai – 400097. Website www.sjcorp.in; email: sjcorporation9@yahoo.com.
[CIN: L51900MH1981PLC025223]

Attendance Slip

Venue of the Meeting : 201, Shyam Bungalow, 199/200, Pushpa Colony, Fatimadevi School Lane, Manchubhai Road, Malad (E), Mumbai – 400097.

Date & Time : Wednesday, 27th September 2017 at 10.00 a.m.

PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING VENUE.

Name	
Address	
DP Id	
Client Id	
Folio No.	
No. of shares held	

Name of the Proxy holder Mr./Mrs. _____

**Applicable for investors holding shares in Electronic form.*

I certify that I am the registered shareholder / proxy for the registered shareholder of the Company.

I hereby record my presence at the 36th Annual General Meeting of the company held on **Wednesday, September 27, 2017 at 10.00 a.m** at 201, Shyam Bungalow, 199/200, Pushpa Colony, Fatimadevi School Lane, Manchubhai Road, Malad (E), Mumbai - 400097.

Signature of the Member/ Proxy

Note:

1. Electronic copy of the Annual Report for 2017 and Notice of the 36th Annual General Meeting with the Attendance slip and Proxy form is being sent to all the members whose email id is registered with the Company/ Depository Participant unless any meeting has been requested for a hard copy of the same. Shareholders receiving electronic copy and attending the Annual General Meeting can print copy of this Attendance Slip.
2. Physical copy of the Annual Report for 2017 and Notice of the 36th Annual General Meeting along with the Attendance Slip and Proxy Form is sent in the permitted mode(s) to all members whose email Id is not registered or has requested for hard copy.

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SJ CORPORATION LIMITED

[CIN: L51900MH1981PLC025223]

Registered office : 201, Shyam Bungalow, 199/200, Pushpa Colony, Fatimadevi School Lane, Manchubhai Road, Malad (E), Mumbai – 400097. Phone: 022-28449521 Fax: 022-28449521. Website www.sjcorp.in; email: sjcorporation9@yahoo.com.

Form No. MGT-11 FORM OF PROXY

Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014.

Name	
Registered Address	
No. of Shares held	
Email Id	
Folio No.	
*DP Id	
*Client Id.	

*Applicable for investors holding shares in Electronic form.

I/We , being a member(s) of _____ shares of SJ CORPORATION LIMITED hereby appoints:

1. Mr/Mrs _____

Address _____

Email Id _____ Signature _____

2. Mr/Mrs _____

Address _____

Email Id _____ Signature _____

3. Mr/Mrs _____

Address _____

Email Id _____ Signature _____

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 36th Annual General Meeting of the Company to be held on **Wednesday, 27th September, 2017 at 10:00 a.m.** at 201, Shyam Bungalow, 199/200, Pushpa Colony, Fatimadevi School Lane, Manchubhai Rd., Malad (East), Mumbai- 400097 and at any adjournment thereof in respect of such resolutions as are indicated below:

** I wish my above Proxy to vote in the manner as indicated in the box below:

Sr.No.	Resolutions	Number of Shares held	For	Against
Ordinary Business				
1.	To Adopt Standalone Audited Financial Statements for the financial year ended March 31, 2017 and reports of the Board of Directors and the Auditors thereon;			

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2.	To appoint a Director in a place of Mrs. Usha Patel (DIN: 06986525), who retires by rotation and being eligible offers herself for reappointment.			
3.	To ratify the appointment of M/s. SDB & Co., Chartered Accountants, as the Statutory Auditors of the Company			

*** This is optional. Please put a tick mark (x) in the appropriate column against the resolutions indicated in the box. If a member leaves the "For" or "Against" column blank against any or all of the Resolutions, the proxy will be entitled to vote in the manner he/ she thinks appropriate. If a member wishes to abstain from voting on particular resolution, he/she should write "Abstain" across the boxes against the Resolution.*

Signature(s) of the Member(s)

1. _____

2. _____

3. _____

Affix One rupee Revenue Stamp
--

Signed this _____ day of _____ 2017

Notes:

1. The Proxy to be effective should be deposited at the registered office of the company not less than Forty Eight (48) Hours before commencement of the meeting.
2. A proxy need not be a member of the company.
3. In the case of the Joint holders, the vote of the senior who tenders vote, whether in person or by Proxy, shall be accepted to the exclusion of the vote of the other joint holders. Seniority shall be determined by the order in which the names stand in the Register of the Members.
4. The form of proxy confers authority to demand or join in demanding a poll.
5. The submission by a member of this form of proxy will not preclude such member from attending in person and voting at the meeting.
6. In case a member wishes his/her votes to be used differently, he/she should indicate the number of shares under the columns "For" or "Against" as appropriate.

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Book Post



SJ CORPORATION LIMITED

Regd. Office : 201, Shyam Bungalow, Plot No. 199/200, Pushpa Colony,
Fatimadevi School Lane, Manchubhai Road, Malad (E), Mumbai - 400 097.

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