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## **SJ Corporation Ltd.**

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

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***34<sup>TH</sup> ANNUAL REPORT 2014-2015***

**BLANK**

**BOARD OF DIRECTOR**

<b>RAJIV N. SHAH</b>	CHAIRMAN
<b>DEEPAK B. UPADHYAY</b>	MANAGING DIRECTOR
<b>SANJAY V. PATEL</b>	EXECUTIVE DIRECTOR
<b>SAVJI D. PATEL</b>	DIRECTOR
<b>RAJESH J. SHAH</b>	DIRECTOR
<b>USHA S. PATEL</b>	ADDITIONAL DIRECTOR

**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.

**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.  
TeleFax : 022-28449521  
E-mail ID : sjcorporation9@yahoo.com  
Websit : www.sjcorp.in

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**NOTICE**

Notice is hereby given that the 34<sup>th</sup> Annual General Meeting of the Members of **SJ CORPORATION LIMITED** will be held at 201, Shyam Bunglow, 199/200, Pushpa Colony, Fatimadevi School Lane, Manchubhai Rd., Malad (East), Mumbai- 400097, on **Saturday, 26<sup>th</sup> September, 2015 at 10:00 A.M.** to transact the following business:

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Financial Statement of the Company for the year ended March 31, 2015 together with the Reports of the Board of Directors and Auditor's thereon.
2. To declare dividend on Equity Shares of the Company.
3. To appoint a Director in place of Mr. Deepak Upadhyay (*DIN: 02270389*), who retires by rotation and being eligible, offers himself for re-appointment.
4. To approve the appointment of **M/s Ravi & Dev LLP**, Chartered Accountant (Firm Reg. No.: 108752W/W10079) 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 other applicable provisions, if any, of the Companies Act, 2013 and the Rules made there under (*including any modification(s) and re-enactment(s) thereon, for time being in force*), and pursuant to the recommendations of the audit committee of the Board of Directors, **M/s. Ravi & Dev LLP, Chartered Accountants** (Firm Reg. No.: 108752W/W10079) be and is hereby re-appointed as the Statutory Auditors of the Company to hold office from conclusion of 34<sup>th</sup> Annual General Meeting till the conclusion of the 36<sup>th</sup> Annual General Meeting of the Company to be held in the year 2017 at such remuneration and out-of-pocket expenses, as may be decided by the Audit Committee of the Board of Directors of the Company."

**SPECIAL BUSINESS:**

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

**"RESOLVED THAT** pursuant to Section 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made there under, read with Schedule IV to the Companies Act, 2013, Mrs. Usha Patel [*DIN: 06986525*], who was appointed as an Additional Director of the Company by the Board of Directors with effect from February 26, 2015 and who holds office up to the date of this Annual General Meeting, in terms of Section 161 of the Companies Act, 2013 but who is eligible for appointment and in respect of whom the Company has received a notice in writing pursuant to the provisions of Section 160 of the Companies Act, 2013 from a member of the Company proposing her appointment as a Director of the Company and who has consented, if appointed, to act as a Director, be and is hereby appointed as a Director of the Company liable to retire by rotation."

6. To consider, and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

**"RESOLVED THAT** pursuant to the provisions of Section 186 of the Companies Act, 2013 and other applicable provisions, if any of the Companies Act, 2013 and Rules made thereunder, (*including any statutory modification(s) or re-enactment(s) thereof, for the time being in force*) and in accordance with the provisions of Articles of Association of the Company and subject to further approval of statutory and other authorities as may be necessary and subject to such terms, conditions, stipulations, alterations, and modifications, *if any*, as may be prescribed and specified by such authorities while granting such approvals and which may be agreed by the Board of Directors of the Company (*hereinafter referred to as the 'Board' which expression shall include a Committee of directors duly authorized in this behalf*) the consent of the Company be and is hereby accorded to the Board of Directors of the Company to make investments which may

exceed 60% of the aggregate of the paid-up share capital and free reserves and/or 100% of the aggregate of free reserves of the Company as per the limits prescribed under Section 186 subject to the maximum aggregate amount not exceeding Rs.100.00 crores (Rupees One Hundred Crores Only)."

**"RESOLVED FURTHER** that the proposed investments shall be made from the internal resources of the Company."

**"RESOLVED FURTHER** that any of the Directors of the Company, be and is hereby authorised to do all such acts, deeds and things as may deemed expedient and necessary to give effect to this resolution for and on behalf of the Company."

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

**Place: Mumbai**  
**Date: 10/08/2015**

**DEEPAK UPADHYAY**  
**MANAGING DIRECTOR**  
**[DIN: 02270389]**

**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. The Register of Members and Share Transfer Books of the Company will remain closed from **Friday, September 18, 2015 to Friday, September 25, 2015** (both days inclusive).
3. 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.
4. 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.
5. 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'.
6. Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 for items of Special Businesses is annexed herewith.
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. and 1.00 p.m. up to the date of Annual General Meeting.
8. Copies of Annual Report 2014-15 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.
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. Members are requested to bring their copies of the reports to Annual General Meeting.
12. 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.
13. Members are requested to promptly notify any changes in their addresses to the Company at its Registered Office.
14. 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.
15. 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

**Instructions for Voting through electronics means:**

In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of 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 at the 34<sup>th</sup> Annual General Meeting (AGM) by electronic means ("e-Voting") and the items of business as detailed in this Notice may be transacted through e-voting services provided by Central Depository Services (India) Limited (CDSL).

The Members may cast their votes through E-voting from a place other than the venue of the AGM ("**Remote E-voting**").

Voting through physical ballot paper shall be made available at the AGM and the Members attending the AGM who have not cast their vote by Remote E-voting shall be able to cast their vote by physical ballot paper at the Meeting.

The Members who have cast their vote by Remote E-voting may also attend the Meeting but shall not be entitled to cast their vote again.

The Remote E-voting facility will commence from 9.00 a.m. on 21<sup>st</sup> September, 2015 and will end at 5.00 p.m. on 24<sup>th</sup> September, 2015. Remote E-voting will not be allowed beyond the aforesaid date and time and the Remote E-voting module shall be disabled by CDSL upon expiry of aforesaid period.

Voting rights shall be reckoned on the paid-up value of shares registered in the name of the Member / beneficial owner as on the **cut-off date i.e. 18<sup>th</sup> September, 2015**.

The Members whose names appear in the Register of Members / list of beneficial owners as on the cut-off date i.e. 18<sup>th</sup> September, 2015, only shall be entitled to vote on the Resolutions set out in this Notice.

The Board of Directors at their meeting held on August 10, 2015 has appointed Mr. Deep Shukla, Practicing Company Secretary (*Membership No. FCS 5652*) as the Scrutinizer to scrutinize the E-voting process and voting done through physical ballot paper at the AGM in a fair and transparent manner.

The Scrutinizer shall, after scrutinising the votes cast at the AGM and through Remote E-voting, not later than 3 (*three*) days from the conclusion of the AGM make a consolidated Scrutinizer's report and submit the same to the Chairman.

The results declared alongwith the Scrutinizer's Report shall be placed on the website of the Company [www.sjcorp.in](http://www.sjcorp.in) and on the website of CDSL and shall also be communicated to BSE Limited.

Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the AGM i.e. 26<sup>th</sup> September, 2015.

The instructions for e-voting are as under:

- i. The voting period begins on **Monday, September 21, 2015 (09:00 a.m.)** and **ends on Thursday, September 24, 2015(5:00 p.m.)**. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date **Friday, September 18, 2015**, may cast their vote electronically.
- ii. The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com) during the voting period.
- iii. Click on "Shareholders" tab.
- iv. Now, select the "**SJ CORPORATION LIMITED**" from the drop down menu and click on "SUBMIT"
- v. Now enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- vi. Next enter the Image Verification as displayed and Click on Login.
- vii. If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- viii. If you are a first time user, follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> <li>Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</li> </ul>

	<ul style="list-style-type: none"><li>In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL Letters. Eg. If your name is Rajesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</li></ul>
DOB	Enter the date of Birth as recorded in your demat account or in the company records for the said demat amount or folio in dd/mm/yyyy format.
Dividend Bank Details	<p>Enter the Dividend Bank Details as recorded in your demat account or in the Company records for the said demat account or folio.</p> <ul style="list-style-type: none"><li>Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter <b>the number of shares held by you as on the cut off date</b> in the <b>Dividend Bank details field</b>.</li></ul>

- ix. After entering these details appropriately, click on "SUBMIT" tab.
- x. Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is also to be used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- xi. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- xii. Click on the EVSN for the relevant SJ CORPORATION LIMITED on which you choose to vote.
- xiii. On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/ NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- xiv. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- xv. After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- xvi. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- xvii. You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- xviii. If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- xix. Note for Institutional Shareholders & Custodians:
- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.com> and register themselves as Corporate.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)
  - After receiving the login details they have to create compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
  - The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- xx. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)
- xxi. The voting rights of the members shall be in proportion to their of paid-up equity share capital of the Company as on relevant date Friday, September 18, 2015.



**EXPLANATORY STATEMENT PRUSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013.**

**Item No.5:**

Mrs. Usha Savjibhai Patel was appointed as an Additional Director of the Company on February 26, 2015 pursuant to Section 161(1) of the Companies Act, 2013. Pursuant to the provisions of Section 161(1) of the Companies Act, 2013, Mrs. Usha Savjibhai Patel will hold office up to the date of the ensuing AGM. The Company has received notice in writing under the provisions of Section 160 of the Companies Act, 2013, from a member along with a deposit of Rs.1,00,000/- proposing the candidature of Mrs. Usha Savjibhai Patel for the office of the Director, to be appointed as such under the provisions of the Companies Act, 2013.

The Company has received from Mrs. Usha Savjibhai Patel the following:

- i. Consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014; and
  - ii. Intimation in Form DIR-8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under sub-section (2) of Section 164 of the Companies Act, 2013;
- Except, Mr. Savjibhai Patel (being Husband), no other Director, key managerial personnel or their relatives, may be deemed to be concerned in or interested in the said resolution.

The Board recommends the resolution set forth in Item no.5 for approval of the Members.

**Item No.6:**

The Board of Directors of your Company wishes to inform the Members that your Board has recommended for seeking approval of the Members of the Company to make investments, provide security and give guarantees upto a limit of Rs.100.00 crores in any identified Body Corporate as may be benchmarked by the Board of Directors in the best interest of the shareholders of the Company.

Your approval for the said special resolution is sought as the said limit exceeds the prescribed limit of 60% of the aggregate of the paid-up share capital and free reserves and/or 100% of the aggregate of free reserves of the Company as provided under Section 186 of the Companies Act, 2013.

The Board of Directors of the Company accordingly recommends the said special resolution for approval of members.

None of the Directors may be deemed to be concerned or interested in the said resolution.

The Board recommends the resolution set forth in Item no.6 for approval of the Members.

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

**Place: Mumbai**  
**Date: 10/08/2015**

**DEEPAK UPADHYAY**  
**MANAGING DIRECTOR**  
**[DIN: 02270389]**

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

**DIRECTORS' REPORT**

To,  
The Members,  
**SJ CORPORATION LIMITED**

Your Directors have pleasure in presenting their 34<sup>th</sup> Annual Report on the Audited Statement of Accounts of the SJ Corporation Limited [*"Company"*] for the Financial Year ended March 31, 2015.

**FINANCIAL RESULTS**

The summarized financial performance of the Company for the FY 2014-15 and FY 2013-14 is given below:

[Amount in Rs.]

Particulars	2014-2015	2013-2014
Gross Income	47,57,15,976	42,90,55,198
Profit Before Tax, Interest and Depreciation	38,51,466	1,16,51,782
Finance Charges	32,83,759	16,30,188
Provision for Depreciation	12,37,130	6,95,936
Net Profit Before Tax	(22,803)	1,06,47,776
Provision for Tax	56,485	(22,02,351)
Net Profit After Tax	33,682	84,45,425
Balance of Profit brought forward	4,68,16,542	3,93,48,610
Balance available for appropriation	4,68,42,693	4,77,94,035
Proposed Dividend on Equity Shares	4,17,750	8,35,500
Tax on proposed Dividend	83,525	1,41,993
Transfer to General Reserve	-	-
Surplus carried to Balance Sheet	4,63,41,418	4,68,16,542

**REVIEW OF OPERATIONS**

During the year under review, the Company has posted total Income of Rs. 47,57,15,976 /- as against Rs. 42,90,55,198 /- for the corresponding previous year.

Further, Net Profit after tax for the year under review was Rs.33,682/- as against Rs. 4,45,425/- for the corresponding previous year.

**DIVIDEND AND RESERVES**

Your directors have recommended, for consideration of shareholders at the ensuing Annual General Meeting, Dividend of Rs.0.05 (5% of Paid-up Share Capital of the Company) per equity share of face Value of Re.1/- each for the year ended on March 31, 2015. The dividend will be paid in compliance with applicable regulations.

**SHARE CAPITAL**

The Paid-up Equity Share Capital of the Company as on 31<sup>st</sup> March, 2015 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**

During the year under review, the Board of Directors of the Company has appointed Mrs. Usha Patel as an Additional Director (*Woman Director*) on the Board of the Company with effect from 26<sup>th</sup> February, 2015, whose office is liable to be determined to retire by rotation.

In accordance with the provisions of Section 161 of the Companies Act, 2013, Mrs. Usha Patel shall hold office only upto the date of forthcoming Annual General Meeting. Pursuant to the provisions of Section 160 of the Companies Act, 2013, the Company has received a notice from a Member proposing the candidature of Mrs. Usha Patel for the office of Director at the forthcoming Annual General Meeting.

Mr. Deepak Upadhyay, Managing Director of the Company, retires by rotation being eligible; offers himself for reappointment at the forthcoming Annual General Meeting.

Also, Mr. Rupesh Agarwal have been appointed as Company Secretary with effect from 31<sup>st</sup> March, 2015.

Further Mr. Ashish Satani has been appointed as Chief Financial Officer of the Company in place of Mr. Vipul Vaghasiya, who has tendered his resignation w.e.f 10<sup>th</sup> August, 2015.

**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; and
- (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) Rules, 2014 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) Rules, 2014 none of the employees of the Company are in receipt of remuneration exceeding Rs. 60,00,000/- per annum, if employed for whole of the year or Rs. 5,00,000/- per month if employed for part of the year.

**NUMBER OF BOARD MEETINGS**

A calendar of meetings is prepared and circulated in advance to the Directors. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013 and the Listing Agreement.

During the year **07 (Seven) Board Meetings** were held during the year ended March, 2015, the dates which are **29<sup>th</sup> May, 2014, 25<sup>th</sup> July, 2014, 13<sup>th</sup> August, 2014, 18<sup>th</sup> October, 2014, 30<sup>th</sup> January, 2015, 26<sup>th</sup> February, 2015 and 31<sup>st</sup> March, 2015.**

Name of the Directors	No. of Board Meetings attended
Mr. Sanjay Vallabhbhai Patel	4
Mr. Savjibhai Doongarshibhai Patel	7
Mr. Rajesh Jesinglal Shah	4
Mr. Rajiv Navinchandra Shah	7
Mr. Deepak Bhikhalal Upadhyay	7
Mrs. Usha Savjibhai Patel	2

**BOARD EVALUATION**

Pursuant to the provisions of the Companies Act, 2013 and the Listing Agreement, 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 Directors 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 the Listing Agreement.

**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**

The Auditors, M/s Ravi & Dev, Chartered Accountants, retire at the ensuing Annual General Meeting and, being eligible; offer themselves for reappointment for a period of 2 years from the conclusion of this Annual General Meeting [AGM] till the conclusion of 36<sup>th</sup> AGM to be held in the year 2017. As required under the provisions of Section 139 of the Companies Act, 2013, the Company has obtained written confirmation from M/s. Ravi & Dev LLP that their re-appointment, if made, would be in conformity with the limits specified in the said Section.

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.

**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 IV** to this report.

**Explanation under Section 134(3)(f)(ii) of the Companies Act, 2013:****Re: Appointment of Company Secretary:**

The Board of Directors, after extensive search of suitable candidate, was in a position to appoint a Company Secretary in the whole time in employment w.e.f. 31<sup>st</sup> March 2015

**Re: Appointment of Internal Auditor:**

The appointment of internal auditor of the Company was made w.e.f. 26<sup>th</sup> February 2015 due to non availability of candidate as per requirements of the Company.

**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.

M/s Ankit Dinesh Bhundari & Co., Chartered Accountants is appointed as the Internal Auditor as required in pursuant to Section 138 of the Companies Act, 2013, w.e.f. 26<sup>th</sup> February 2015.

**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.

S.N.	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

**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.

S.N.	Name of Directors	Designation	Designation in Committee
1	Mr. Savji Patel	Non Executive Director	Chairman
2	Mr. Rajesh Shah	Non Executive Independent Director	Member
3.	Mr. Rajiv Shah	Non Executive Independent 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.

S.N.	Name of Directors	Designation	Remuneration per Month(In Rs.)
1	Mr. Sanjay V. Patel	Executive Director	20,000.00
2	Mr. Deepak Upadhyay	Managing Director	20,000.00

**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 <http://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.

**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 II** and forms part of this Report.

**DEPOSITS**

The Company has not accepted nor renewed any fixed deposits during the FY 2014-15 and as on 31<sup>st</sup> March, 2015, there were no outstanding deposits.

**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.

**RELATED PARTY TRANSACTIONS**

During FY 2014-15, the Company entered into certain Related Party Transactions which are in the ordinary course of business and at arm's length basis, with approval of the Audit Committee. The Audit Committee grants omnibus approval for the transactions which are of foreseen and repetitive nature. A detailed summary of Related Party Transactions is placed before the Audit Committee & the Board of Directors for their review every quarter.

There are no materially significant Related Party Transactions executed between the Company and its Promoters, Directors, key Managerial Personnel or other designated persons, that may have a potential conflict with the interest of the Company at large.

Since all Related Party Transactions entered into by the Company were in ordinary course of business and were on an arm's length basis, Form AOC-2 is applicable to the Company as per **Annexure III**.

**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:**

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.

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

C.I.F. Value of Imports:	Rs. 42,62,56,661 /-
Foreign Travelling expenses:	Rs. 10,01,105 /-
F.O.B. Value of Exports:	Rs. 47,51,74,695 /-

### **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. 25<sup>th</sup> September, 2014), with the Ministry of Corporate Affairs.

Dates of declaration of dividends since 2009-2010 and the corresponding dates when unclaimed dividends are due to be transferred to the Central Government are given in the below table.

<b>Financial Year Ended</b>	<b>Date of declaration of Dividend</b>	<b>Amount Remaining unclaimed/Unpaid as on 31.03.2014 (Rs.)</b>	<b>Last date for claiming unpaid dividend amount (before)</b>	<b>Last date for transfer to IEPF</b>
31.03.2010	04.09.2010	0.00	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	0.00	07.10.2019	06.11.2019
31.03.2013	30.08.2013	802.00	06.10.2020	05.11.2020
31.03.2014	25.08.2014	0.00	30.10.2021	30.11.2021

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.

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

In order to prevent sexual harassment of women at work place a new act The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 has been notified on 9th December, 2013. Under the said Act every company is required to set up an Internal Complaints Committee to look into complaints relating to sexual harassment at work place of any women employee.

Company has adopted a policy for prevention of Sexual Harassment of Women at workplace and has set up Committee for implementation of said policy. During the year Company has not received any complaint of harassment.

### **LISTING WITH STOCK EXCHANGE:**

The Company confirms that it has paid the Annual Listing Fees for the year 2015-2016 to BSE where the Company's Shares are listed.

### **HUMAN RESOURCES**

Your Company treats its "human resources" as one of its most important assets.

Your Company continuously invests in attraction, retention and development of talent on an ongoing basis. A number of programs that provide focused people attention are currently underway. Your Company thrust is on the promotion of talent internally through job rotation and job enlargement.

### **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**

**Place: Mumbai**  
**Date: August 10, 2015**

**Deepak Upadhyay**  
**Managing Director**  
**[DIN: 02270389]**

**Sanjay Patel**  
**Whole-time Director**  
**[DIN: 00842364]**



**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) Rules, 2014**

- i. **The Ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2014-15 and**
- ii. **The percentage increase in remuneration of each Director, Managing Director, Chief Financial Officer and Company Secretary of the Company in the financial year 2014-15.**

Name & Designation	*Remuneration of each Director & KMP for Financial Year 2014-15 (Rs.)	% increase/ decrease in remuneration in the Financial Year 2014-15	Ratio of remuneration of each Directors to median remuneration of employees
<b>A. Directors</b>			
Mr. Deepak Upadhyay (MD)	2,40,000.00	Not Applicable	2:1
Mr. Sanjay V. Patel (WTD)	2,40,000.00	Not Applicable	2:1
<b>B. Key Managerial Personnel</b>			
Mr. Vipul Vaghasiya (CFO)*	2,06,000.00	Not Applicable	1.74:1

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

*Notes:*

1. \* Mr. Vipul Vaghasiya was appointed as a Chief Financial Officer of the Company w.e.f. 13<sup>th</sup> August, 2014.
- 2.. Median remuneration of all the employees of the Company for the financial year 2014-15 is Rs.1,18,600

- iii. **The percentage increase in the median remuneration of employees in the financial year 2014-15.**

Particulars	Financial Year 2014 - 15 (Rs.)	Financial Year 2013 - 14 (Rs.)	Increase (%)
Median remuneration of all employees	1,18,600	1,00,000	18.60

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

- iv. **The number of permanent employees on the rolls of Company.**  
There were 18 permanent employees on the rolls of Company as on March 31, 2015.
- v. **The explanation on the relationship between average increase in remuneration and Company performance.**  
As the performance of the Company is showing the downwards trend, the relationship between the average increase in remuneration and Company performance cannot be positively established.
- vi. **Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company.**  
As the performance of the Company is showing the downwards trend, the relationship between the average increase in remuneration and Company performance cannot be positively established.
- vii. **Variations in the market capitalization of the Company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase or decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer**
  - a. The market capitalization as on March 31, 2015 was Rs. 52.45crore (Rs. 52.64 crore as on March 31, 2014).
  - b. Price Earning ratio of the equity shares of the Company was 15,700 as at March 31, 2015 and 62.38 as at March 31, 2014.
  - c. The closing price of the Company's Equity share on the Bombay Stock Exchange (BSE) as on March 31, 2015 was Rs. 62.80.
- viii. **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 increase in the salaries of employee other than the MD in the Financial Year 2014-15 was 9.75% and there is no increase in the salary of the MD.

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The average increase of 9.75% in the salaries of employees was in line with the market projection, the performance of the Company in the financial year 2013-14, the individual performance of the employees, the criticality of the roles they play and skills set they possess.

- ix. **The comparison of the each remuneration of Key Managerial Personnel against the performance of the Company during the Financial Year 2014-15 is as under:**

Name	Remuneration of each KMP for FY 2014-15	% increase/ decrease in remuneration in FY 2014-15	Comparison of remuneration of the KMPs against the performance of the Company
Vipul D. Vaghasiya	2,06,000 p.a.	-	% Profit Before Tax decreased by 100.21% and Profit After Tax decreased by 99.60% in financial year 2014-15
Sanjay V. Patel	2,40,000 p.a.	-	
Deepak B. Upadhyay	2,40,000 p.a.	-	

- x. **The key parameters for any variable component of remuneration availed by the Directors.**  
There is no key parameter involved as there is no variation in remuneration availed by the Director
- xi. **The ratio of the remuneration of the highest paid Director to that of the employees who are not Directors but receive remuneration in excess of the highest paid Director during the year.**  
There is a no employee of the Company who receive remuneration in excess of the highest paid Director of the Company
- xii. **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.



**Annexure II****FORM NO. MGT 9****EXTRACT OF ANNUAL RETURN**As on financial year ended on 31<sup>st</sup> March, 2015*Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (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.	<b>Sharex Dynamic (India) Pvt. Ltd</b> 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 withGems	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

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### IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

#### (i) Category-wise Share Holding

Category of shareholders	No. of Shares held at the beginning of the year [As on 31-March-2014]				No. of Shares held at the end of the year [As on 31-March-2015]				% of Change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
<b>A. Promoters</b>									
(1) <b>Indian</b>									
a) Individual/ HUF	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) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
f) Any other	0	0	0	0.00	0	0	0	0.00	0.00
<b>Total shareholding of Promoter (A)</b>	<b>5920000</b>	<b>0</b>	<b>5920000</b>	<b>70.86</b>	<b>5920000</b>	<b>0</b>	<b>5920000</b>	<b>70.86</b>	<b>0.00</b>
<b>B. Public Shareholding</b>									
1. Institutions	0	0	0	0.00	0	0	0	0.00	0.00
a) Mutual Funds	0	0	0	0.00	0	0	0	0.00	0.00
b) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
c) Central Govt	0	0	0	0.00	0	0	0	0.00	0.00
d) State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00
e) Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
f) Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
g) FIs	0	0	0	0.00	0	0	0	0.00	0.00
h) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
i) Others (specify)	0	0	0	0.00	0	0	0	0.00	0.00
<b>Sub-total (B)(1):-</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
<b>2. Non-Institutions</b>									
a) Bodies Corp.									
i) Indian	21285	0	21285	0.25	19908	0	19908	0.24	0.01
ii) Overseas	0	0	0	0.00	0	0	0	0.00	0.00
b) Individuals									
i) Individual shareholders holding nominal share capital up to Rs. 1 lakh	869184	0	869184	10.40	871918	0	871918	10.44	0.04
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	1541780	0	1541780	18.45	1541780	0	1541780	18.45	0.00
c) Others (specify)	0	0	0	0.00	0	0	0	0.00	0.00
Non Resident Indians	2722	0	2722	0.03	1394	0	1394	0.02	0.01
Overseas Corporate Bodies	0	0	0	0.00	0	0	0	0.00	0.00
Foreign Nationals	0	0	0	0.00	0	0	0	0.00	0.00
Clearing Members	29	0	29	0.00	0	0	0	0.00	0.00
Trusts	0	0	0	0.00	0	0	0	0.00	0.00
Foreign Bodies - D R	0	0	0	0.00	0	0	0	0.00	0.00
<b>Sub-total (B)(2):-</b>	<b>2435000</b>	<b>0</b>	<b>2435000</b>	<b>29.14</b>	<b>2375000</b>	<b>0</b>	<b>2375000</b>	<b>29.14</b>	<b>0.00</b>
<b>Total Public Shareholding (B)=(B)(1)+ (B)(2)</b>	<b>2435000</b>	<b>0</b>	<b>2435000</b>	<b>29.14</b>	<b>2375000</b>	<b>0</b>	<b>2375000</b>	<b>29.14</b>	<b>0.00</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
<b>Grand Total (A+B+C)</b>	<b>8355000</b>	<b>0</b>	<b>8355000</b>	<b>100.00</b>	<b>8355000</b>	<b>0</b>	<b>8355000</b>	<b>100.00</b>	<b>0.00</b>

**(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 (please specify, if there is no change)**

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

**(ii) Shareholding Pattern of top ten Shareholders:***(Other than Directors, Promoters and Holders of GDRs and ADRs)*

SN	For Each of the Top 10 Shareholders	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	<b>Dharmishta Rameshbhai Patel</b>				
	At the beginning of the year	396200	4.74	396200	4.74
	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	396200	4.74	396200	4.74
2	<b>Laljibhai Chanchpara</b>				
	At the beginning of the year	116000	1.39	116000	1.39
	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	116000	1.39	116000	1.39
3	<b>Pritesh Laljibhai Chanchpar</b>				
	At the beginning of the year	120000	1.44	120000	1.44
	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	120000	1.44	120000	1.44
4	<b>Ramesh Dhanjibhai Patel</b>				
	At the beginning of the year	391580	4.69	391580	4.69
	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	391580	4.69	391580	4.69

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5	<b>Reshma R Patel</b>				
	At the beginning of the year	394000	4.72	394000	4.72
	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	394000	4.72	394000	4.72
6	<b>Vasantben Lalji Chanchpara</b>				
	At the beginning of the year	124000	1.48	124000	1.48
	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	124000	1.48	124000	1.48
7	<b>Shantibhai Manjibhai Chanchpara</b>				
	At the beginning of the year	82248	0.98	82248	0.98
	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	82248	0.98	82248	0.98
8	<b>Bharat H. Gabani</b>				
	At the beginning of the year	62000	0.74	62000	0.74
	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	62000	0.74	62000	0.74
9	<b>Manesh N. Lodaliya</b>				
	At the beginning of the year	40000	0.48	40000	0.48
	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	40000	0.48	40000	0.48
10	<b>Kalyanbhai J. Jivaji</b>				
	At the beginning of the year	35000	0.42	35000	0.42
	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	35000	0.42	35000	0.42

### (iii) 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	<b>Mr. Savji Patel</b>				
	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	<b>Mrs. Usha S Patel</b>				
	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
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	5,59,08,504.00			5,59,08,504.00
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>TOTAL(i+ii+iii)</b>	5,59,08,504.00			5,59,08,504.00
<b>Change in Indebtedness during the Financial year</b>				
Addition*	4,47,31,625.00	-	-	4,47,31,625.00
Reduction**	-	-	-	-
<b>Net Change</b>				
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	10,06,40,129.00	-	-	10,06,40,129.00
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>TOTAL(i+ii+iii)</b>	10,06,40,129.00			10,06,40,129.00

**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/MTD/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	2,40,000.00	2,40,000.00	<b>4,80,000.00</b>
	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			
	<b>TOTAL(A)</b>	2,40,000.00	2,40,000.00	<b>4,80,000.00</b>
<b>Ceiling as per the Act</b>		<i>The Remuneration paid to Managing Director and Whole-time Director is within the ceiling prescribed under the Companies Act, 2013.</i>		

**B. Remuneration to other Directors:**

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

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	-	-	2,06,000	2,06,000
	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, please specify				
5	Others, please specify	-	-	-	-
	<b>TOTAL</b>			2,06,000	2,06,000

Note:- During the year, Mr. Vipul D. Vaghasiya was appointed as the Chief Financial Office (CFO) of the Company w.e.f. 13<sup>th</sup> August, 2014.

**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)
<b>A. COMPANY</b>					
Penalty					
Punishment					
Compounding					
<b>B. DIRECTORS</b>					
Penalty					
Punishment					
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty					
Punishment					
Compounding					

NIL

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

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

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arms length transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at Arm's length basis.

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	NIL
b)	Nature of contracts/arrangements/transaction	
c)	Duration of the contracts/arrangements/transaction	
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	
e)	Justification for entering into such contracts or arrangements or transactions'	
f)	Date of approval by the Board	
g)	Amount paid as advances, if any	
h)	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	

2. Details of contracts or arrangements or transactions at Arm's length basis.

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	Usha S. Patel
b)	Nature of contracts/arrangements/transaction	Rent Agreement
c)	Duration of the contracts/arrangements/transaction	5 years
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	Rent Agreement for 5 year at Rs. 25,000/- per month
e)	Date of approval by the Board	29-05-2014
f)	Amount paid as advances, if any	Nil

**ANNEXURE IV  
SECRETARIAL AUDIT REPORT**

**For the financial year ended March 31, 2015**

*[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, ShyamBunglow, 199/200,  
Pushpa Colony, Fatimadevi School Lane,  
Manchubhai Rd, Malad (E),  
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 31<sup>st</sup> March 2015 ('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 31<sup>st</sup> March 2015 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (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 and taking into consideration the business operations of 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, 1992;
  - (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 **(Not Applicable to the Company during the audit period)**
- (b) The Listing Agreements entered into by the Company with the Stock Exchange viz BSE Ltd (BSE).



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

**Observations:-**

- The Company has appointed Company Secretary w.e.f. 31<sup>st</sup> March 2015.
- The Company has appointed Internal Auditor w.e.f. 26<sup>th</sup> February 2015.

**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 in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- 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:10/08/2015**

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

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**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:10/08/2015**

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

**MANAGEMENT DISCUSSION AND ANALYSIS REPORT****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.

India has many natural advantages to emerge as the Gems & Jewellery hub of the world. India has the largest and the best artisan force for designing and crafting the jewellery in the world. There is considerable scope of value addition in terms of capacity building, quality management and professionalization. India leads global consumption of gold annually, and has emerged as the 6th largest consumer of diamonds in the world. India occupies top position in importing, processing and exporting diamonds, with its cut and polished diamonds, colored gemstones, gold jewellery, pearls, non-gold jewellery and fashion jewellery. The gems and jewellery sector is one of the most important sectors of the Indian economy and has also been one of the fastest-growing sectors in the past few years. The sector is highly export-oriented, labour-intensive and a major contributor to employment, GDP and foreign exchange earnings. The industry provides direct employment to roughly 2.5 million people - majority being workers, also known as 'karigars' who are mostly self-employed or are working in the Micro & Small Sector thus ensuring inclusive growth. The sector has the potential to generate employment of 0.7–1.5 million over the next five years. Considering its immense potential and contributions, the Indian Government has also declared the sector as a thrust area for export promotion. In 2013–2014, the industry drove jewellery exports to the tune of new highs. The Gems & Jewellery sector has been playing a very important role in the Indian economy and has been contributing to 6% to 7% of the country's GDP, apart from large scale employment generations and foreign exchange earnings. The value created by Gems & Jewellery sector is much higher than many other sectors in India.

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 organized 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**

A FICCI-Technopak report estimates that gems and jewellery exports will grow to USD 58 billion by 2015. It also estimates that the domestic market for gems and jewellery will touch USD 35 billion to USD 40 billion by 2015.

India has several strengths that have made it a significant force in the global gems and jewellery business. These are:

- Highly skilled, yet low-cost labor.
- Established manufacturing excellence in jewellery and diamond polishing.
- India is the most technologically advanced diamond cutting centre in the world.
- Opportunity to address one of the world's largest and fastest-growing gems and jewellery markets.
- Opportunity to leverage India's strengths to address the global market.

One of the most encouraging trends visible in the Indian gems and jewellery market is that the country is now beginning to move towards branded jewellery and consumers are increasingly accepting modern retail formats. According to the FICCI-Technopak report, this would act as a catalyst for change and may impact traditional players, who would need to upgrade to keep pace with changing market trends. It is expected that, going forward, traditional players will coexist with modern players — this is, in fact, the trend in international markets where independent jewellers still hold significant market share

#### ▫ **CAUTIONARY STATEMENT**

Statement in this Management's Discussion and Analysis detailing the Company's objectives, projections, estimates, 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 labour negotiations.

**INDEPENDENT AUDITOR'S REPORT**

To the Members of  
**SJ Corporation Ltd.**  
Mumbai

**Report on the Financial Statements**

1. We have audited the accompanying standalone financial statements of SJ Corporation Limited which comprise of the Balance Sheet as at **31 March, 2015**, 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 and financial performance 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 Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding the assets of the Company and for preventing and detecting the 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 Rules made thereunder.
5. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards 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, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. 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, of the state of affairs of the company as at 31st March, 2015, and its profit and its cash flows for the year ended on that date.

**Report on Other Legal and Regulatory Requirements**

9. As required by the companies' (Auditors' Report) Order, 2015 issued by the Central Government of India in terms of sub -Section (11) Of Section 143 of the Companies Act, 2013 and on the basis of such of the book and records of the company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure a statement on the matters specified in Paragraph 3 & 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 Rule 7 of the Companies (Accounts) Rules, 2014.
  - e. On the basis of the written representations received from the directors as on 31st March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
  - f. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us :
    - 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 as there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31 March, 2015.

**For RAVI & DEV**

Chartered Accountants  
FRN:108752W

**(DEVENDRA A. MEHTA)**

Partner  
M.No. 82325

Mumbai  
May 29, 2015

**ANNEXURE TO THE AUDITORS' REPORT**  
(Referred to in Para 9 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.
- 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. a. The company has not granted any loans, secured or unsecured to any companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013. As such sub-clause (a) and (b) are not applicable.
- 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. In our opinion and according to the information and explanations given to us, the Company did not accept any deposit in contravention of sections 73 to section 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under. As informed to us, no order has been passed by Company Law Board or National Company Tribunal or Reserve Bank of India or any court or any other tribunal.
- vi. In our Opinion no cost records have been specified by the Central government of India under section 148(1) of the Companies Act, 2013 in respect of the products of the company.
- vii. 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. 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.  
c. During the year, there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder.
- viii. 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.
- ix. 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.
- x. The company has not given guarantees for loans taken by others from banks or financial institutions.
- xi. The company has not taken any term loan.
- xii. 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 A. MEHTA)**  
Partner  
M.No. 82325

Mumbai  
May 29, 2015

**BALANCE SHEET AS AT 31ST MARCH, 2015**

	Notes	2015 Rs.	2014 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	83,971,418	84,446,543
		<u>92,326,418</u>	<u>92,801,543</u>
2. <u>Non Current Liabilities</u>			
a. Long Term Borrowing	3	153,666	441,559
b. Trade Payable		-	-
c. Other Long Term Liabilities		-	-
d. Long Term Provision		-	-
		<u>153,666</u>	<u>441,559</u>
3. <u>Current Liabilities</u>			
a. Short Term Borrowing	4	100,640,129	55,908,504
b. Trade Payables	5	28,461,259	28,817,900
c. Other Current Liabilities	6	871,241	505,935
d. Short Term Provision	7	686,275	1,313,453
		<u>130,658,904</u>	<u>86,545,792</u>
<b>TOTAL</b>		<b><u>223,138,988</u></b>	<b><u>179,788,894</u></b>
<b>II. ASSETS</b>			
1. <u>Non-Current Assets</u>			
a. <u>Fixed Assets</u>	8		
i. Tangible Assets		11,670,604	12,768,255
ii. Intangible Assets		-	-
iii. Capital Work in Progress		-	-
b. Non- Current Investments	9	15,464,561	14,620,337
c. Deferred Tax Assets		129,877	-
d. Long Term Loans & Advances	10	62,405	62,405
e. Other Non-Current Assets		-	-
		<u>27,327,447</u>	<u>27,450,997</u>
2. <u>Current Assets</u>			
a. Current Investments		-	-
b. Inventories	11	35,344,899	69,829,879
c. Trade Receivable	12	157,790,631	78,308,168
d. Cash & Bank Balance	13	1,163,657	3,585,483
e. Short -Term Loans & Advances	14	1,512,354	614,367
f. Other Current Assets		-	-
		<u>195,811,541</u>	<u>152,337,897</u>
<b>TOTAL</b>		<b><u>223,138,988</u></b>	<b><u>179,788,894</u></b>

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 &amp; on behalf of Board of Directors

 For **RAVI & DEV**

 Chartered Accountants  
(FRN : 108752W)

**(DEVENDRAA. MEHTA)**

Partner

Membership No. 82325

Mumbai

May 29, 2015

**SANJAY V. PATEL**
**DEEPAK UPADHYAY**
**SAVJI D. PATEL**
**VIPUL D. VAGHASIYA**
**RUPESH AGARWAL**

Mumbai

May 29, 2015

**EXECUTIVE DIRECTOR**
**MANAGING DIRECTOR**
**DIRECTOR**
**CHIEF FINANCIAL OFFICER**
**COMPANY SECRETARY**

## STATEMENT OF PROFIT &amp; LOSS FOR THE YEAR ENDED 31ST MARCH, 2015

	Notes	2015 Rs.	2014 Rs.
<b>INCOME</b>			
Revenue from Operation			
Export of Diamond Studded Jewellery		475,174,695	426,392,967
Other Income	15	541,281	2,662,231
<b>Total Revenue</b>		<b>475,715,976</b>	<b>429,055,198</b>
<b>EXPENSES</b>			
Cost of Materials Consumed	16	462,175,838	409,399,796
Employee Benefit Expense	17	2,890,150	2,649,765
Finance Cost	18	3,283,759	1,630,188
Other Expenses	19	6,151,902	4,031,737
Depreciation	8	1,237,130	695,936
<b>Total Expenses</b>		<b>475,738,779</b>	<b>418,407,422</b>
<b>Profit before tax</b>		<b>(22,803)</b>	<b>10,647,776</b>
<u>Tax Expense</u>			
Current Tax		-	(2,200,000)
Deferred Tax (liability)/ Assets		129,877	-
Excess/(Short) Provision for earlier years		(73,392)	(2,351)
<b>Profit for the year</b>		<b>33,682</b>	<b>8,445,425</b>
Basic & Diluted Earning per Share (Face value : Rs.1/-)		0.004	1.01

Significant Accounting Policies

20

Notes are an integral part of the financial statements

In terms of our report of even date.

For &amp; on behalf of Board of Directors

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

Partner

Membership No. 82325

Mumbai

May 29, 2015

**SANJAY V. PATEL**  
**DEEPAK UPADHYAY****SAVJI D. PATEL**  
**VIPUL D. VAGHASIYA**  
**RUPESH AGARWAL**

Mumbai

May 29, 2015

**EXECUTIVE DIRECTOR**  
**MANAGING DIRECTOR**  
**DIRECTOR**  
**CHIEF FINANCIAL OFFICER**  
**COMPANY SECRETORY**



# SJ CORPORATION LIMITED

FOR THE YEAR ENDED 31ST MARCH, 2015

	2015 Rs.	2014 Rs.
<b>Note '1': SHARE CAPITAL</b>		
<b>Authorised</b>		
50000000 (Previous Year : 50000000) 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>		
83,55,000 (Previous Year : 83,55,000) 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 2015		31 March 2014	
	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 2015		31 March 2014	
	No. of Shares	%	No. of Shares	%
Shri Savji D Patel	3,124,000	37.391	3,124,000	37.391
Smt. Usha D Patel	2,796,000	33.465	2,796,000	33.465

### (c) Issue of Bonus Shares :

During the year ending March 31, 2011, the company issued 60,00,000 fully paid bonus shares of Re.1/- each to the equity shareholders by capitalisation of (a) reserves of Rs.2,500/- and (b) surplus in Profit & Loss Account to the extent of 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 Account	37,630,000	37,630,000
	<b>37,630,000</b>	<b>37,630,000</b>

## Note '2': RESERVES AND SURPLUS

### Surplus in the Statement of Profit/(Loss)

Balance as per the last Balance Sheet	46,816,543	39,348,610
Add : Net Profit after tax for the Current period	33,682	8,445,425
Additional Depreciation pursuant to enactment of schedule II of the companies Act, 2013	(7,532)	-
Amount Available for the Appropriation	<b>46,842,693</b>	<b>47,794,035</b>
<b>Appropriations :</b>		
Proposed Dividend	(417,750)	(835,500)
Tax on Dividend	(83,525)	(141,993)
<b>Closing Balance</b>	<b>46,341,418</b>	<b>46,816,542</b>
<b>TOTAL</b>	<b>83,971,418</b>	<b>84,446,542</b>



## FOR THE YEAR ENDED 31ST MARCH, 2015

	2015 Rs.	2014 Rs.
<b>Note '3' : LONG TERM BORROWING</b>		
HDFC Bank - Car loan	153,666	441,559
Secured against the respective car. The loan carries rate of interest @ 11.28 % p.a and is repayable in 18 monthly installments of Rs.26,925/- each.		
	<b>153,666</b>	<b>441,559</b>
<b>Note '4' : SHORT TERM BORROWING</b>		
<b>Secured</b>		
Bank of India FBC A/c	57,458,354	55,892,850
Bank of India PCFC A/c	43,181,775	15,654
<b>Nature of Security</b>		
<b>Prime Security:</b> 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 is prevailing LIBOR plus base rate.		
	<b>100,640,129</b>	<b>55,908,504</b>
<b>Note '5' : TRADE PAYABLES</b>		
Trade Payables (including acceptance)	28,461,259	28,817,900
	<b>28,461,259</b>	<b>28,817,900</b>
<b>Note</b>		
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.		
<b>Note '6' : OTHER CURRENT LIABILITIES</b>		
Current Maturities of long term borrowings (Refer Note 3)	290,308	259,492
<b>Other Liabilities</b>		
Statutory dues payable	22,031	26,967
Expenses Payable	558,902	219,476
	<b>871,241</b>	<b>505,935</b>
<b>Note '7' : SHORT TERM PROVISIONS</b>		
Provision for Taxation	-	202,460
Provision for Wealth Tax	185,000	133,500
Provision for Proposed Dividend	417,750	835,500
Provision for Dividend Tax	83,525	141,993
	<b>686,275</b>	<b>1,313,453</b>

## SJ CORPORATION LIMITED

### FOR THE YEAR ENDED 31ST MARCH, 2015

#### Note '8' : FIXED ASSETS

NAME OF THE ASSETS	GROSS BLOCK				DEPRECIATION					NET BLOCK	
	Cost as on 01.04.14	Addition During the year	Disposal During the year	Total cost as on 31.03.15	Rate %	As on 01.04.14	Retained Earning	During the year	As on 31.03.15	As on 31.03.15	31.03.14
Plot of Land	7,045,850	-	-	7,045,850	-	-	-	-	-	7,045,850	7,045,850
Lease hold Land	1,750,000	-	-	1,750,000	-	700,001	-	116,667	816,668	933,332	1,049,999
Building	2,994,515	-	-	2,994,515	10.00	1,018,884	-	201,351	1,220,235	1,774,280	1,975,631
Machinery	1,369,700	-	-	1,369,700	13.91	720,960	-	130,824	851,784	517,916	648,740
Mettler & Weight	34,427	-	-	34,427	13.91	19,846	-	3,008	22,854	11,573	14,581
Furniture	660,194	-	-	660,194	18.10	243,269	-	117,580	360,849	299,345	416,925
Office Equipment	662,153	27,825	-	689,978	13.91	99,201	-	312,651	411,852	278,126	562,952
Computer	105,750	47,990	-	153,740	40.00	65,034	7,532	36,709	109,275	44,465	40,716
Electrical Equipment	50,000	-	-	50,000	13.91	15,633	-	10,159	25,792	24,208	34,367
Air Conditioner	-	-	-	-	13.91	-	-	-	-	-	-
Motor Cycle	50,538	71,196	-	121,734	25.89	23,979	-	7,189	31,168	90,566	26,559
Motor Car	1,072,943	-	-	1,072,943	25.89	121,008	-	300,992	422,000	650,943	951,935
Current Year's Total	15,796,070	147,011	-	15,943,081		3,027,815	7,532	1,237,130	4,272,477	11,670,604	12,768,255
Previous Year's Total	14,115,196	28,500	-	15,796,070	-	2,331,879	-	695,936	3,027,815	12,768,255	11,783,317

**Note :** In accordance with the provisions of Schedule II of the Act, in case of fixed assets which have completed their useful life as at 1st April, 2014, the carrying value amounting to Rs. 7,532 as a transitional provision has been recognised in the retained earnings.

#### Note '9' : NON - CURRENT INVESTMENTS

##### Long Term Non Trade investments (valued at cost)

Name of the Company	No. of Shares	Face Value	Paid-up Value	2015 Rs.	2014 Rs.
<b>Investment in Quoted Equity Instruments</b>					
Ahluwalia Contracts (India) Ltd.	3,500	2	2	363,395	-
EIH Associated Hotels Ltd.	1,500	10	10	257,895	257,895
Flawless Diamond Ltd.	23,062	1	1	31,134	31,134
GMR Infra	10,000	1	1	167,698	-
Inventure Growth & Securities Ltd.	6,000	10	10	91,019	-
IVRCL Infra	10,000	2	2	162,549	-
Neyveli Lignite Corporation Ltd.	2,000	10	10	203,520	203,520
Radha Madhav Crop.	12,500	10	10	337,905	-
Omnitech Infosolution Ltd.	250	10	10	52,845	52,845
Signet Industries Ltd.	21,000	10	10	3,572,841	3,572,841
Swelect Energy Systems Ltd.	1,000	10	10	223,761	223,761
Vimta Labs Ltd.				-	254,173
Vista Pharmaceuticals Ltd.				-	24,168
				5,464,561	4,620,337
<b>Investment in Preference Shares (Unquoted)</b>					
Agrawal Marbles India Pvt. Ltd.	1,000,000	10	10	10,000,000	10,000,000
				15,464,561	14,620,337
<b>Market Value of Quoted Shares</b>				4,109,453	7,574,301

## FOR THE YEAR ENDED 31ST MARCH, 2015

	2015 Rs.	2014 Rs.
<b>Note '10' : LONG TERM LOANS AND ADVANCES</b>		
(Unsecured and considered good)		
Security Deposits	62,405	62,405
	<b>62,405</b>	<b>62,405</b>
<b>Note '11' : 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	34,253,991	68,314,519
Precious Metal & Alloys	884,474	1,515,360
Consumables	206,434	-
	<b>35,344,899</b>	<b>69,829,879</b>
<b>Note '12' : TRADE RECEIVABLE</b>		
<u>Unsecured and considered good</u>		
Trade Receivable outstanding for a period exceeding six months from the date they are due for payment.	-	-
Trade Receivable outstanding for a period less than six months from the date they are due for payment.	157,790,631	78,308,168
	<b>157,790,631</b>	<b>78,308,168</b>
<b>Note '13' : CASH AND BANK BALANCE</b>		
<u>Cash &amp; Cash equivalents</u>		
Balances with Bank in current account	883,412	2,608,374
Cash in Hand	280,245	791,425
<u>Other Bank Balance</u>		
Fixed Deposit - HDFC Bank	-	185,684
(Maturity of less than twelve months)		
	<b>1,163,657</b>	<b>3,585,483</b>
<b>Note '14' : SHORT TERM LOANS AND ADVANCES</b>		
(Unsecured and considered good)		
Income Tax (Net of provision)	908,730	-
Prepaid Expenses	532,210	180,091
Other Advances	71,414	434,276
	<b>1,512,354</b>	<b>614,367</b>
<b>Note '15' : OTHER INCOME</b>		
Dividend on Long Term Investments	49,900	30,764
Profit on Exchange Fluctuation	20,858	1,943,437
Miscellaneous Income	8,252	9,682
Profit on Sale of Investment	462,271	678,348
	<b>541,281</b>	<b>2,662,231</b>
<b>Note '16' : COST OF MATERIALS CONSUMED</b>		
Polished Diamonds	460,317,189	408,594,601
Bullion	1,858,649	805,195
	<b>462,175,838</b>	<b>409,399,796</b>
<b>Note '17' : EMPLOYEE BENEFITS EXPENSE</b>		
Salary, Wages and Bonus	2,890,150	2,619,900
Staff Welfare	-	29,865
	<b>2,890,150</b>	<b>2,649,765</b>

**SJ CORPORATION LIMITED****FOR THE YEAR ENDED 31ST MARCH, 2015**

	<b>2015 Rs.</b>	<b>2014 Rs.</b>
<b><u>Note '18' : FINANCE COST</u></b>		
Interest	2,637,139	308,070
Other Borrowing Cost	646,620	1,322,118
	<b><u>3,283,759</u></b>	<b><u>1,630,188</u></b>
<b><u>Note '19' : OTHER EXPENSE</u></b>		
Consumables & Stores	1,933,156	1,680,345
Power & Fuel	107,470	70,409
Freight Charges	169,030	120,984
Rent	300,000	300,000
Communication Expenses	51,612	49,900
Auditor's Remuneration	247,192	224,720
Clearing & Forwarding Charges	128,111	186,028
Rates & Taxes (excluding taxes on income)	91,495	88,177
Advertisement Expenses	62,660	48,640
Travelling & Conveyance	1,137,017	410,993
Bank Charges & Commission	1,075,463	361,089
Legal & Professional Expenses	179,360	213,904
Listing & Processing Fees	112,360	16,854
Printing & Stationery	68,817	71,032
Miscellaneous Expenses	488,159	188,662
	<b><u>6,151,902</u></b>	<b><u>4,031,737</u></b>

**FOR THE YEAR ENDED 31ST MARCH, 2015****NOTE '20' : NOTES TO FINANCIAL STATEMENTS****Part 'A' : Significant Accounting Policies****1. Basis of preparation**

- (i) These financial statements have been prepared to comply with the Generally Accepted Accounting Principles in India (Indian GAAP), including the Accounting Standard notified under the relevant provisions of the Companies Act, 2013. The financial statements are prepared on accrual basis under the historical cost convention.
- (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.

**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 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.

**3. Depreciation**

- (iii) Depreciation on Fixed Assets is provided to the extent of depreciable amount on the Written Down Value (WDV) Method. Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013 except in respect of the leasehold improvements, where useful life is taken as per lease period. Depreciation on assets sold, discarded, demolished or scrapped, is provided upto the date on which the said asset is sold, discarded, demolished or scrapped.

**4. 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.

**5. 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.

**6. Stock**

- (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.

**7. Sales tax**

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

**8. Contingent Liability**

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

## SJ CORPORATION LIMITED

### FOR THE YEAR ENDED 31ST MARCH, 2015

#### 9. 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.

#### 10. 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.

#### 11. 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.

#### 12. Leases

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

<b>Part 'B' : Others</b>	<b>2015 Rs.</b>	<b>2014 Rs.</b>
<b>1. <u>Deferred Tax assets</u></b>		
Difference in value of assets as per books of account & W.D.V. as per I.T. Act, 1961	129,877	-
<b>2. <u>Auditor's Remuneration</u></b>		
Statutory Audit fee	175,000	175,000
Tax Audit Fee	25,000	25,000
Income tax matters	100,000	100,000
Others	10,000	10,000
For reimbursement of Expense	2,926	-
Service Tax	38,316	38,316
	<b>351,242</b>	<b>348,316</b>
<b>3. <u>C. I. F. Value of Imports</u></b>		
Raw-Material	426,256,661	457,186,196
<b>4. <u>Expenditure in Foreign Currency</u></b>		
Foreign Travelling Expenses	1,001,105	283,365
<b>5. F.O.B. Value of Exports</b>	475,174,695	426,392,967
<b>6. <u>Earnings Per Share</u></b>		
Profit / (Loss) attributable to equity shareholders :	33,682	8,445,425
Weighted Average number of Equity Shares outstanding :	8,355,000	8,355,000
Basic and Diluted Earning per share (Face Value Rs.1/-) :	0.004	1.01
<b>7. <u>Value of imported &amp; indigenous material consumed :</u></b>		

	<b>2015</b>		<b>2014</b>	
	<b>%</b>	<b>Amount Rs.</b>	<b>%</b>	<b>Amount Rs.</b>
<b>Raw Material</b>				
Indigenous	0.20	916,607	0.20	805,195
Imported	99.80	461,235,426	99.80	408,594,601
<b>Stores &amp; Spares</b>				
Indigenous	100.00	1,933,156	100	1,680,345
Imported	-	-	-	-

**FOR THE YEAR ENDED 31ST MARCH, 2015**

8. The Board of Directors has recommended a Dividend of Rs.0.05 (5% 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, 2015. The dividend is subject to the approval of members of the company in perusing annual general meeting.
9. 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	480,000	480,000
Rent	300,000	300,000
10. 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".
11. **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 17 'Other Expenses'.
12. Figures have been rounded off to the nearest of a rupee.
13. Previous year's figures have been regrouped/reclassified to conform to current year's Classification.

In terms of our report of even date.

For &amp; on behalf of Board of Directors

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

Partner

Membership No. 82325

Mumbai

May 29, 2015

**SANJAY V. PATEL****DEEPAK UPADHYAY****SAVJI D. PATEL****VIPUL D. VAGHASIYA****RUPESH AGARWAL**

Mumbai

May 29, 2015

**EXECUTIVE DIRECTOR****MANAGING DIRECTOR****DIRECTOR****CHIEF FINANCIAL OFFICER****COMPANY SECRETARY**

**SJ CORPORATION LIMITED****FOR THE YEAR ENDED 31ST MARCH, 2015****CASH FLOW STATEMENT**

	<b>2015</b>	<b>2014</b>
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit/(Loss) Before tax	(22,803)	10,647,776
<u>Adjustments for</u>		
Provision for Wealth Tax	51,500	51,500
Dividend on long term Investment	(49,900)	(30,764)
Depreciation	1,237,130	695,936
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES :	1,215,927	11,364,448
<u>Adjustments for Working Capital Changes</u>		
Inventories	34,484,980	(48,454,884)
Trade & Other receivables	(79,482,463)	1,665,068
Trade Payables	8,665	(12,461,116)
Income Tax Paid	(1,184,484)	(2,133,520)
<i>Cash Utilised in Operations</i> <b>(A)</b>	<b><u>(44,957,375)</u></b>	<b><u>(50,020,004)</u></b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Sale of Fixed Assets	(147,011)	(1,680,875)
Dividend on long term Investment	49,900	30,764
Sale/Redemption of Investments	(844,224)	140,055
Movement in Loans & Advances	10,743	(614,367)
Fixed Deposit with Bank	185,684	(185,684)
<i>Cash Generated from Investing Activities</i> <b>(B)</b>	<b><u>(744,908)</u></b>	<b><u>(2,310,107)</u></b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Dividend Paid	(977,591)	(977,493)
Proceeds from Long-Term Borrowings	(287,893)	441,559
Short-Term Borrowings	44,731,625	55,908,504
<i>Cash Generated from Financing Activities</i> <b>(C)</b>	<b><u>43,466,141</u></b>	<b><u>55,372,570</u></b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)</b>	<b>(2,236,142)</b>	<b>3,042,459</b>
Cash & cash equivalents as at 01.04.2014 (Opening Balance)	3,399,799	357,339
Cash & cash equivalents as at 31.03.2015 (Closing Balance)	1,163,657	3,399,799

In terms of our report of even date.

For &amp; on behalf of Board of Directors

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

Partner

Membership No. 82325

Mumbai

May 29, 2015

**SANJAY V. PATEL**  
**DEEPAK UPADHYAY**  
**SAVJI D. PATEL**  
**VIPUL D. VAGHASIYA**  
**RUPESH AGARWAL**

Mumbai

May 29, 2015

**EXECUTIVE DIRECTOR**  
**MANAGING DIRECTOR**  
**DIRECTOR**  
**CHIEF FINANCIAL OFFICER**  
**COMPANY SECRETARY**



Dear Shareholder,

**Subject: Green Initiative in Corporate Governance: Go Paperless**

Dear Shareholder,

We wish to inform you that the Ministry of Corporate Affairs, New Delhi ("MCA") has taken a "**Green Initiative**" in the Corporate Governance by permitting paperless compliances by companies, vide its **Circular No. 17/2011 dated April 21, 2011 and Circular No.18/2011 dated April 29, 2011**, after considering certain provisions of the Information Technology Act, 2000, which provides the validity to send the documents through electronic mode and clarified that the service of documents by a Company can be made through electronic mode instead of sending the physical copy of the document(s).

**Keeping in view the underlying theme and the circulars issued by MCA, we propose to send henceforth all communications / documents including the Notice calling the General Meeting(s), Audited Financial Statements, Directors' Report, Auditors' Report, Postal Ballot, Annual Report, Corporate actions Like Dividend, Issue/Allotment of shares intimation, intimation u/s 302 etc. to be send to you under the Companies Act, 1956, for the financial year 2010 - 11 onwards, in electronic form.**

Accordingly, we propose to send henceforth all such communications/documents in electronic mode to provide timely and efficient service to our valued shareholders. In view of this;

- If you are holding the shares in demat form and you have not registered your email id with the depository participant, you are requested to register your e-mail id with the depository participant at the earliest and write to the Company conveying your acceptance to the proposal [sjcorpgogreen@sharexindia.in](mailto:sjcorpgogreen@sharexindia.in) and
- If you are holding shares in physical form, you may please provide your e-mail id and write to the Company conveying your acceptance to the proposal at [sjcorpgogreen@sharexindia.in](mailto:sjcorpgogreen@sharexindia.in).

It may please be noted that, as a member of the Company, you are entitled to be furnished, free of cost, with a physical copy of the communications / documents issued by the Company.

Please note that full text of all the documents send to shareholders in electronic mode will also be available on the Company's website [www.sjcorp.in](http://www.sjcorp.in)

We are sure you would appreciate the "**Green Initiative**" taken by MCA and your Company's desire to participate in such initiatives.

We look forward to your support in this initiative.

**For SJ CORPORATION LIMITED**

**S/D-**

**Managing Director**

**(Mr. Deepak B Upadhyay)**

**( E-COMMUNICATION REGISTRATION FORM is printed overleaf )**

**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](http://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](mailto: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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## 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](http://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 : Saturday, 26th September 2015 at 10.00 am.

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	

\*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 34<sup>th</sup> Annual General Meeting of the company held on **Saturday, September 26, 2015 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 2015 and Notice of the 34<sup>th</sup> 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 2015 and Notice of the 34<sup>th</sup> 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

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](http://www.sjcorp.in); email: [sjcorporation9@yahoo.com](mailto:sjcorporation9@yahoo.com).  
[CIN: L51900MH1981PLC025223]

### 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.

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

Date & Time : Thursday, 26th September 2015 at 10.00 am.

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

Name	
Registered Address	
Email Id	
DP Id	
Client Id.	
Folio No.	

\*Applicable for investors holding shares in Electronic form.

I/We \_\_\_\_\_ of \_\_\_\_\_ being a member/ member of \_\_\_\_\_ hereby appoint the following as my /our Proxy to attend the vote (for mr/us and on my/our behalf at the 34<sup>th</sup> Annual General Meeting of the Company to be held on **Saturday, September 26, 2015 at 10.00 a.m.** at 201, Shyam Bungalow, 199/200, Pushpa Colony, Fatimadevi School Lane, Manchubhai Road, Malad (E), Mumbai – 400097 and at any adjournment thereof) in respect of such resolutions as are indicated below:

1. Mr/Mrs \_\_\_\_\_ (Name and Signature of the Proxy) or failing him/her

Registered address \_\_\_\_\_

Email Id \_\_\_\_\_ Signature \_\_\_\_\_

2. Mr/Mrs \_\_\_\_\_ (Name and Signature of the Proxy) or failing him/her

Registered address \_\_\_\_\_

Email Id \_\_\_\_\_ Signature \_\_\_\_\_

\*\* I/We direct my/our Proxy to vote on the resolutions in the manner as indicated below:

Sl. No	Resolutions	Number of Shares held	For	Against
<b>Ordinary Business</b>				
1.	Adoption of audited Financial Statements for the financial year ended March 31, 2015 and reports of the Board of Directors and the Auditors thereon			
2.	Approval for final dividend for 2014-15			
3.	Re-appointment of Mr. Deepak Upadhyay, who retires by rotation			
4.	Appointment of M/s. Ravi & Dev LLP, Chartered Accountants, Mumbai as Auditors			
<b>Special Business</b>				
5.	Regularization of Mrs. Usha Patel as Director of the Company			
6.	Special Resolution to make Investment for a sum not exceeding Rs.100.00 crores			

\*\* This is optional. Please put a tick mark (v) 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. \_\_\_\_\_

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2015

Affix One  
rupee  
Revenue  
Stamp

**Notes:**

1. The Proxy to be effective should be deposited at the registered office of the company not less than Forty Eight 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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## 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](http://www.sjcorp.in); email: [sjcorporation9@yahoo.com](mailto:sjcorporation9@yahoo.com). [CIN: L51900MH1981PLC025223]

### BALLOT/ POLL FORM

(The members who are not able to attend the 34<sup>th</sup> Annual General Meeting can send their assent or dissent in writing in respect of the resolution set out in the Notice by sending the duly filled and signed ballot/ Poll Form to **Mr. Deep Shukla, Practicing Company Secretary (the Scrutinizer) at c/o. SHAREX DYNAMIC (INDIA) PRIVATE LIMITED, Unit: SJ CORPORATION LIMITED, Unit 1, Luthra Indl. Premises, Safed Pool, Andheri Kurla Road, Andheri (E), Mumbai - 400 072** so as to reach him on or before September 23, 2015).

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

\*Applicable for investors holding shares in Electronic form.

I/ We hereby exercise my/our vote in respect of the Ordinary resolution / Special Resolution as specified in the Notice of SJ Corporation Limited dated August 10, 2015 to be passed through Ballot/ Poll for the businesses stated in the said Notice by conveying my/our assent or dissent to the said Resolution in the relevant box below:

Sl. No	Resolutions	Number of Shares held	For	Against
<b>Ordinary Business</b>				
1.	Adoption of audited Financial Statements for the financial year ended March 31, 2015 and reports of the Board of Directors and the Auditors thereon			
2.	Approval for final dividend for 2014-15			
3.	Re-appointment of Mr. Deepak Upadhyay, who retires by rotation			
4.	Appointment of M/s. Ravi & Dev LLP, Chartered Accountants, Mumbai as Auditors			
<b>Special Business</b>				
5.	Regularization of Mrs. Usha Patel as Director of the Company			
6.	Special Resolution to make Investment for a sum not exceeding Rs.100.00 crores			

Place :

Date :

\_\_\_\_\_  
Signature of Member/ Beneficial owner

## 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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