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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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***33<sup>RD</sup> ANNUAL REPORT 2013-2014***

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**BOARD OF DIRECTOR**

<b>RAJIV N. SHAH</b>	CHAIRMAN
<b>DEEPAK B. UPADHYAY</b>	MANAGING DIRECTOR
<b>SANJAY V. PATEL</b>	EXECUTIVE DIRECTOR
<b>SAVJID. PATEL</b>	DIRECTOR
<b>RAJESH J. SHAH</b>	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 **Thirty Third** Annual General Meeting of the Members of **SJ CORPORATION LIMITED** will be held at 201, Shyam Bungalow, 199/200, Pushpa Colony, Fatimadevi School Lane, Manchubhai Road, Malad (E), Mumbai - 400097 on **Thursday, 25<sup>th</sup> September 2014** at **10.30 am** to transact the following business:

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the Balance Sheet as on March 31, 2014 and the Statement of Profit and Loss for the year ended as on that date and the Reports of the Directors' and Auditor's thereon.
2. To declare dividend on Equity Shares of the Company.
3. To appoint a Director in place of Mr. Savji Patel, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint M/s. Ravi & Dev, Chartered Accountants, Mumbai, as the Statutory Auditors and to fix their remuneration.

**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 of the Companies Act, 2013 and the Rules made there under, read with Schedule IV to the Companies Act, 2013, Mr. Rajesh Shah [DIN:01675656], Director of the Company who retires by rotation at the Annual General Meeting and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 signifying his intention to propose Mr. Rajesh Shah as a candidate for the office of Director of the Company, be and is hereby appointed as an Independent Director of the Company to hold office upto March 31, 2019, not liable to retire by rotation."

6. 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 of the Companies Act, 2013 and the Rules made there under, read with Schedule IV to the Companies Act, 2013, Mr. Rajiv Shah [DIN:01765200], Director of the Company who retires by rotation at the Annual General Meeting and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 signifying his intention to propose Mr. Rajiv Shah as a candidate for the office of Director of the Company, be and is hereby appointed as an Independent Director of the Company to hold office upto March 31, 2019, not liable to retire by rotation."

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

**"RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 203 and any other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), the consent of the Members of the Company be and is hereby accorded to change the designation of Mr. Deepak Upadhyay [DIN: 02270389] **as the Managing Director of the Company** for the remaining tenure of his appointment effective from April 1, 2014 till the end of his tenure i.e. upto September 30, 2016, on the same terms and conditions as was approved by the Members of the Company at their 31<sup>st</sup> Annual General Meeting held on 31<sup>st</sup> August 2012 and the Board of Directors be and is hereby authorised to alter and vary such terms of appointment and remuneration as deemed fit, as may be agreed to by the Board of Directors and Mr. Deepak Upadhyay."

**"RESOLVED FURTHER THAT** any Director of the Company be and is hereby authorised to do such acts, matters, deeds and things as may be necessary and incidental to give effect to this resolution including filing of relevant eForm(s) with the Registrar of Companies, Maharashtra at Mumbai under the Ministry of Corporate Affairs.

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

**"RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 203 and any other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), the consent of the Members of the Company be and is

hereby accorded to change the designation of Mr. Rajiv Shah [DIN: 01765200] **as the Non Executive Chairman of the Company** for the period of **Five years** effective from April 1, 2014 till March 31, 2019, on the said terms and conditions as may be agreed to between the Company and said Mr. Rajiv Shah with the liberty to the Board of Directors to alter and vary such terms and conditions of such appointment, as may be agreed to by the Board of Directors and Mr. Rajiv Shah."

**"RESOLVED FURTHER THAT** any Director of the Company be and is hereby authorised to do such acts, matters, deeds and things as may be necessary and incidental to give effect to this resolution including filing of relevant eForm(s) with the Registrar of Companies, Maharashtra at Mumbai under the Ministry of Corporate Affairs.

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

**"RESOLVED THAT** in supersession of the resolution passed by the Shareholders of the Company and pursuant to Section 180 (1)(a) of the Companies Act, 2013 and other applicable provisions, if any, of the Companies Act, 2013, consent of the Company be and is hereby accorded to the Board of Directors of the Company for mortgaging and/or charging in such form and manner and on such terms and at such time(s) as the Board of Directors may deem fit, the movable and / or immovable assets and properties of the Company, wherever situated, present and future, whether presently belonging to the Company or not, in favour of any person including, but not limited to, financial / investment institution(s), bank(s), insurance company(ies), mutual fund(s), corporate body(ies), trustee(s) to secure the loans, borrowings, debentures, hire purchase and / or working capital facilities and other credit facilities up to a sum not exceeding **Rs.100,00,00,000/- (Rupees One Hundred Crores only).**"

**"RESOLVED FURTHER THAT** the Board of Directors or such Committee or person(s) as may be authorized by the Board be and is hereby authorized to finalize the form, extent and manner of, and the documents and deeds, as may be applicable, for creating the appropriate mortgages and/or charges on such of the immovable and / or movable properties of the Company on such terms and conditions and at such time(s) / tranche(s) as may be decided by the Board of Directors in consultation with the lenders and for reserving the aforesaid right and for performing all such acts and things as may be necessary for giving effect to this resolution."

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

**"RESOLVED THAT** in supersession of the resolution passed by the Shareholders of the Company and pursuant to Section 180 (1)(c) of the Companies Act, 2013 and other applicable provisions, if any, of the Companies Act, 2013, consent of the Company be and is hereby accorded to the Board of Directors of the Company to borrow from time to time, for the purpose of the Company's business, such sum or sums of money, as they in their absolute discretion think fit, notwithstanding that the monies so borrowed together with the monies already borrowed by the Company and remaining outstanding shall be in excess of the aggregate of the paid-up share capital and free reserves, but not exceeding **Rs.100,00,00,000/- (Rupees One Hundred Crores only)** over and above the paid up share capital and free reserves for the time being of the Company."

11. 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 5, read with Section 14, Table F of Schedule I and other applicable provisions, if any, of the Companies Act, 2013, consent of the members of the Company be and is hereby accorded for adoption of new set of Articles of Association of the Company as placed before the meeting by substituting the existing Articles of Association of Association of the Company."

**"RESOLVED FURTHER THAT** the Board of Directors (which term shall include any Committee(s) of the Board) be and is hereby authorized to sign and execute such Forms, papers, documents, deeds and instrument and to do all such acts, deeds, matters and things as may be considered necessary, desirable and expedient by them for the purpose of giving effect to this resolution relating to adoption of a new set of Articles of Association by the Company."

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

**Place: Mumbai  
Date: 13/08/2014**

**DEEPAK UPADHYAY  
MANAGING DIRECTOR**

**NOTES:**

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. The instrument of proxy in order to be effective, must be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before 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 **Monday, September 22, 2014 to Thursday, September 25, 2014 (both days inclusive.)**
3. 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 the members at the AGM.
4. The Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013, will be available for inspection by the members at the AGM.
5. Members are requested to promptly notify any changes in their addresses to the Company at its Registered Office.
6. 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.
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 are being sent by electronic mode only 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. Members are requested to kindly bring their copy of the Annual Report with them at the Annual General Meeting. Members/proxies should also bring the attached Attendance Slip, duly filled and hand it over at the entrance to the venue. 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'.
10. 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.
11. Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 is annexed herewith for the Special Businesses.
12. Pursuant to Section 108 of the Companies Act, 2013, read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and the revised Clause 35B of the Listing Agreement, the Company is pleased to offer e-voting facility to the members to cast their votes electronically on all resolutions set forth in this Notice.
13. Members holding shares in the same set of names under different ledger folios are requested to apply for consolidation of such folios alongwith share certificates to the Company.
14. 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

**Voting through electronics means:**

- a. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote at the 33<sup>rd</sup> Annual General Meeting (AGM) by electronic means 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 instructions for shareholders voting electronically are as under:**

- (i) The voting period begins on **Friday, September 19, 2014 (10:00 am)** and ends on **Sunday, September, 21, 2014 (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 (record date) of **August 23, 2014**, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iii) Click on Shareholders.
- (iv) Now Enter your User ID
- For CDSL: 16 digits beneficiary ID,
  - For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) 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.
- (vii) 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 last 8 digits of the demat account/folio number in the PAN field.</li><li>In case the folio 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 Ramesh Kumar with folio number 100 then enter RA00000100 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 account or folio in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. <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>

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) 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 to be also 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.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant "**SJ Corporation Ltd.**" on which you choose to vote.
- (xii) 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.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) 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.

(xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.

(xvii) 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.

(xviii) Note for Non – Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
- 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 a 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.

(xix) 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)

(xx) 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 of **August 23, 2014**.

(xxi) The Board of Directors at their meeting held on August 13, 2014 has appointed Mr. Deep Shukla, Practicing Company Secretary as the Scrutinizer to scrutinize the e-voting process in fair and transparent manner.

(xxii) The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Managing Director of the Company.

(xxiii) The Results shall be declared on or after the AGM of the Company. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.sjcorp.in](http://www.sjcorp.in) and on the website of CDSL within two(2) days of passing of the resolutions at the AGM of the Company and communicated to the stock exchange.

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

**Item No. 5:**

Mr. Rajesh Shah is a Non Executive Independent Director of the Company and was appointed on August 10, 2007. Mr. Rajesh Shah retires by rotation at the ensuing AGM under the provisions of the erstwhile Companies Act, 1956. In terms of Section 149 and any other applicable of the Companies Act, 2013, Mr. Rajesh Shah being eligible and seeking re-appointment, is proposed to be appointed as an Independent Director of the Company for a term of five years.

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 Mr. Rajesh Shah for the office of independent Director, to be appointed as such under the provisions of Section 149 of the Companies Act, 2013.

The Company has received from Mr. Rajesh Shah 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;
- 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; and
- iii. A declaration to the effect that he meets the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013.

The resolution seeks the approval of members for the appointment of Mr. Rajesh Shah as an Independent Director of the Company up to March 31, 2019 pursuant to Section 149 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder. He is not liable to retire by rotation.

In the opinion of the Board, Mr. Rajesh Shah, the Independent Director proposed to be appointed, fulfils the conditions specified in the Act and the Rules made there under and he is independent of the Management.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail the services of Mr. Rajesh Shah in the capacity of Independent Director.

No Director, key managerial personnel or their relatives, except Mr. Rajesh Shah, to whom the resolution relates, is interested or concerned in the resolution.

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

**Item No. 6:**

Mr. Rajiv Shah is a Non Executive Independent Director of the Company and was appointed on August 18, 2011. Mr. Rajiv Shah retires by rotation at the ensuing AGM under the provisions of the erstwhile Companies Act, 1956. In terms of Section 149 and any other applicable of the Companies Act, 2013, Mr. Rajiv Shah being eligible and seeking re-appointment, is proposed to be appointed as an Independent Director of the Company for a term of five years.

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 Mr. Rajiv Shah for the office of independent Director, to be appointed as such under the provisions of Section 149 of the Companies Act, 2013.

The Company has received from Mr. Rajiv Shah 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;
- 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; and
- iii. A declaration to the effect that he meets the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013.

The resolution seeks the approval of members for the appointment of Mr. Rajiv Shah as an Independent Director of the Company up to March 31, 2019 pursuant to Section 149 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder. He is not liable to retire by rotation.

In the opinion of the Board, Mr. Rajiv Shah, the Independent Director proposed to be appointed, fulfils the conditions specified in the Act and the Rules made there under and he is independent of the Management.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail the services of Mr. Rajiv Shah in the capacity of Independent Director.

No Director, key managerial personnel or their relatives, except Mr. Rajiv Shah, to whom the resolution relates, is interested or concerned in the resolution.

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

**Item No. 7:**

Mr. Deepak Upadhyay is proposed to be re-designated as the Managing Director of our Company w.e.f. April 1, 2014 for the remaining of his tenure ending on September 30, 2016 on the same terms and conditions as was

approved by the Members at their 31<sup>st</sup> Annual General Meeting held on 31<sup>st</sup> August 2012.

Mr. Deepak Upadhyay is in Diamond, gems and jewellery industry since last twenty four years and possesses good knowledge of diamond business. Taking into consideration his expertise and experience in the industry which shall benefit the business of the Company in coming years, it is proposed to re-designate Mr. Deepak Upadhyay as the Managing Director of the Company.

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

**Item No. 8:**

Mr. Rajiv Shah is proposed to be re-designated as the Non Executive Chairman of our Company w.e.f. April 1, 2014 for the period of five years commencing from April 1, 2014 and ending on March 31, 2019 on the terms and conditions as may be agreed by said Mr. Rajiv Shah and the Board of Directors of the Company.

Mr. Rajiv N. Shah is CA and currently practicing as chartered accountant, he is connected with diamond jewellery industries since two decade. Taking into consideration his expertise and experience in the industry which shall benefit the business of the Company in coming years, it is proposed to re-designate Mr. Rajiv Shah as the Non Executive Chairman of the Company.

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

**Item No. 9:**

The Company may borrow monies by way of debentures, bonds, loans, hire purchase finance either in rupee or in foreign currency from Financial Institutions / Banks / Insurance Companies and other Corporate Bodies apart from working capital facilities from banks in ordinary course of business. This in turn would necessitate further creation of securities by suitable mortgages and / or charges on all or some of the immovable and movable properties of the Company, both present and future, in favour of the lenders / trustees. To create mortgage and / or charge upto the limit of Rs.100 crores, approval of the Members is required to be obtained pursuant to Section 180 (1)(a) of the Companies Act, 2013 authorizing the Board of Directors of the Company in this regard. Hence the resolution is placed before the Members for their approval.

Your Directors recommend passing the above resolution.

None of the Directors is concerned or interested in the said resolution.

**Item No. 10:**

Your Board of Directors is of the opinion that for any future business expansion or diversification which may be carried out by the Company, the Company requires infusion of additional funds. Hence, the requirement for mobilization of the funds has been substantially increased. Therefore, it is considered desirable to increase the Board's borrowing powers upto the limit of Rs.100 Crores over and above the paid-up share capital and free reserves of the Company.

Accordingly, the consent of the Shareholders at the General Meeting is sought under Section 180 (1) (c) of the Companies Act, 2013.

Your Directors recommend passing the above resolution.

None of the Directors is concerned or interested in the said resolution.

**Item No. 11:**

The Directors at their meeting held on August 13, 2014 decided to incorporate/substitute provisions relating to newly enacted Companies Act, 2013 as applicable to the Company. As this would result in number of changes and amendments to the existing Articles of Association of the Company, it was considered desirable to adopt a comprehensive new set of Articles of Association in substitution and t the exclusion of the existing set of the Articles of Association of the Company to have new articles as per the provisions of the Companies Act, 2013 and Table F of Schedule I.

Pursuant to the provisions of Section 5 of the Companies Act, 2013, alteration of Articles of Association requires approval of the members of the Company by way of passing a Special Resolution in general meeting.

A copy of new set of Articles of Association to be adopted, as referred to in the notice / explanatory statement hereto, is available at the Registered Office of the Company between 11.00 a.m. to 1.00 p.m. on any working day till the date of this meeting.

The Board of Directors recommend passing of the resolution for adoption of new set of Articles of Association as set out in the resolution under item no. 11 of the notice.

None of the Directors is concerned or interested in the said resolution.

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

**Place: Mumbai  
Date: 13/08/2014**

**DEEPAK UPADHYAY  
MANAGING DIRECTOR**

**DIRECTORS' REPORT**

To,  
The Members

**SJ Corporation Limited.**

Your Directors have pleasure in presenting their 33<sup>rd</sup> Annual Report together with the Audited Statements of Accounts of the Company for the year ended March 31, 2014.

**FINANCIAL RESULTS:**

	<b>31/03/2014</b>	<b>31/03/2013</b>
	<b>(Rs.)</b>	<b>(Rs.)</b>
Sales and other income	42,90,55,198	15,95,48,618
Profit before Depreciation	1,13,43,712	64,83,408
Less Depreciation	6,95,936	6,05,741
Profit/(Loss) before tax for the year	1,06,47,776	58,77,667
Less: Provision for Current Taxes	22,00,000	11,00,000
Less: Excess/Short Provisions for earlier years	2,351	3,850
Profit/(Loss) After Tax & available for appropriation for the year	<b>84,45,425</b>	<b>47,73,817</b>

**OPERATIONS:**

During the year under review, the Company has posted Total Income of Rs. 42,90,55,198/- as against Rs. 15,95,48,618/- for the corresponding previous year.

Further, Net Profit after Tax for the year under review was Rs. 84,45,425/- as against Net Profit of Rs. 47,73,817/- in the corresponding previous year.

**DIVIDEND:**

The Directors are pleased to recommend a dividend @10% i.e. Re.0.10 per equity share for the financial year 2013-2014.

**DIRECTORS:**

As per the provisions of the Companies Act, 2013, Mr. Savji Patel, Director of the Company, retires by rotation and being eligible; offers himself for re-appointment at the ensuing Annual General Meeting.

The Companies Act, 2013 (the Act) provides for appointment of independent directors. Sub-section (10) of Section 149 of the Companies Act, 2013 (effective from April 1, 2014) provides that independent directors shall hold office for a term of up to five consecutive years on the Board of a company; and shall be eligible for re-appointment on passing of ordinary resolution by the shareholders of the company.

Sub-section (1) states that no independent director shall be eligible for more than two consecutive terms of five years. Sub-section (13) states that the provisions of retirement by rotation as defined in sub-sections (6) and (7) of Section 152 of the Act shall not apply to such independent directors.

The non-executive independent directors were appointed as directors liable to retire by rotation under the provisions of the erstwhile Companies Act, 1956. The Board of Directors has been advised that non executive (independent) directors so appointed would continue to serve the term that was ascertained at the time of appointment as per the resolution pursuant to which they were appointed. Therefore, it stands to reason that only those non-executive (independent) directors who will complete their present term at the ensuing AGM of the Company in September 2014, being eligible and seeking re-appointment, be considered by the shareholders for re-appointment for the first term of up to five consecutive years upto March 31, 2019.

Non-executive (independent) directors who do not complete their term at the ensuing AGM, will continue to hold office till the expiry of their term (based on retirement period calculation) and thereafter would be eligible for re-appointment for a fixed term in accordance with the Companies Act, 2013.

Further Mr. Deepak Upadhyay has been re-designated as the Managing Director of the Company upto September 30, 2016 and Mr. Rajiv Shah as the Non-Executive Chairman of the Company upto March 31, 2019.

Further, Mr. Rajesh Shah and Mr. Rajiv Shah were appointed as the Independent Directors of the Company for a term of five consecutive years effective from April 1, 2014 upto March 31, 2019.

Further, Mr. Vipul D. Vaghasiya, was appointed as the Chief Financial Officer [CFO] of the Company, being the Key Managerial Personnel under Section 203 of the Companies Act, 2013.

**CONSTITUTION OF COMMITTEES OF THE COMPANY AS PER PROVISIONS OF THE COMPANIES ACT, 2013:**

Based on the relevant provisions of the Companies Act, 2013, the Board of Directors of the Company has constituted the following Committees during the financial year under review:

**Audit Committee:**

Names of Directors	Category
Mr. Rajiv Shah	Chairman & Non-Executive Independent
Mr. Rajesh Shah	Non-Executive Independent
Mr. Sanjay Patel	Executive Non Independent

**Stakeholders Relationship Committee:**

Names of Directors	Category
Mr. Rajiv Shah	Chairman & Non-Executive Independent
Mr. Rajesh Shah	Non-Executive Independent
Mr. Deepak Upadhyay	Executive Non Independent

**Nomination and Remuneration Committee:**

Names of Directors	Category
Mr. Rajiv Shah	Chairman & Non-Executive Independent
Mr. Rajesh Shah	Non-Executive Independent
Mr. Sanjay Patel	Executive Non Independent

**DIRECTORS' RESPONSIBILITY STATEMENT:**

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

- that in the preparation of annual accounts for the Financial year 2013-2014, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- that the directors had selected such accounting policies and applied them consistently and made judgments and estimated that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit or loss of the company for that period.
- that the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- that the directors had prepared the annual accounts on a going concern basis.

**AUDITORS' AND AUDITORS' REPORT:**

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

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

**FIXED DEPOSITS:**

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

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

Information in accordance with Section 217 (1)(e) of the Companies Act, 1956 read with the Companies technology absorption and foreign exchange earnings and outgo is as under:

- 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.
- Absorption of Technology:  
There was no import of technology during the year.
- Foreign Exchange Earnings and Outgo:  
C.I.F. Value of Imports : Rs. 45,71,86,196/-  
Foreign Travelling expenses : Rs. 2,83,365/-  
F.O.B. Value of Exports : Rs. 42,63,92,967/-

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

**PARTICULARS OF EMPLOYEES:**

The information required under sub-section (2A) of Section 217 of the Companies Act, 1956 read with

## SJ CORPORATION LIMITED

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Companies (Particulars of Employees) Rules, 1975 duly amended by the Companies (Particulars of Employees) Rule, 2011 for the year ended 31st March, 2014 is not applicable to the Company as none of the employee is drawing remuneration more than the limits presently specified under the said rules.

### **TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION & PROTECTION FUND (IEPF).**

Under the Companies Act, 1956, dividends which remain unclaimed for the period of 7 year are required to be transferred to the Investor Education & Protection Fund (IEPF) administered by the Central Government.

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.

Financial Year Ended	Date of declaration of Dividend	Amount Remaining unclaimed/Unpaid as on 31.03.2013 (Rs.)	Last date for claiming unpaid dividend amount (before)	Last date for transfer to IEPF
31.3.2009	31.07.2009	0.00	05.09.2016	04.10.2016
31.3.2010	04.09.2010	0.00	10.10.2017	09.11.2017
31.3.2011	29.09.2011	3,287.00	04.11.2018	03.12.2018
31.3.2012	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

Members are requested to note that after completion of 7 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.

### **COMPLIANCE CERTIFICATE:**

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

### **ACKNOWLEDGEMENTS:**

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

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

**Place: Mumbai  
Date: 13/08/2014**

**DEEPAK UPADHYAY  
MANAGING DIRECTOR**

**SANJAY PATEL  
EXECUTIVE DIRECTOR**



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

CIN No.: L51900MH1981PLC025223  
Paid up Capital: Rs.83,55,000/-

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

I have examined the registers, records, books and papers of **SJ CORPORATION LIMITED** (the Company) as required to be maintained under the Companies Act, 1956 (the Act) and the rules made there under and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on 31<sup>st</sup> March, 2014. In my opinion and to the best of my information and according to the examinations carried out by me and explanations furnished to me by the Company, its officers and agents, I certify that in respect of the aforesaid financial year:

1. The Company has kept and maintained all registers as stated in **Annexure 'A'** to this Certificate, as per the provisions of the Companies Act, 1956 (herein after referred to as the Act) and the rules made there under and all entries therein have been duly recorded.
2. The Company has duly filed the forms and returns as stated in **Annexure 'B'** to this Certificate, with the Registrar of Companies, Maharashtra, within the time prescribed under the Act and the rules made there under for the financial year under review.
3. The Company being public limited company, comments in this regard are not required.
4. The Board of Directors duly met 7 times on 15/05/2013, 17/07/2013, 26/07/2013, 21/10/2013, 28/12/2013, 30/12/2013 and 30/01/2014 in respect of which meetings proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.
5. The Company closed its Register of Members pursuant to Section 154 of the Act from 23<sup>rd</sup> August 2013 to 30<sup>th</sup> August 2013 [both days inclusive] during the financial year under review.
6. The Annual General Meeting for the financial year ended on March 31, 2013 was held on **August 30<sup>th</sup> 2013** after giving due notice to the members of the Company and the resolutions passed thereat were duly recorded in Minutes Book maintained for the purpose.
7. No Extra-ordinary Meeting of the Company was held during the year under review.
8. Since the Company has not advanced Loans to Directors of the Company or Firms or Companies referred in Section 295 of the Act, hence provisions of the said section regarding loans advanced do not apply and hence there is nothing to report in this matter.
9. The Company has entered into contracts falling within the purview of Section 297 of the Act.
10. The Company has entered into contract(s) in which Director(s) of the Company is/are interested pursuant to Section 301 of the Act for the year under review and the necessary entries in this regard were made in the Register as maintained by the Company for this purpose.
11. None of the Directors of the Company holds office or place of profit pursuant to the provisions of Section 314 of the Companies Act, 1956.
12. The Company did not issue any Duplicate Share Certificates for the financial year under review; hence there is nothing to report in this matter.
13. i. The Company has not allotted or transferred any Shares during the financial year under review.  
ii. The Company has deposited the amount in a separate Bank Account for dividend declared on Equity Shares of Re.1/- each fully paid up during the financial year under review.  
iii. The Company paid and posted warrants for dividends to all its members within the period of 30 (Thirty) days for dividend declared during the financial year under review but the Company was not required to transfer any Unclaimed/Unpaid dividend to any Unpaid Dividend Account of the Company during the financial year under review.

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

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

**Place: Mumbai  
Date: 13/08/2014**

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



**Annexure A**

**The Company has maintained the following Registers during the financial year ending on 31<sup>st</sup> March, 2014:**

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

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**Annexure B**

**Forms and Returns as filed by the Company with the Registrar of Companies, Maharashtra, during the financial year ending on 31<sup>st</sup> March, 2014.**

Sr. Nos.	Form Nos./ Returns/ Particulars	Filed under Section	For	Date of Filing	Whether filed within prescribed time	If Delay in filing whether requisite additional fees paid.
1	Annual Return made up to 30.08.2013	159	AGM held on 30.08.2013	23.10.2013	Yes	No
2	Form 23AC XBRL & Form 23ACA XBRL	220	For Financial year 31.03.13	28.09.2013	Yes	No
3	Compliance Certificate for Fin. Year 2012-2013	383A	For Financial year 31.03.13	14.09.2013	Yes	No
4	Form -8	125	Creation of Charge on 28.12.2013	25.01.2014	Yes	No
5	Form -8	125	Creation of Charge on 30.12.2013	25.01.2014	Yes	No

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**INDEPENDENT AUDITOR'S REPORT**

To the Members of  
**SJ Corporation Limited**  
Mumbai

**Report on the Financial Statements**

We have audited the accompanying financial statements of SJ Corporation Limited which comprise of the balance sheet as at 31 March, 2014, the statement of profit and loss and 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 Financial Statements**

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards notified under the Companies Act, 1956 of India ("the Act") read with the General Circular No. 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control 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**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing and other applicable authoritative pronouncement issued by the Institute of Chartered Accountants of India. 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.

An audit involves performing procedures to obtain audit evidence, about the amounts and 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 control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the accompanying financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (i) in the case of the balance sheet, of the state of affairs of the Company as at 31 March 2014,
- (ii) in the case of the statement of profit and loss, of the profit for the year ended on that date; and
- (iii) in the case of the cash flow statement, of the cash flows for the year ended on that date.

**Report on Other Legal and Regulatory Requirements**

1. As required by 'the Companies (Auditor's Report) Order, 2003', as amended by 'the companies (Auditor's Report) (Amendment) Order, 2004', issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act (hereinafter referred to as the "Order"), and on the basis of checks of books and records of the company as we considered appropriate and according to the information and explanation given to us, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
  - a. we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b. in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
  - c. the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - d. in our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this report comply with the Accounting Standards notified under the Act read with the General Circular No. 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013; and
  - e. on the basis of written representations received from the directors as on 31 March 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956,

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

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

Mumbai,  
May 15, 2014

**ANNEXURE TO THE AUDITORS' REPORT**

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

To the members of  
**SJ Corporation Limited**  
 Mumbai

- i. a. The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- b. All the assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such verification.
- c. The company has not disposed of any substantial part of its fixed assets during the year. Accordingly, the going concern status of the company, on account of disposal of fixed assets, is not affected.
- 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 301 of the Companies Act, 1956.
- b. During the year the company has taken interest free unsecured loans repayable on demand from one party covered under section 301 of Companies Act, 1956, maximum balance involved during the year was Rs.5,25,000/- and year end balance was Nil. As the loan was repayable on demand clause (d) is not applicable.
- c. In our opinion and according to information and explanation given to us, the rate of interest which is nil and other terms and conditions of loans taken by the company, is *prima facie* not prejudicial to the interest of the company.
- 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, there are no contracts or arrangements that need to be entered in the register maintained under section 301 of the Companies Act, 1956. Therefore, the provisions of clause 4(v)(b) of the order are not applicable to the company.
- vi. In our opinion and according to the information and explanations given to us, the Company did not accept any deposit in contravention of sections 58A and 58AA of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975.
- vii. In our opinion, the company has an internal audit system commensurate with the size and nature of its business.
- viii. We have broadly reviewed the books of account maintained by the Company pursuant to the Rule made by the Central Government for maintenance of cost records under section 209(1)(d) of the Companies Act, 1956 and are of the opinion that *prima facie*, the prescribed accounts and records have been made and maintained. However, we are not required to carry out and have not carried out a detailed examination of the records with a view to determine whether they are accurate or complete.
- ix. a. The company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education and protection fund, employees' state insurance fund, income tax, sales tax, wealth tax, custom duty, excise duty cess and other material statutory dues wherever applicable to it.
- b. According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, wealth tax, sales tax, custom duty, excise duty and cess were in arrears, as at 31st March, 2014 for period of more than six months from the date they became payable.
- c. As per records of the company and in accordance with the information and explanation given to us, there are no dues of sales tax, income tax, custom duty, wealth tax, excise duty and cess which have not been deposited on account of any dispute.
- x. The Company does not have any accumulated losses. The company has neither incurred cash losses during the current financial year nor immediately preceding financial year.
- xi. In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to a financial institution, bank or debenture holders.
- xii. The company has not granted any loans and/or advances on the basis of security by way of pledge of shares, debentures and other securities.
- xiii. In our opinion, the company is not a chit fund or a nidhi/mutual benefit fund/society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- xiv. The company has maintained proper records of transactions and contracts in respect of trading in securities, debentures and other investments and timely entries have been made therein. All investments in shares and other securities have been held by the company in its own name.
- xv. The company has not given guarantees for loans taken by others from banks or financial institutions.
- xvi. The company has not taken any term loan.
- xvii. According to the information and explanations given to us and on an overall examination of the balance sheet of the company, we report that no funds raised on short-term basis have been used for long-term investment.
- xviii. During the year the company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956.
- xix. During the year the company had not issued any debentures.
- xx. According to information and explanation given to us the company has not raised money by public issue, therefore, requirement for commenting on the end use of money raised by public issue does not arise.
- xxi. According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the course of our audit.

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

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

Mumbai  
 May 15, 2014

**BALANCE SHEET AS AT 31ST MARCH, 2014**

	Notes	2014 Rs.	2013 Rs.
<b>I. EQUITY AND LIABILITIES</b>			
1. Shareholders' Funds			
a. Share Capital	1	8,355,000	8,355,000
b. Reserves & Surplus	2	84,446,542	76,978,610
		<u>92,801,542</u>	<u>85,333,610</u>
2. Non Current Liabilities			
a. Long Term Borrowing	3	441,559	-
b. Trade Payable		-	-
c. Other Long Term Liabilities		-	-
d. Long Term Provision		-	-
		<u>441,559</u>	<u>-</u>
3. Current Liabilities			
a. Short Term Borrowing	4	55,908,504	-
b. Trade Payables	5	28,817,900	41,442,691
c. Other Current Liabilities	6	505,935	342,260
d. Short Term Provision	7	1,313,453	1,193,122
		<u>86,545,792</u>	<u>42,978,073</u>
<b>TOTAL</b>		<b><u>179,788,893</u></b>	<b><u>128,311,683</u></b>
<b>II. ASSETS</b>			
1. Non-Current Assets			
a. Fixed Assets	8		
i. Tangible Assets		12,768,255	11,783,317
ii. Intangible Assets		-	-
iii. Capital Work in Progress		-	-
b. Non- Current Investments	9	14,620,337	14,760,392
c. Long Term Loans & Advances	10	62,405	62,405
d. Other Non-Current Assets		-	-
		<u>27,450,997</u>	<u>26,606,114</u>
2. Current Assets			
a. Current Investments		-	-
b. Inventories	11	69,829,878	21,374,995
c. Trade Receivable	12	78,308,168	79,973,236
d. Cash & Bank Balance	13	3,585,483	357,338
e. Short -Term Loans & Advances	14	614,367	-
f. Other Current Assets		-	-
		<u>152,337,896</u>	<u>101,705,569</u>
<b>TOTAL</b>		<b><u>179,788,893</u></b>	<b><u>128,311,683</u></b>
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)**(DEVENDRA MEHTA)**

Partner

Membership No. 82325

Mumbai

May 15, 2014

**SANJAY V. PATEL****DEEPAK UPADHYAY****SAVJI D. PATEL**

Mumbai

May 15, 2014

**EXECUTIVE DIRECTOR****MANAGING DIRECTOR****DIRECTOR**

**STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2014**

	Notes	2014 Rs.	2013 Rs.
<b>INCOME</b>			
<u>Revenue from Operation</u>			
Export of Diamond Studded Jewellery		426,392,967	158,827,740
Other Income	15	2,662,231	720,878
<b>Total Revenue</b>		<b>429,055,198</b>	<b>159,548,618</b>
<b>EXPENSES</b>			
Cost of Materials Consumed	16	409,399,796	147,682,332
Employee Benefit Expense	17	2,649,765	2,158,211
Finance Cost	18	1,630,188	-
Other Expenses	19	4,031,737	3,224,668
Depreciation	7	695,936	605,741
<b>Total Expenses</b>		<b>418,407,422</b>	<b>153,670,952</b>
<b>Profit before tax</b>		<b>10,647,776</b>	<b>5,877,667</b>
<u>Tax Expense</u>			
Current Tax		(2,200,000)	(1,100,000)
Excess/(Short) Provision for earlier years		(2,351)	(3,850)
<b>Profit for the year</b>		<b>8,445,425</b>	<b>4,773,817</b>
Basic & Diluted Earning per Share			
(Face value : Rs.1/-)		1.01	0.57
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)**SANJAY V. PATEL****EXECUTIVE DIRECTOR****DEEPAK UPADHYAY****MANAGING DIRECTOR****(DEVENDRA MEHTA)**Partner  
Membership No. 82325**SAVJI D. PATEL****DIRECTOR**

Mumbai

May 15, 2014

Mumbai

May 15, 2014

# SJ CORPORATION LIMITED

FOR THE YEAR ENDED 31ST MARCH, 2014

	2014 Rs.	2013 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 2014		31 March 2013	
	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 2014		31 March 2013	
	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>

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

Balance as per the last Balance Sheet	39,348,610	35,552,287
Add : Net Profit after tax for the Current period	8,445,425	4,773,816
Amount Available for the Appropriation	<b>47,794,035</b>	<b>40,326,103</b>
<b>Appropriations :</b>		
Proposed Dividend	(835,500)	(835,500)
Tax on Dividend	(141,993)	(141,993)
<b>Closing Balance</b>	<b>46,816,542</b>	<b>39,348,610</b>
<b>TOTAL</b>	<b>84,446,542</b>	<b>76,978,610</b>

## FOR THE YEAR ENDED 31ST MARCH, 2014

	2014 Rs.	2013 Rs.
<b><u>Note '3' : LONG TERM BORROWING</u></b>		
HDFC Bank - Car loan	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>441,559</b>	<b>-</b>
<b><u>Note '4' : SHORT TERM BORROWING</u></b>		
<b><u>Secured</u></b>		
Bill Discounting -Bank of India	55,892,850	-
Bank of India CC a/c	15,654	
<b><u>Nature of Security</u></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 security that acceptable to the Bank.		
Rate of Interest on Cash Credit Account : 13.90% (Previous Year : N.A.)	<b>55,908,504</b>	<b>-</b>
<b><u>Note '5' : TRADE PAYABLES</u></b>		
Trade Payables (including acceptance)	28,817,900	41,442,691
	<b>28,817,900</b>	<b>41,442,691</b>
<b><u>Note</u></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><u>Note '6' : OTHER CURRENT LIABILITIES</u></b>		
Current Maturities of long term borrowings (Refer Note 3)	259,492	-
<b><u>Other Liabilities</u></b>		
Statutory dues payable	26,967	-
Expenses Payable	219,476	342,260
	<b>505,935</b>	<b>342,260</b>
<b><u>Note '7' : SHORT TERM PROVISIONS</u></b>		
Provision for Taxation	202,460	133,629
Provision for Wealth Tax	133,500	82,000
Provision for Proposed Dividend	835,500	835,500
Provision for Dividend Tax	141,993	141,993
	<b>1,313,453</b>	<b>1,193,122</b>

# SJ CORPORATION LIMITED

FOR THE YEAR ENDED 31ST MARCH, 2014

## Note '8' : FIXED ASSETS

NAME OF THE ASSETS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	Cost as on 01.04.13	Addition During the year	Disposal During the year	Total cost as on 31.03.14	Rate %	As on 01.04.13	Written back during the year	As on 31.03.14	As on 31.03.14	As on 31.03.13
Plot of Land	7,045,850	-	-	7,045,850	-	-	-	-	7,045,850	7,045,850
Lease hold Land	1,750,000	-	-	1,750,000	-	583,334	-	116,667	1,049,999	1,166,666
Building	2,994,515	-	-	2,994,515	10.00	799,369	-	219,515	1,975,631	2,195,146
Machinery	1,369,700	-	-	1,369,700	13.91	616,140	-	104,820	648,740	753,560
Mettler & Weight	34,427	-	-	34,427	13.91	17,490	-	2,356	14,581	16,937
Furniture	500,253	159,941	-	660,194	18.10	174,586	-	68,683	416,925	325,667
Office Equipment	247,163	414,990	-	662,153	13.91	59,679	-	39,522	562,952	187,484
Computer	72,750	33,000	-	105,750	40.00	56,500	-	8,534	40,716	16,250
Electrical Equipment	50,000	-	-	50,000	13.91	10,080	-	5,553	34,367	39,920
Air Conditioner	-	-	-	-	13.91	-	-	-	-	-
Motor Cycle	50,538	-	-	50,538	25.89	14,701	-	9,278	26,559	35,837
Motor Car	-	1,072,943	-	1,072,943	25.89	-	-	121,008	951,935	-
Current Year's Total	14,115,196	1,680,874	-	15,796,070		2,331,879	-	695,936	12,768,255	11,783,317
Previous Year's Total	1,408,696	28,500	-	14,115,196	-	1,726,138	-	605,741	11,783,317	12,360,558

## 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	2014 Rs.	2013 Rs.
<b>Investment in Quoted Equity Instruments</b>					
Arrow Coated Product Ltd.				-	140,055
ElH Associates Hotel Ltd.	1,500	10	10	257,895	257,895
Flawless Diamond Ltd.	23,062	1	1	31,134	31,134
Neyveli Lignite Corporation Ltd.	2,000	10	10	203,520	203,520
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.	8,498	2	10	254,173	254,173
Vista Pharmaceutical Limited	2,604	10	10	24,168	24,168
				4,620,337	4,760,392
<b>Investment in (Unquoted) Preference Shares</b>					
Agrawal Marbles India Pvt. Ltd.	1,000,000	10	10	10,000,000	10,000,000
				14,620,337	14,760,392
<b>Market Value of Quoted Shares</b>				7,574,301	1,017,459



## FOR THE YEAR ENDED 31ST MARCH, 2014

	2014 Rs.	2013 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	68,314,519	21,130,188
Precious Metal & Alloys	1,515,359	244,807
	<b>69,829,878</b>	<b>21,374,995</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.		
	78,308,168	79,973,236
	<b>78,308,168</b>	<b>79,973,236</b>
<b>Note '13' : CASH AND BANK BALANCE</b>		
<u>Cash &amp; Cash equivalents</u>		
Balances with Bank in current account	2,608,374	109,917
Cash in Hand	791,425	247,422
<u>Other Bank Balance</u>		
Fixed Deposit - HDFC Bank	185,684	-
(Maturity of less than twelve months)		
	<b>3,585,483</b>	<b>357,339</b>
<b>Note '14' : SHORT TERM LOANS AND ADVANCES</b>		
(Unsecured and considered good)		
Prepaid Expenses	180,091	-
Other Advances	434,277	-
	<b>614,367</b>	<b>-</b>
<b>Note '15' : OTHER INCOME</b>		
Dividend on Long Term Investments	30,764	161,000
Profit on Exchange Fluctuation	1,943,437	557,448
Miscellaneous Income	9,682	2,430
Profit on sale of Long Term investment	678,348	-
	<b>2,662,231</b>	<b>720,878</b>
<b>Note '16' : COST OF MATERIALS CONSUMED</b>		
Polished Diamond	408,594,601	143,103,827
Bullion	805,195	4,578,505
	<b>409,399,796</b>	<b>147,682,332</b>
<b>Note '17' : EMPLOYEE BENEFITS EXPENSE</b>		
Salary, Wages and Bonus	2,619,900	2,132,700
Staff Welfare	29,865	25,511
	<b>2,649,765</b>	<b>2,158,211</b>

**SJ CORPORATION LIMITED****FOR THE YEAR ENDED 31ST MARCH, 2014**

	<b>2014 Rs.</b>	<b>2013 Rs.</b>
<b>Note '18' : FINANCE COST</b>		
Interest	308,070	-
Other Borrowing Cost	1,322,118	-
	<b>1,630,188</b>	-
<b>Note '19' : OTHER EXPENSE</b>		
Consumables & Stores	1,680,345	340,625
Power & Fuel	70,409	86,353
Freight Charges	120,984	73,676
Rent	300,000	300,000
Communication Expenses	49,900	33,172
Auditor's Remuneration	224,720	224,720
Clearing & Forwarding Charges	186,028	54,050
Rates & Taxes (excluding taxes on income)	88,177	48,063
Advertisement Expenses	48,640	59,283
Travelling & Conveyance	410,993	417,747
Bank Charges & Commission	361,089	97,751
Legal & Professional Expenses	213,904	477,135
Listing & Processing Fees	16,854	16,854
Printing & Stationery	71,032	38,462
Loss from dealing in Commodity & Currency Futures	35,191	747,063
Miscellaneous Expenses	153,471	209,714
	<b>4,031,737</b>	<b>3,224,668</b>

## FOR THE YEAR ENDED 31ST MARCH, 2014

**NOTE '20' : NOTES TO FINANCIAL STATEMENTS****Part 'A' : Significant Accounting Policies****1. Basis of preparation**

- (i) The financial statements have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP) and presented under the historical cost convention on accrual basis of accounting to comply with the accounting standards prescribed in the Companies (Accounting Standards) Rules, 2006 and with the relevant provisions of the Companies Act, 1956.
- (ii) The preparation of financial statement in conformity with generally accepted accounting principles in India requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and the disclosure of contingent liabilities on the date of financial statements and reported amounts of income and expenses during the period.

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

**4. Foreign Currency Transactions**

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

**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**

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

**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.

**9. Taxation**

- a. Provision for current Tax is made and retained in the accounts on the basis of estimated tax liability as

## SJ CORPORATION LIMITED

### FOR THE YEAR ENDED 31ST MARCH, 2014

per the applicable provisions of the Income tax Act, 1961 and considering assessment orders and decisions of appellate authorities in Company's case.

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

#### 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

- a. Financial derivatives and commodity hedging contracts are accounted on the date of their settlement and realised gain/loss in respect of settled contracts are recognised in the profit & loss account.
- b. The unrealised loss on contracts outstanding at the year end are provided for in the books of account of the Company.

#### 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.

### Part 'B' : Other

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

#### 2. Auditor's Remuneration

	2014 Rs.	2013 Rs.
Statutory Audit fee	175,000	175,000
Tax Audit Fee	25,000	25,000
Income tax matters	100,000	296,333
Others	10,000	21,537
Service Tax	38,316	64,009
	<b>348,316</b>	<b>581,879</b>

#### 3. C. I. F. Value of Imports

Raw-Material	457,186,196	145,081,432
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#### 4. Expenditure in Foreign Currency

Foreign Travelling Expenses	283,365	168,632
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#### 5. F.O.B. Value of Exports

426,392,967	158,827,740
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#### 6. Earnings Per Share

Profit / (Loss) attributable to equity shareholders :	8,445,425	4,773,817
Weighted Average number of Equity Shares outstanding :	8,355,000	8,355,000
Basic and Diluted Earning per share :	1.01	0.57
(Face Value Rs.1/-)		

#### 7. Value of imported & indigenous material consumed :

		2014		2013
	%	Amount Rs.	%	Amount Rs.
<b>Raw Material</b>				
Indigenous	0.20	805,195	4.69	6,924,133
Imported	99.80	408,594,601	95.31	140,758,199
<b>Stores &amp; Spares</b>				
Indigenous	100.00	1,680,345	100	340,625
Imported	-	-	-	-

**FOR THE YEAR ENDED 31ST MARCH, 2014**

8. The Board of Directors has recommended a Dividend of Rs.0.10 (10% of Paid-up Share Capital of the company) per equity share of face Value of Rs.1/- each for the year ended on 31st March, 2014. 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	420,000
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 & on behalf of Board of Directors

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

**(DEVENDRA MEHTA)**  
 Partner  
 Membership No. 82325  
 Mumbai  
 May 15, 2014

**SANJAY V. PATEL**

**DEEPAK UPADHYAY**

**SAVJI D. PATEL**

Mumbai  
 May 15, 2014

**EXECUTIVE DIRECTOR**

**MANAGING DIRECTOR**

**DIRECTOR**

# SJ CORPORATION LIMITED

FOR THE YEAR ENDED 31ST MARCH, 2014

## CASH FLOW STATEMENT

	2014	2013
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit/(Loss) Before tax	10,647,776	5,877,666
<u>Adjustments for</u>		
Provision for Wealth Tax	51,500	41,000
Dividend on long term Investment	(30,764)	(161,000)
Depreciation	695,936	605,741
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES :	11,364,448	6,363,407
<u>Adjustments for Working Capital Changes</u>		
Inventories	(48,454,883)	2,600,901
Trade & Other receivables	1,665,068	(52,901,619)
Trade Payables	(12,461,116)	41,493,604
Income Tax Paid	(2,133,520)	(2,051,416)
<i>Cash Utilised in Operations</i>	<b>(A) (50,020,003)</b>	<b>(4,495,123)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	(1,680,875)	(28,500)
Dividend on long term Investment	30,764	161,000
Sale/Redemption of Investments	140,055	(13,572,841)
Movement in Loans & Advances	(614,367)	8,555,729
Fixed Deposit with Bank	(185,684)	9,874,658
<i>Cash Generated from Investing Activities</i>	<b>(B) (2,310,107)</b>	<b>4,990,046</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Dividend Paid	(977,493)	(971,039)
Proceeds from Long-Term Borrowings	441,559	-
Short-Term Borrowings	55,908,504	-
<i>Cash Generated from Financing Activities</i>	<b>(C) 55,372,570</b>	<b>(971,039)</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)</b>	<b>3,042,460</b>	<b>(476,116)</b>
Cash & cash equivalents as at 01.04.2013 (Opening Balance)	357,339	833,455
Cash & cash equivalents as at 31.03.2014 (Closing Balance)	3,399,799	357,339

In terms of our report of even date.

For & on behalf of Board of Directors

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

**SANJAY V. PATEL**

**EXECUTIVE DIRECTOR**

**DEEPAK UPADHYAY**

**MANAGING DIRECTOR**

**(DEVENDRA MEHTA)**

**SAVJI D. PATEL**

**DIRECTOR**

Partner  
Membership No. 82325

Mumbai  
May 15, 2014

Mumbai  
May 15, 2014

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 : Thursday, 25th September 2014 at 10.30 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 33<sup>rd</sup> Annual General Meeting of the company held on **Thursday, September 25, 2014 at 10.30 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 2014 and Notice of the 33<sup>rd</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 2014 and Notice of the 33<sup>rd</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.

## 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, 25th September 2014 at 10.30 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 33<sup>rd</sup> Annual General Meeting of the Company to be held on **Thursday, September 25, 2014 at 10.30 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, 2014 and reports of the Board of Directors and the Auditors thereon			
2.	Approval for final dividend for 2013-14			
3.	Re-appointment of Mr. Savji Patel, who retires by rotation			
4.	Appointment of M/s. Ravi & Dev, Chartered Accountants, Mumbai as Auditors			
<b>Special Business</b>				
5.	Appointment of Mr. Rajesh Shah as an Independent Director			
6.	Appointment of Mr. Rajiv Shah as an Independent Director			
7.	Re-designation of Mr. Deepak Upadhyay as the Managing Director			
8.	Re-designation of Mr. Rajiv Shah as the Non-executive Chairman			

9.	Special Resolution to authorize the Board to create mortgage/charge for a sum not exceeding Rs.100.00 crores			
10.	Special Resolution to authorize the Board to borrow monies upto a sum not exceeding Rs.100.00 crores			
11.	Special Resolution for alteration in the Articles of Association of the Company for adoption of Table F as per Companies Act, 2013.			

\*\* 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. \_\_\_\_\_

Affix One  
rupee  
Revenue  
Stamp

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2014

**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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## 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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