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## **SJ Corporation Ltd.**

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

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***31<sup>ST</sup> ANNUAL REPORT 2011-2012***

# **SJ CORPORATION LIMITED**

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## **BOARD OF DIRECTORS**

**DEEPAK B. UPADHYAY**

**SANJAY V. PATEL**

**SAVJI D. PATEL**

**RAJESH J. SHAH**

**RAJIV N. SHAH**

## **AUDITORS**

### **Ravi & Dev**

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

## **BANKERS**

### **HDFC Bank Ltd**

Shop No, 1-4, Monica Arcade,  
Subhash Lane, Off: Daftary Road,  
Malad (E), Mumbai - 400097.

### **Jewellery Unit**

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

### **State Bank of India**

Diamond Branch,  
Majestic Shopping Centre,  
144, J.S.S. Road, Girgaum,  
Mumbai - 400004.

### **Corporate Office.**

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

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**NOTICE**

Notice is hereby given that the **Thirty First** Annual General Meeting of the Members of **SJ CORPORATION LIMITED** will be held at 201, "Shyam Bungalow", Plot No.199/200, Pushpa Colony, Fatimadevi School Lane, Manchubhai Road, Malad (East), Mumbai - 400097 on **Friday, 31<sup>st</sup> August, 2012** at **10.30 A.M.** to transact the following business:

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the Balance Sheet as on March 31, 2012 and the Profit and Loss Account for the year ended as on that date and the Reports of the Directors' and Auditor's thereon.
2. To declare dividend on Equity Shares @ 10%.
3. To appoint a Director in place of Mr. Rajesh J. Shah, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. Sanjay Patel, who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint M/s. Ravi & Dev, Chartered Accountants, Mumbai, as the Auditors' of the Company and to fix their remuneration.

**SPECIAL BUSINESS:**

6. To consider and if thought fit, to pass with or without modification the following resolution as an Ordinary Resolution:  
"RESOLVED THAT pursuant to the provisions of Section 198, 269, 309, 310 and 311 of the Companies Act, 1956 and further subject to the provisions of Schedule XIII and all other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification or re-enactment thereof) and further subject to such other approvals as may be necessary, the Company hereby approves and ratifies the reappointment of Mr. Sanjay Patel as the Whole time Director designated as Executive Director of the Company for the term of **five years** commencing from **October 1 2011 and ending on September 30, 2016** on a remuneration in range of **Rs.2,40,000/- to Rs.5,00,000/- per annum** with liberty to the Board of Directors to alter and vary the terms and conditions of the said reappointment and/or the Agreement so as not to exceed the limits specified in Schedule XIII to the Companies Act, 1956 or any amendments thereto, as may be agreed to between the Board of Directors and Mr. Sanjay Patel."

"RESOLVED FURTHER THAT Mr. Savji D. Patel, Director of the Company be and is hereby authorised to obtain necessary approvals/to file with the Registrar of Companies, Mumbai, Maharashtra all the necessary Form/ documents to carry out the effect of the above resolution and further to initiate and undertake all such steps as may be deemed expedient by him to give effect to this resolution for and on behalf of the Board of Directors of the Company."

7. To consider and if thought fit, to pass with or without modification the following resolution as an Ordinary Resolution:  
"RESOLVED THAT pursuant to the provisions of Section 198, 269, 309, 310 and 311 of the Companies Act, 1956 and further subject to the provisions of Schedule XIII and all other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification or re-enactment thereof) and further subject to such other approvals as may be necessary, the Company hereby approves and ratifies the reappointment of Mr. Deepak Upadhyay as the Whole time Director designated as Executive Director of the Company for the term of **five years** commencing from **October 1 2011 and ending on September 30, 2016** on a remuneration in range of **Rs.1,80,000/- to Rs.5,00,000/- per annum** with liberty to the Board of Directors to alter and vary the terms and conditions of the said reappointment and/or the Agreement so as not to exceed the limits specified in Schedule XIII to the Companies Act, 1956 or any amendments thereto, as may be agreed to between the Board of Directors and Mr. Deepak Upadhyay."

"RESOLVED FURTHER THAT Mr. Savji D. Patel, Director of the Company be and is hereby authorised to obtain necessary approvals/to file with the Registrar of Companies, Mumbai, Maharashtra all the necessary Form/ documents to carry out the effect of the above resolution and further to initiate and undertake all such steps as may be deemed expedient by him to give effect to this resolution for and on behalf of the Board of Directors of the Company."

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

Place: Mumbai  
Date: 19/07/2012

**DEEPAK UPADHYAY  
EXECUTIVE DIRECTOR**

**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.
2. The Register of Members and Share Transfer Books of the Company will remain closed from **Friday, August 24, 2012 to Friday, August 31, 2012** (both days inclusive).
3. Members are requested to promptly notify any changes in their addresses to the Company at its Registered Office.
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 in advance authorising their representative to attend and vote on their behalf at the Meeting.
5. 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. and 1.00 p.m. up to the date of Annual General Meeting.
6. For convenience of members, an attendance slip is annexed to the proxy form. Members are requested to affix their signature at the space provided and hand over the attendance slips at the place of meeting. The proxy of a member should mark on the attendance slip as 'proxy'.
7. 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.
8. Members are requested to bring their copies of the reports to Annual General Meeting.
9. Members holding shares in the same set of names under different ledger folios are requested to apply for consolidation of such folios alongwith share certificates to the Company.
10. Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 is annexed to the Notice.
11. 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 Indl. Premises,  
Safed Pool, Andheri-Kurla Road,  
Andheri (E), Mumbai - 400 072.  
Ph.: 022 28515606 Fax: 022 28512885

**Important Communication to Members**

The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the companies and has issued circulars stating that service of notice/documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respect of electronic holdings with the Depository through their concerned Depository Participants.

**EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956:**

**Item No.6:**

Mr. Sanjay Patel is proposed to be reappointed as the Whole time Director designated as Executive Director of our Company w.e.f. October 1, 2011 for a period of five years.

Mr. Sanjay Patel is in Diamond Business since last fourteen years and possesses good knowledge of the gems & jewelry industry. Taking into consideration his expertise and experience in the industry and its positive effects on the business of the Company in the long run, it is proposed to appoint Mr. Sanjay Patel as the Whole time Director designated as the Executive Director of the Company.

Except Mr. Sanjay Patel (being himself), no other Director of the Company may be deemed to be concerned or interested in passing of said resolution.

**Item No.7:**

Mr. Deepak Upadhyay is proposed to be reappointed as the Whole time Director designated as Executive Director of our Company w.e.f. October 1, 2011 for a period of five years.

Mr. Deepak Upadhyay is in Diamond, gems and jewelry industry since last twenty two years and possesses good knowledge of diamond business. Taking into consideration his expertise and experience in the industry which shall benefit the business of the Company in coming years, it is proposed to appoint Mr. Deepak Upadhyay as the Whole time Director designated as the Executive Director of the Company.

Except Mr. Deepak Upadhyay (being himself), no other Director of the Company may be deemed to be concerned or interested in passing of said resolution.

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

Place: Mumbai  
Date: 19/07/2012

**DEEPAK UPADHYAY  
EXECUTIVE DIRECTOR**

# SJ CORPORATION LIMITED

## DIRECTORS' REPORT

To,  
The Members  
**SJ Corporation Limited**

Your Directors have pleasure in presenting their 31<sup>st</sup> Annual Report together with the Audited Statements of Accounts of the Company for the year ended March 31, 2012.

### **FINANCIAL RESULTS:**

	31/03/2012 (Rs.)	31/03/2011 (Rs.)
Sales and other income	10,15,66,039	7,61,03,894
Profit before Depreciation	59,63,366	42,32,938
Less Depreciation	4,74,251	4,12,464
Profit/(Loss) before tax for the year	54,89,115	38,20,474
Less: Provision for Current Taxes	11,10,000	-
Less: Excess/Short Provisions for earlier years	1,46,339	-
Profit/(Loss) After Tax & available for appropriation for the year	<u>42,32,776</u>	<u>38,20,474</u>

### **OPERATIONS:**

During the year under review, the Company has posted Total Income of Rs.10,15,66,039/- as against Rs.7,61,03,894/- for the corresponding previous year.

Further, Net Profit after Tax for the year under review was Rs.54,89,115/- as against Net Profit of Rs.38,20,474/- in the corresponding previous year.

### **DIVIDEND:**

The Directors are pleased to recommend a dividend @10% i.e. Re.0.10 per equity share for the financial year 2011-2012.

### **DIRECTORS:**

Mr. Rajesh Shah and Mr. Sanjay Patel retire by rotation and being eligible offer themselves for reappointment at the forthcoming Annual General Meeting.

Mr. Bhavik Patel tendered his resignation from the directorship of the company due to pre-occupation on 18<sup>th</sup> August, 2011 and Mr. Rajiv N. Shah was appointed as Director of the company to fill in casual vacancy caused by said resignation.

Further, your Board wishes to place on record valuable contribution made by Mr. Bhavik Patel during his tenure as the Director of the Company.

Further, it is proposed to reappoint Mr. Sanjay Patel and Mr. Deepak Upadhyay as Whole time Directors designated as Executive Directors of the Company w.e.f. 18/10/11 for period of 5 years.

### **DIRECTORS' RESPONSIBILITY STATEMENT:**

As required pursuant to newly inserted Sec. 217(2AA) of the Companies Act, 1956, the Directors hereby confirmed:

- that in the preparation of annual accounts for the Financial year 2011-2012, the applicable accounting standards had been followed along with proper explanation relating to material departures;

- that the directors had selected such accounting policies and applied them consistently and made judgments and estimated that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit or loss of the company for that period.
- that the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- that the directors had prepared the annual accounts on a going concern basis.

### **AUDITORS' AND AUDITORS' REPORT:**

M/s RAVI & DEV, Chartered Accountants, Auditors of the Company retire at the conclusion of this Annual General Meeting. The members are requested to appoint auditors and to fix their remuneration.

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

### **FIXED DEPOSITS:**

The Company has not accepted any loans or deposits from public pursuant to provisions of Section 58A of the Companies Act, 1956, and rules framed under the Companies (Acceptance of Deposits) Rules, 1975.

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

Information in accordance with Section 217 (1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the report of Board of Directors) Rules, 1988 regarding conservation of energy, technology absorption and foreign exchange earnings and outgo is as under:

#### **(a) Conservation of Energy:**

**The operation of the company is not energy-intensive. However, the Company has taken all the efforts for reduction of energy consumption.**

#### **(b) Absorption of Technology:**

There was no import of technology during the year.

#### **(c) Foreign Exchange Earnings and Outgo:**

C.I.F. Value of Imports : Rs.6,85,24,310/-  
Foreign Travelling expenses : Rs.51,078/-  
F.O.B. Value of Exports : Rs.10,06,91,752/-

Considering the nature of the activities carried out by the Company, the other particulars specified in Section 217 (1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the report of Board of Directors) Rules, 1988, are not applicable.

**PARTICULARS OF EMPLOYEES:**

The information required under sub-section (2A) of Section 217 of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975 duly amended by the Companies (Particulars of Employees) Rule, 2011 for the year ended 31st March, 2012 is not applicable to the Company as none of the employee is drawing remuneration more than the limits presently specified under the said rules.

**COMPLIANCE CERTIFICATE:**

In accordance with the provisions of Section 383A of the Companies Act, 1956, certificate from Practicing Company Secretary is given in the Annexure and forms part of this Report.

**ACKNOWLEDGEMENTS:**

The Board places on record its profound appreciation to the Company's Shareholders, Bankers, customers and various Government Authorities for the co-operation extended by them to the betterment of the Company.

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

**SANJAY PATEL**  
EXECUTIVE  
DIRECTOR

**DEEPAK UPADHYAY**  
EXECUTIVE  
DIRECTOR

Place: Mumbai  
Date: 19/07/2012

# SJ CORPORATION LIMITED

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**FORM**  
**[SEE RULE 3]**  
**Compliance Certificate**

Registration No.: 11- 025223  
Nominal Capital: Rs.5,00,00,000/-

To,  
The Members,  
**SJ CORPORATION LIMITED**  
201, Shyam Bunglow, 199/200, Pushpa Colony,  
Fatimadevi School Lane, Manchubhai Rd,  
Malad (E), Mumbai- 400097.

I have examined the registers, records, books and papers of **SJ CORPORATION LIMITED** (the Company) as required to be maintained under the Companies Act, 1956 (the Act) and the rules made there under and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on 31<sup>st</sup> March, 2012. In my opinion and to the best of my information and according to the examinations carried out by me and explanations furnished to me by the Company, its officers and agents, I certify that in respect of the aforesaid financial year:

1. The Company has kept and maintained all registers as stated in **Annexure 'A'** to this Certificate, as per the provisions of the Companies Act, 1956 (herein after referred to as the Act) and the rules made there under and all entries therein have been duly recorded.
2. The Company has duly filed the forms and returns as stated in **Annexure 'B'** to this Certificate, with the Registrar of Companies, Maharashtra, within the time prescribed under the Act (except specifically mentioned) and the rules made there under for the financial year under review.
3. The Company being public limited company, comments in this regard are not required.
4. **The Board of Directors duly met 6 times on 13/05/2011, 26/06/2011, 30/07/2011, 20/08/2011, 18/10/2011, and 31/01/2012 in respect of which meetings proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.**
5. The Company closed its Register of Members pursuant to Section 154 of the Act from Friday, September 23, 2011 to Thursday, September 29, 2011 (both day inclusive) during the financial year under review.
6. The Annual General Meeting for the financial year ended on March 31, 2011 was held on **September 29, 2011** after giving due notice to the members of the Company and the resolutions passed thereat were duly recorded in Minutes Book maintained for the purpose.
7. No Extra-ordinary Meeting of the Company was held during the year under review.
8. Since the Company has not advanced Loans to Directors of the Company or Firms or Companies referred in Section 295 of the Act, hence provisions of the said section regarding loans advanced do not apply and hence there is nothing to report in this matter.
9. The Company has entered into contracts falling within the purview of Section 297 of the Act.
10. As the Company has entered into contract(s) in which Director(s) of the Company is/are interested pursuant to Section 301 of the Act for the year under review and the necessary entries in this regard were made in the Register as maintained by the Company for this purpose.
11. None of the Directors of the Company holds office or place of profit pursuant to the provisions of Section 314 of the Companies Act, 1956.
12. The Company did not issue any Duplicate Share Certificates for the financial year under review; hence there is nothing to report in this matter.
13.
  - i. The Company has not allotted but has transferred Equity Shares during the financial year under review.
  - ii. The Company has deposited the amount in a separate Bank Account for dividend declared @Re.0.10/- on Equity Shares of Re.1/- each fully paid up during the financial year under review.
  - iii. The Company paid and posted warrants for dividends to all its members within the period of 30 (Thirty) days for dividend declared during the financial year under review but the Company was not required to transfer any Unclaimed/Unpaid dividend to any Unpaid Dividend Account of the Company during the financial year under review.
  - iv. The Company was not required to transfer the amounts in unpaid dividend account, application money due for refund, matured deposits and the interest accrued thereon which have remained unclaimed or unpaid or a period of seven years to Investor Education and Protection Fund during the financial year under review.

- v. The Company has duly complied with the requirements of Section 217 of the Act for the financial year under review.
14. The Board of Directors of the Company is duly constituted and the changes therein are disclosed in Annexure B to this Certificate.
15. The Company has appointed Whole time Directors pursuant to Section 269 read with Schedule XIII of the Act during the year under review.
16. The Company has not appointed any sole-selling agents during the financial year under review in compliance of the provisions of the Act.
17. The Company was not required to obtain any approvals of the Central Government, Company Law Board, Regional Director, Registrar of Companies or such other authorities as may be prescribed under the various provisions of the Act during the financial year under review.
18. The Directors have disclosed their interest in other firms/companies to the Board of Directors pursuant to the provisions of the Act and the rules made there under for the financial year under review.
19. The Company has not issued Equity Shares during the financial year under review.
20. The Company has not bought back any shares during the financial year under review.
21. The Company has not redeemed any preference shares/debentures during the financial year under review.
22. There were no transactions requiring the company to keep in abeyance the rights to dividend, rights shares and bonus shares pending registration of transfer of shares in compliance with the provisions of the Act during the financial year under review.
23. The Company has not invited/accepted any deposits including any unsecured loans falling within the purview of Section 58A of the Act read with The Companies (Acceptance of Deposits) Rules, 1975 during the financial year under review and hence there is nothing to report in this matter.
24. The Company has not exceeded the limits pursuant to the provisions of Section 293 (1) (d) of the Act and hence there is nothing to report in this matter.
25. The Company has not made any loans or investments, or given guarantees or provided securities, in other bodies corporate in accordance to the provisions of Sec.372A of the Act, during the financial year under review.
26. The Company has not altered the provisions of the Memorandum with respect to situation of the company's registered office from one state to another during the year under scrutiny.
27. The Company has not altered the provisions of the Memorandum with respect to the objects of the company during the year under scrutiny.
28. The Company has not altered the provisions of the Memorandum with respect to name of the company during the year under scrutiny.
29. The Company has not altered the Memorandum with respect to share capital of the Company during the year under scrutiny.
30. The Company has not altered its Articles of Association during the financial year under scrutiny.
31. There was no prosecution initiated against or show cause notices received by the Company for alleged offences under the Act and also no fines and penalties or any other punishment was imposed on the Company during the financial year under review.
32. The Company has not received any money as security from its employees during the year under certification to be deposited as per provisions of Section 417(1) of the Act during the financial year under review.
33. There is nothing to report regarding employee's and employer's contribution to Provident Fund with prescribed authorities pursuant to the provisions of Section 418 of the Act for the financial year under review.

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

**SD/-  
{PROPRIETOR}  
FCS : 5652  
C.P.NO.5364**

Place: Mumbai  
Date: 25/05/2012

**Annexure A**

The Company has maintained the following Registers during the financial year ending on 31<sup>st</sup> March, 2012:

- i. Register of Members and Shareholders u/s 150 of the Companies Act, 1956.
- ii. Register of Transfer of Shares.
- iii. Register of Contracts u/s 301 of the Companies Act, 1956
- iv. Register of Directors, Managing Directors, etc. u/s 303 of the Companies Act, 1956.
- v. Register of Directors' Shareholdings u/s 307 of the Companies Act, 1956.
- vi. Returns u/s.163 of the Companies Act, 1956.
- vii. Minutes Book of the Meetings of :
  - Board Meetings.
  - General Meetings.

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**Annexure B**

**Forms and Returns as filed by the Company with the Registrar of Companies, Maharashtra, during the financial year ending on 31<sup>st</sup> March, 2012.**

Sr. No.	Form Nos./ Returns/ Particulars	Filed under Section	For	Date of Filing	Whether filed within prescribed time	If Delay in filing whether requisite additional fees paid.
1	Annual Return made up to 29.09.2011	159	AGM held on 29.09.2011	28.11.2011	Yes	No
2	Balance Sheet as at 31.03.2011	220	For Financial year 31.03.11	29.12.2011	Yes [Filed under XBRL Mode]	No
3	Compliance Certificate for Fin. Year 2010-2011	383A	For Financial year 31.03.11	05.11.2011	Yes	No
4	Form No. 32	303(2)	Appointment & Resignation of Directors w.e.f. 18/08/2011	25.08.2011	Yes	No
5	Form No. 23	192 read with 17 (1) & 149 (2A)	Alteration in object Clause & to commence new line of business	11.10.2011	Yes	No
6	Form No. 20A	149(2A)	Commencement of new line of business	11.10.2011	Yes	No

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**AUDITORS' REPORT**

To the Members  
**SJ CORPORATION LIMITED**  
Mumbai

We have audited the attached Balance Sheet of SJ Corporation Limited as at 31st March, 2012 and both the Profit and Loss Statement and the Cash Flow Statement for the year ended on that date, which we have signed under reference to this Report. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government in terms of sub section (4A) of section 227 of the Companies Act, 1956, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said order.

Further to our comments in the Annexure referred to above, we report that:

- a. We have 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 the law have been kept by the company, so far as appears from our examination of such books.
- c. The Balance Sheet and Profit & Loss Account dealt with by this report are in agreement with the books of account.
- d. In our opinion, the Balance Sheet and Profit & Loss Account dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;
- e. Based on representations made by all the directors of the company and the information and explanation as made available, directors of the company do not *prima facie* have any disqualification as referred to in clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;
- f. In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view :
  - i. In the case of Balance Sheet, of the state of affairs of the company as at 31st March, 2012;
  - ii. In the case of Profit and Loss Statement, of the **Profit** for the year ended on that date; and
  - iii. in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

For **RAVI & DEV**  
Chartered Accountants  
(FRN : 108752W)

**(DEVENDRA A. MEHTA)**  
Partner  
Membership No.82325

Mumbai  
May 25, 2012

**ANNEXURE TO THE AUDITORS' REPORT**

(Referred to in Para 2 of our report of even date)

To the members of  
**SJ CORPORATION LIMITED**  
Mumbai

- 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. During the year, the company has not sold substantial part of fixed assets so as to affect its going concern status.
- 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 procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
- c. The company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material.

- iii. The company has neither granted nor taken any loans, secured or unsecured to/from any companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956.
- iv. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to purchases of inventory, fixed assets and with regard to the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal controls.
- v. a. According to the information and explanations given to us, we are of the opinion that the transactions that need to be entered into the register maintained under section 301 of the Companies Act, 1956 have been so entered.
- b. In our opinion and according to information and explanations given to us, there are no transactions aggregating to Rs. 5,00,000/- or more during the year in respect of any party in pursuance of contracts or arrangements entered in the register maintained u/s 301 of the Companies Act, 1956.
- vi. In our opinion and according to the information and explanations given to us, the Company did not accept any deposit in contravention of sections 58A and 58AA of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975.
- vii. In our opinion, the company has an internal audit system commensurate with the size and nature of its business.
- viii. The Central Government has not prescribed maintenance of cost records u/s 209(1)(d) of the Companies Act, 1956 for any of the product of the company.
- ix. a. The company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education and protection fund, employees' state insurance fund, income tax, sales tax, wealth tax, custom duty, excise duty cess and other material statutory dues wherever applicable to it.
- b. According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, wealth tax, sales tax, custom duty, excise duty and cess were in arrears, as at 31st March, 2012 for period of more than six months from the date they became payable.
- c. As per records of the company and in accordance with the information and explanation given to us, there are no dues of sales tax, income tax, custom duty, wealth tax, excise duty and cess which have not been deposited on account of any dispute.
- x. The Company does not have any accumulated losses. The company has neither incurred cash losses during the current financial year nor immediately preceding financial year.
- xi. In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to a financial institution, bank or debenture holders.
- xii. The company has not granted any loans and/or advances on the basis of security by way of pledge of shares, debentures and other securities.
- xiii. In our opinion, the company is not a chit fund or a nidhi/mutual benefit fund/society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- xiv. The company has maintained proper records of transactions and contracts in respect of trading in securities, debentures and other investments and timely entries have been made therein. All investments in shares and other securities have been held by the company in its own name.
- xv. The company has not given guarantees for loans taken by others from banks or financial institutions.
- xvi. The company has not taken any term loan.
- xvii. According to the information and explanations given to us and on an overall examination of the balance sheet of the company, we report that no funds raised on short-term basis have been used for long-term investment. No long-term funds have been used to finance short-term assets except permanent working capital.
- xviii. During the year the company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956.
- xix. During the year the company had not issued any debentures.
- xx. According to information and explanation given to us the company has not raised money by public issue, therefore, requirement for commenting on the end use of money raised by public issue does not arise.
- xxi. According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the course of our audit.

For **RAVI & DEV**  
Chartered Accountants  
(FRN : 108752W)

**(DEVENDRA MEHTA)**  
Partner  
Membership No. 82325

Mumbai  
May 25, 2012

**SJ CORPORATION LIMITED**

**BALANCE SHEET AS ON 31ST MARCH, 2012**

	Notes	2012 Rs.	2011 Rs.
<b>I. EQUITY AND LIABILITIES</b>			
1. <u>Shareholders' Funds</u>			
a. Share Capital	1	8,355,000	8,355,000
b. Reserves & Surplus	2	73,182,285	69,920,549
		<u>81,537,285</u>	<u>78,275,549</u>
2. <u>Non Current Liabilities</u>			
a. Long Term Borrowing		-	-
b. Trade Payable		-	-
c. Other Long Term Liabilities		-	-
d. Long Term Provision		-	-
3. <u>Current Liabilities</u>			
a. Short Term Borrowing		-	-
b. Trade Payables	3	-	22,365
c. Other Current liabilities	4	291,347	239,837
d. Short Term Provision	5	2,122,039	485,519
		<u>2,413,386</u>	<u>747,721</u>
<b>TOTAL</b>		<b><u>83,950,671</u></b>	<b><u>79,023,270</u></b>
<b>II. ASSETS</b>			
1. <u>Non-Current Assets</u>			
a. <u>Fixed Assets</u>	6		
i. Tangible Assets		12,360,558	4,902,296
ii. Intangible Assets		-	-
iii. Capital Work in Progress		-	-
b. Non- Current Investments	7	1,187,551	310,740
c. Long Term Loans & Advances	8	95,180	-
d. Other Non-Current Assets		-	-
		<u>13,643,289</u>	<u>5,213,036</u>
2. <u>Current Assets</u>			
a. Current Investments		-	-
b. Inventories	9	23,975,896	6,411,121
c. Trade Receivable	10	27,071,617	38,170,632
d. Cash & Cash Equivalents	11	10,708,113	1,403,117
e. Short -Term Loans & Advances	12	8,396,611	27,814,269
f. Other Current Assets	13	155,145	11,095
		<u>70,307,382</u>	<u>73,810,234</u>
<b>TOTAL</b>		<b><u>83,950,671</u></b>	<b><u>79,023,270</u></b>
Notes to Accounts	18		

In terms of our report of even date.

For & on behalf of Board of Directors

For **RAVI & DEV**

Chartered Accountants

(FRN : 108752W)

**SANJAY V. PATEL**

**DIRECTOR**

**(DEVENDRA MEHTA)**

**DEEPAK UPADHYAY**

**DIRECTOR**

Partner

Membership No. 82325

**SAVJI D. PATEL**

**DIRECTOR**

Mumbai

May 25, 2012

Mumbai

May 25, 2012

**STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2012**

	Note	2012 Rs.	2011 Rs.
<b>INCOME</b>			
Revenue from Operation			
Sale of Product		100,691,752	75,584,655
Other Income	14	874,287	519,239
<b>TOTAL</b>		<b>101,566,039</b>	<b>76,103,894</b>
<b>EXPENSES</b>			
Cost of Materials Consumed	15	86,892,915	68,520,590
Employee Benefit Expense	16	1,960,300	1,761,574
Other Expenses	17	6,749,458	1,588,792
Depreciation	6	474,251	412,464
<b>TOTAL</b>		<b>96,076,924</b>	<b>72,283,420</b>
<b>Profit/(Loss) before tax</b>		<b>5,489,115</b>	<b>3,820,474</b>
Less : Provision for taxes		(1,110,000)	-
Excess/Short Provision for earlier years		(146,339)	-
<b>Profit/(Loss) for the year</b>		<b>4,232,776</b>	<b>3,820,474</b>
Basic & Diluted Earning per Share		0.51	0.47
Notes to Accounts	18		

In terms of our report of even date.

For **RAVI & DEV**

Chartered Accountants

(FRN : 108752W)

**(DEVENDRA MEHTA)**

Partner

Membership No. 82325

Mumbai

May 25, 2012

For & on behalf of Board of Directors

**SANJAY V. PATEL**

**DIRECTOR**

**DEEPAK UPADHYAY**

**DIRECTOR**

**SAVJI D. PATEL**

**DIRECTOR**

Mumbai

May 25, 2012

# SJ CORPORATION LIMITED

FOR THE YEAR ENDED 31ST MARCH, 2012

	2012 Rs.	2011 Rs.
<b>Note 1: SHARE CAPITAL</b>		
<b>Authorised</b>		
50000000 (Previous Year : 5000000) Equity shares of Re.1 each	50,000,000	50,000,000
	<b>50,000,000</b>	<b>50,000,000</b>
<b>Issued, Subscribed and fully paid up shares</b>		
8355000(Previous Year : 8355000) Equity shares of Re.1 each	8,355,000	8,355,000
<b>TOTAL</b>	<b>8,355,000</b>	<b>8,355,000</b>

## Notes

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

Particulars	31 March 2012		31 March 2011	
	No. of Shares	Amount	No. of Shares	Amount
At the beginning of the period	8,355,000	8,355,000	2,000,000	2,000,000
Issued during the period - Bonus Issue	-	-	6,000,000	6,000,000
Issued during the period - Preferential Allotment	-	-	355,000	355,000
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 2012		31 March 2011	
	No. of Shares	%	No. of Shares	%
Savji D Patel	3,124,000	37.391	3,124,000	37.391
Usha D Patel	2,796,000	33.465	2,796,000	33.465

### (c) Issue of Bonus Shares :

During the previous year ending March 31, 2011, the company had issued 60,00,000 fully paid bonus shares of Re.1/- each to the equity shareholders by capitalisation of capital reserve (Rs.2500/-) and surplus of profit/loss account (Rs.59,97,500/-)

### (d) 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 reserve	37,630,000	37,630,000
	<b>37,630,000</b>	<b>37,630,000</b>

### Capital Reserve

Balance at the beginning of the period	-	2,500
Less : Capitalised by issue of fully paid up Bonus Shares	-	(2,500)
	<b>-</b>	<b>-</b>

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	2012 Rs.	2011 Rs.
<b>Profit &amp; Loss Account</b>		
Opening Balance	32,290,549	34,953,094
Add : Net Profit for the Current period	4,232,776	3,820,474
Amount Available for the Appropriation	36,523,325	38,773,568
<b>Appropriations :</b>		
Proposed Dividend	(835,500)	(417,750)
Tax on Dividend	(135,539)	(67,769)
Capitalised by issue of fully paid up Bonus Shares	-	(5,997,500)
Closing Balance	35,552,286	32,290,549
<b>TOTAL</b>	<b>73,182,286</b>	<b>69,920,549</b>

**Note '3' : TRADE PAYABLES**

Trade Payables (including acceptance)	-	22,365
	-	22,365

**Note**

Based on information available with the Company there are no dues from micro, small and medium enterprises as defined under Micro, Small and Medium Enterprises Development Act, 2006

**Note '4' : OTHER CURRENT LIABILITIES**

Other Liabilities

Expenses Payable	291,347	239,837
	291,347	239,837

**Note '5' : SHORT TERM PROVISIONS**

Provision for Taxation	1,110,000	-
Provision for Wealth Tax	41,000	-
Provision for Proposed Dividend	835,500	417,750
Provision for Dividend Tax	135,539	67,769
	<b>2,122,039</b>	<b>485,519</b>

**SCHEDULE '6' : FIXED ASSETS**

NAME OF THE ASSETS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	Cost as on 01.04.11	Addition During the year	Disposal During the year	Total cost as on 31.03.12	As on 01.04.11	Written back during the year	As on off 31.03.12	As on 31.03.12	As on 31.03.11	
Plot of Land	-	7,045,850	-	7,045,850	-	-	-	7,045,850	-	
Lease hold Land	1,750,000	-	-	1,750,000	350,000	-	116,667	466,667	1,283,333	
Building	2,994,515	-	-	2,994,515	427,093	-	128,371	555,464	2,439,051	
Machinery	1,081,700	303,000	15,000	1,369,700	376,047	726	119,063	494,384	875,316	
Metler & Weight	34,427	15,000	15,000	34,427	11,574	747	3,926	14,753	19,674	
Furniture	150,253	400,000	50,000	500,253	51,718	3,239	54,134	102,613	397,640	
Office Equipment	93,663	125,000	-	218,663	10,712	-	22,723	33,435	185,228	
Computer	57,200	35,550	20,000	72,750	32,318	2,863	23,556	53,011	19,739	
Electrical Equipment	-	50,000	-	50,000	-	-	3,630	3,630	46,370	
Motor Cycle	-	50,538	-	50,538	-	-	2,181	2,181	48,357	
Current Year's Total	6,161,758	8,024,938	100,000	14,086,696	1,259,462	7,575	474,251	1,726,138	12,360,558	4,902,296
Previous Year's Total	5,974,468	187,290	-	6,161,758	846,998	-	412,464	1,259,462	4,902,296	5,127,470

**SJ CORPORATION LIMITED**

FOR THE YEAR ENDED 31ST MARCH, 2012

			<u>2012</u>	<u>2011</u>
			<u>Rs.</u>	<u>Rs.</u>
<b>Note '7' : NON - CURRENT INVESTMENTS</b>				
<b>Long Term Non Trade investments (valued at cost)</b>				
Investment in Quoted Equity Instruments				
<b>Name of the Company</b>	<b>No. of Shares</b>	<b>Face Value</b>	<b>Paid-up Value</b>	<b>2012 Rs.</b>
				<b>2011 Rs.</b>
EIH Associates Hotel Ltd.	1,500	10	10	257,895
Omnitech Infosolu Ltd.	250	10	10	52,845
Arrow Coated Product Ltd	16,753	10	10	140,055
Flawless Diamond Ltd	23,062	10	10	31,134
Neyveli Lignite Corp.	2,000	10	10	203,520
Numeric Power Ltd	1,000	10	10	223,761
Vimta Labs Ltd	8,498	10	10	254,173
Vista Pharma	2,604	10	10	24,168
			<u>1,187,551</u>	<u>310,740</u>
<b>Market Value of Quoted Shares</b>			<u>1,017,459</u>	<u>265,088</u>
<b>Note '8' : LONG TERM LOANS AND ADVANCES</b>				
(Unsecured and considered good)				
Security Deposits			66,375	-
<u>Other Loans &amp; Advances</u>				
Income-tax			28,805	-
			<u>95,180</u>	<u>-</u>
<b>Note '9' : INVENTORY</b>				
<u>Inventories</u>				
(As valued and certified by management)				
(Valued at lower of cost or net realisable value)				
<u>Raw-material</u>				
Polished Diamonds			19,152,584	3,561,191
Precious Metal & Alloys			4,823,312	2,849,930
			<u>23,975,896</u>	<u>6,411,121</u>
<b>Note '10' : TRADE RECEIVABLE</b>				
(Unsecured and considered good)				
Trade receivables outstanding for a period exceeding six months from the date they become due for payment				
Others			-	-
			27,071,617	38,170,632
			<u>27,071,617</u>	<u>38,170,632</u>
<b>Note '11' : CASH AND CASH EQUIVALENTS</b>				
<u>Cash &amp; Bank Balance</u>				
Balances with Bank in current account			286,826	(38,857)
Cash in Hand			546,629	90,728
<u>Other Bank Balance</u>				
Fixed Deposit - HDFC Bank			9,874,658	1,351,246
(Maturity of less than twelve months)			<u>10,708,113</u>	<u>1,403,117</u>
<b>Note '12' : SHORT TERM LOANS AND ADVANCES</b>				
(Unsecured and considered good)				
Other Loans & Advances			8,396,611	27,814,269
			<u>8,396,611</u>	<u>27,814,269</u>

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	<b>2012</b>	<b>2011</b>
	<b>Rs.</b>	<b>Rs.</b>
<b>Note '13' : OTHER CURRENT ASSETS</b>		
Interest Accrued on Fixed Deposits	155,145	11,095
	<u>155,145</u>	<u>11,095</u>
	<b>70,152,237</b>	<b>73,799,139</b>
<b>Note '14' : OTHER INCOME</b>		
Interest on Fixed Deposit	227,590	23,503
Dividend on Long Term Investments	15,424	1,275
Profit/(Loss) on Sale of Shares	-	(324,829)
<u>Other non-operating Income</u>		
Foreign Exchange Fluctuations	628,698	819,290
Profit on Sale of Fixed Asset	2,575	-
	<u>874,287</u>	<u>519,239</u>
<b>Note '15' : COST OF MATERIALS CONSUMED</b>		
Diamonds	68,127,923	55,558,973
Bullion	18,764,992	12,961,617
	<u>86,892,915</u>	<u>68,520,590</u>
<b>Note '16' : EMPLOYEE BENEFITS EXPENSE</b>		
Salary, Wages and Bonus	1,960,300	1,753,900
Staff Welfare	-	7,674
	<u>1,960,300</u>	<u>1,761,574</u>
<b>Note '17' : OTHER EXPENSE</b>		
Consumables & Stores	380,273	193,590
Power & Fuel	163,857	85,544
Rent	338,500	300,000
Auditor's Remuneration	220,600	132,360
VAT Audit Fees	11,000	10,000
Clearing & Forwarding Charges	134,717	123,185
Rates & Taxes (excluding taxes on income)	69,775	19,613
Advertisement Expenses	52,452	45,948
Travelling & Conveyance	200,083	66,240
Bank Charges & Commission	111,317	111,343
Legal & Professional Expenses	76,180	431,050
Listing & Processing Fees	12,575	11,030
Printing & Stationery	41,973	43,520
(Profit)/Loss on dealing in Commodity Derivatives & Currency Future	4,615,535	(186,591)
Miscellaneous Expenses	320,620	201,960
	<u>6,749,457</u>	<u>1,588,792</u>

## **SJ CORPORATION LIMITED**

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### **Notes to Financial Statements for the year ended 31st March 2012**

#### **Note '18' : SIGNIFICANT ACCOUNTING POLICIES**

##### **18.1 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 (Accounting Standards) Rules, 2006 and with the relevant provisions of the Companies Act, 1956.
- (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.

##### **18.2 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 depreciation on fixed assets has been provided on written down value method on *Pro rata* basis with reference to the date of addition/disposal at the rates specified in Schedule XIV of the Companies Act, 1956.
- (iv) 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.

##### **18.3 Foreign Currency Transactions**

- a) Transactions denominated in foreign currencies are normally recorded at the exchange rate prevailing at the time of the transaction.
- b) 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.

##### **18.4 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.

##### **18.5 Stock**

- a) Closing stock of Finished Goods is stated at lower of the cost or net realisable value on FIFO Basis.
- b) Raw Materials are valued at Cost.
- c) Stores items purchased during the year are treated as consumed.

##### **18.6 Sales tax**

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

##### **18.7 Contingent Liability**

Contingent Liability, if any, are generally not provided for in the accounts and is shown separately as a note to the accounts.

##### **18.8 Taxation**

- a) 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.
- b) 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.

**18.9 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 after tax and the weighted number of equity shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

**18.10 Financial Derivatives & Commodity Hedging Transactions**

- a. 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.
- b. The unrealised loss on contracts outstanding at the year end are provided for in the books of account of the Company in accordance with the guidance note on Accounting for Equity Index & Equity Stock Futures and Options issued by the Chartered Accountants of India.

**Note '19' :**

There is no difference between taxable income and accounting income of the company on account of timing difference. Hence, deferred tax has not been provided for.

**Note '20' :**

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.

	<b>2012</b>	<b>2011</b>
<b>Note '21' : Auditor's Remuneration</b>		
Statutory Audit fee	196,333	85,000
Tax Audit Fee	-	35,000
Service Tax	24,267	12,360
	<b>220,600</b>	<b>132,360</b>

**Note '22' : C. I. F. Value of Imports**

Raw-Material	68,524,310	25,041,088
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**Note '23' : Expenditure in Foreign Currency**

Foreign Travelling Expenses	51,078	Nil
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**Note '24' : F.O.B. Value of Exports**

	100,691,752	75,584,655
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**Note '25' : Earnings Per Share**

Profit / (Loss) attributable to equity shareholders :	4,232,776	3,820,474
Weighted Average number of Equity Shares outstanding :	8,355,000	8,192,575
Basic and Diluted Earning per share :	0.51	0.47
(Face Value Rs.1/-)		

**Note '26' : Raw Material Consumed during the year**

Polished Diamonds	68,127,923	55,558,973
Bullion & Alloys	18,764,993	12,961,618

**Note '27' : Value of imported & indigenous material consumed :**

	2012		2011	
	%	Amount Rs.	%	Amount Rs.
<b>Raw Material</b>				
Indigenous	40.05	34,796,857	43.12	29,547,930
Imported	59.95	52,096,058	56.88	38,972,661
<b>Stores &amp; Spares</b>				
Indigenous	100.00	380,273	100	193,590
Imported	-	-	-	-

## SJ CORPORATION LIMITED

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### **Note '28' :**

The Board of Directors has recommended a Dividend of Rs.0.10 (10% of Paid-up Share Capital of the company) per equity share of face Value of Rs.1/- each for the year ended on 31st March, 2012. The dividend is subject to the approval of members of the company in perusing annual general meeting.

### **Note '29' :**

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	420,000	420,000
Rent	337,500	300,000

### **Note '30' :**

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

### **Note '31' :**

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

### **Note '32' : Derivative contracts entered into by the company and outstanding as on 31st March, 2012 :**

Particulars	Nominal Value	Quantity ( No. of USD)	
		Long	Short
USD April, 12	10,182,729	-	196,000
USD May, 12	2,174,743	-	41,000

### Derivative contracts entered into by the company and outstanding as on 31st March, 2011 :

Particulars	Nominal Value	Quantity ( No. of USD)	
		Long	Short
USD April, 11	7,478,691	-	165,000
USD May, 11	6,831,000	-	150,000
USD June, 11	2,119,838	-	45,000
USD July, 11	3,159,198	-	68,000

### **Note '33' :**

During the year ended 31st March, 2012, the company has prepared the financial statements as per the format prescribed by the Revised Schedule VI to the Companies Act,1956 issued by Ministry of Corporate Affairs. The company has also reclassified the previous year figures in accordance with requirement for the current period. In terms of our report of even date For & on behalf of Board of Directors

#### For **RAVI & DEV**

Chartered Accountants  
(FRN : 108752W)

**SANJAY V. PATEL** DIRECTOR

#### **(DEVENDRA MEHTA)**

Partner  
Membership No. 82325

**DEEPAK UPADHYAY** DIRECTOR

**SAVJI D. PATEL** DIRECTOR

Mumbai  
May 25, 2012

Mumbai  
May 25, 2012

**CASH FLOW STATEMENT**

	<b>2012</b>	<b>2011</b>
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit/(Loss) Before tax	5,489,115	3,820,474
<u>Adjustments for</u>		
Wealth Tax	41,000	
Profit on Sale of Fixed Assets	(2,575)	
Depreciation	474,251	412,464
<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES :</b>	<b>6,001,791</b>	<b>4,232,938</b>
<u>Adjustments for Working Capital Changes</u>		
Inventories	(17,564,775)	8,957,387
Trade & Other receivables	11,099,015	(9,685,218)
Trade Payables	29,145	(13,031,350)
Short Term Provision	-	-
Income Tax Paid	(22,604)	(2,351)
<i>Cash Utilised in Operations</i>	<b>(A) (457,428)</b>	<b>(9,528,594)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	(8,024,938)	(187,290)
Investment in Shares	(876,811)	(310,740)
Loans & Advances	19,054,693	(27,324,333)
Fixed Deposit with Bank	(8,523,412)	(1,351,246)
Sale of Fixed Assets	95,000	-
<i>Cash Generated from Investing Activities</i>	<b>(B) 1,724,532</b>	<b>(29,173,609)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Share Capital	-	355,000
Share Premium	-	37,630,000
Dividend Paid	(485,519)	(932,870)
<i>Cash Generated from Financing Activities</i>	<b>(C) (485,519)</b>	<b>37,052,130</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(A+B+C) 781,584</b>	<b>(1,650,073)</b>
Cash & cash equivalents as at 01.04.2011 (Opening Balance)	51,871	1,701,944
Cash & cash equivalents as at 31.03.2012 (Closing Balance)	833,455	51,871

In terms of our report of even date.

For **RAVI & DEV**

Chartered Accountants  
(FRN : 108752W)

**(DEVENDRA MEHTA)**

Partner

Membership No. 82325

Mumbai

May 25, 2012

For & on behalf of Board of Directors

**SANJAY V. PATEL**

DIRECTOR

**DEEPAK UPADHYAY**

DIRECTOR

**SAVJI D. PATEL**

DIRECTOR

Mumbai

May 25, 2012

**BLANK**

**ATTENDANCE SLIP**

**SJ CORPORATION LIMITED**

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

*PLEASE FILL IN ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL*

DP. Id*	
---------	--

Regd. Folio No.	
-----------------	--

Client Id	
-----------	--

No. of Shares Held	
--------------------	--

Name and Address of the Share Holder

I hereby record my presence at 31st Annual General Meeting of the company being held on Friday, 31<sup>st</sup> August, 2012 at 10.30 A.M. at 201, Shyam Bungalow, Plot No. 199/200, Pushpa Colony, Fatimadevi School Lane, Manchubhai Road, Malad (E), Mumbai - 400 097. and at any adjournment thereof.

\_\_\_\_\_  
Signature of Share Holder/Proxy

(To be signed at the time of handing over this slip)

----- TEAR HERE -----

**PROXY FORM**

**SJ CORPORATION LIMITED**

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

DP. Id*	
---------	--

Regd. Folio No.	
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Client Id*	
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No. of Shares Held	
--------------------	--

I/We \_\_\_\_\_  
being a member/members of SJ Corporation Limited hereby appoint \_\_\_\_\_  
\_\_\_\_\_ of  
\_\_\_\_\_ or failing him  
\_\_\_\_\_ of

as my/our proxy to vote for me/us on my/our behalf at the 31st Annual General Meeting of the Company to be held on Friday, 31<sup>st</sup> August, 2012 at 10.30 A.M. and at any adjournment thereof.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2012.

Please affix a 1 Rupees revenue stamp
---------------------------------------

\_\_\_\_\_  
Signature

NOTE : The proxy form duly completed must be returned so as to reach the Registered Office of the Company not less than 48 hours before the time for holding the aforesaid meeting. The proxy need not be a member of the Company. The members are requested to bring the Annual Report with them as a measure of economy.

# 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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