



---

## **SJ Corporation Ltd.**

*311, 03<sup>rd</sup> Floor, Laxmi Enclave,  
Gajera School Road, Katargam,  
Surat - 395 004, Gujarat, India.*

---

**37<sup>TH</sup> ANNUAL REPORT 2017-2018**

**BLANK**



**BOARD OF DIRECTOR & KMP**

|                           |                          |
|---------------------------|--------------------------|
| <b>RAJIV N. SHAH</b>      | <b>CHAIRMAN</b>          |
| <b>DEEPAK B. UPADHYAY</b> | <b>MANAGING DIRECTOR</b> |
| <b>SAVJI D. PATEL</b>     | <b>DIRECTOR</b>          |
| <b>TEJAS V. ADROJA</b>    | <b>DIRECTOR</b>          |
| <b>USHA S. PATEL</b>      | <b>DIRECTOR</b>          |
| <b>ASHISH SATANI</b>      | <b>CFO</b>               |
| <b>ROOPESH AGRAWAL</b>    | <b>COMPANY SECRETARY</b> |

**AUDITORS**

**SDBA & Co.**

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

**BANKERS**

**Bank Of India**

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

**HDFC Bank Ltd.**

Shop 1-4, Monica Arcade, Subhash Lane  
Off Daftary Road, Malad (East),  
Mumbai - 400097.

**Registered Office**

311, 03rd Floor, Laxmi Enclave,  
Gajera School Road,  
Katargam, Surat - 395 004.  
Mobile: 9904042992

**Corporate Office**

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

---

**NOTICE**

Notice is hereby given that the 37<sup>th</sup> Annual General Meeting of the Members of **SJ Corporation Limited** will be held at its Registered Office at 311, 03<sup>rd</sup> Floor, Laxmi Enclave, Gajera School Road, Katargam, Surat - 395 004, Gujarat, India, on Friday, **September 28, 2018** at **10:30 AM (IST)**, to transact the following business:

**Ordinary Business:**

1. To receive, consider and adopt the Standalone Audited Financial Statements of the Company for the year ended March 31, 2018, together with the Reports of the Board of Directors and Auditor's thereon.
2. To appoint a Director in place of Mr. Deepak Upadhyay(DIN:02270389), who retires by rotation and being eligible, offers himself for re-appointment.
3. To ratify the appointment of M/s. SDBA & Co., Chartered Accountants (Firm Registration no.142004W) as statutory auditors of the Company and to fix their remuneration and to pass the following resolution as an ordinary resolution thereof:

**“RESOLVED THAT** pursuant to the provisions of Sections 139 and 142 of the Companies Act, 2013 and the Rules made thereunder and pursuant to the recommendations of the audit committee of the Board of Directors, and pursuant to the resolution passed by the members at the AGM held on 24<sup>th</sup> September 2016, the appointment of M/s. SDBA & Co., Chartered Accountants (Firm Registration no. 142004W) as the statutory auditors of the Company to hold office till the conclusion of the 40<sup>th</sup> consecutive AGM to be held in the financial year 2021 is hereby ratified on a remuneration of Rs.1,00,000/- plus applicable taxes and reimbursement of out-of-pocket expenses incurred by them in connection with the audit of the accounts of the Company for the financial year 2018-19.”

**Special Business:**

4. Appointment of Mr. Tejas Vrujlal Adroja as an Independent Director.

To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

**“RESOLVED THAT** Mr. Tejas Vrujlal Adroja (DIN:08189498), who was appointed by the Board of Directors as an Additional Director of the Company effective Aug 11, 2018 and who holds office up to the date of this Annual General Meeting of the Company in terms of Section 161 of the Companies Act, 2013 (“the Act”) and clause 66 of Articles of Association of the Company and who is eligible for appointment, in respect of whom the Company has received a notice in writing pursuant to the provision of Section 160 of the Companies Act, 2013 from member of the Company, and has consented to act as a Director of the Company.

**RESOLVED FURTHER THAT** pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Act and the Rules framed thereunder read with Schedule IV to the Act, as amended from time to time, Mr. Tejas Vrujlal Adroja, who meets the criteria for independence as provided in Section 149(6) of the Act and who has submitted a declaration to that effect, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation, for a term of five years commencing Aug 11, 2018 to Aug 10, 2023.

5. Re-appointment of Mr. Rajiv Shah as an Independent Director of the Company.

To consider and if thought fit, to pass the following resolution as a Special Resolution:

**“RESOLVED THAT** pursuant to the provisions of Sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Mr. Rajiv Shah (DIN: 01765200), Independent Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Companies Act, 2013 and who shall be eligible for re-appointment, be and is hereby re-appointed as an Independent Director of the Company, who shall not be liable to retire by rotation and holds the office for a second term of 5 (five) consecutive years from 01<sup>st</sup> April, 2019 to 31<sup>st</sup> March, 2024 on the Board of the Company.”

**6. Re-appointment of Mr. Rajiv Shah as a Non Executive Chairman of the Company.**

To consider and if thought fit, to pass 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 for re-appointment of Mr. Rajiv Shah (DIN: 01765200) as the Non Executive Chairman of the Company for the period of Five years with effect from 01<sup>st</sup> April, 2019 till 31<sup>st</sup> March, 2024, 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.”

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

**Place: Mumbai**

**Date: 11/08/2018**

**Registered Office:**

311, 03<sup>rd</sup> Floor, Laxmi Enclave,  
Gajera School Road, Katargam, Surat - 395 004,  
Gujarat, India.

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

**NOTES:**

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. The proxy form should be lodged with the Company at its Registered Office at least 48 hours before the commencement of the Meeting. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
2. A proxy shall not have a right to speak at the AGM and shall not be entitled to vote except on poll.
3. The Register of Members and Share Transfer Books of the Company will remain closed from **Friday, September 21, 2018 to Friday, September 28, 2018 (both days inclusive)**.
4. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
5. Members who hold shares in electronic form are requested to write their Client ID and DP ID number and those who hold shares in physical form are requested to write their folio number in the attendance slip for attending the meeting to facilitate identification of membership at the AGM. Also shareholder needs to furnish the printed attendance slip along with a valid identity proof such as the PAN card, passport, AADHAAR card or driving license to enter the AGM hall.
6. For convenience of members, an attendance slip, proxy form and the route map of the venue of the Meeting are annexed hereto. Members are requested to affix their signature at the space provided and hand over the attendance slip at the place of meeting. The proxy of a member should mark on the attendance slip as 'proxy'.
7. All documents referred to in the Notice are open for inspection at the Registered Office of the Company during office hours on all days except Sunday & public holidays between 11.00 a.m. to 1.00 p.m. up to the date of Annual General Meeting.
8. Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 for items of Special Businesses is annexed herewith.
9. The Annual Report 2017-18, the Notice of the 37<sup>th</sup> AGM and instructions for e-voting, along with the Attendance slip and Proxy form, are being sent by electronic mode to all the members whose email address are

## **SJ CORPORATION LIMITED**

---

registered with the Company/Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email addresses, physical copies of the aforesaid documents are being sent by permitted mode of dispatch.

10. Members may also note that the Notice of the 37<sup>th</sup> AGM and the Annual Report 2017-18 will be available on the Company's website, [www.sjcorp.in](http://www.sjcorp.in).
11. If the members have any queries on the Audited Accounts, Boards' 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.
12. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013, will be available for inspection by members.
13. The Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Companies Act, 2013, will be available for inspection by the members at the AGM.
14. Additional information, pursuant to Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, in respect of the directors seeking appointment/re-appointment at the AGM, is furnished as annexure to the Notice. The directors have furnished consent / declaration for their appointment / re-appointment as required under the Companies Act, 2013 and the Rules thereunder.
15. The Company is providing facility for voting by electronic means (e-voting) through an electronic voting system which will include remote e-voting as prescribed by the Companies (Management and Administration) Amendment Rules, 2015 as presently in force and the business set out in the Notice will be transacted through such voting.
16. Members are requested to bring their copies of the reports to Annual General Meeting.
17. Members holding shares in the same set of names under different ledger folios are requested to apply for consolidation of such folios along with share certificates to the Company.
18. Members are requested to promptly notify any changes in their addresses to the Company at its Registered Office.
19. The voting rights of the Members shall be in proportion to their share in the paid up equity share capital of the Company as on the cut off date i.e. **September 21, 2018**.
20. The Securities and Exchange Board of India ("SEBI") has mandated the submission of Income Tax Permanent Account Number ("PAN") by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company or its Registrar and Share Transfer Agents.
21. Members wishing to claim dividends that remain unclaimed are requested to correspond with the Registrar and Share Transfer Agents as mentioned above, or to the Company Secretary, at the Company's registered office. Members are requested to note that dividends that are not claimed within seven years from the date of transfer to the Company's Unpaid Dividend Account, will, as per Section 124 of the Act, be transferred to the Investor Education and Protection Fund (IEPF). Shares on which dividend remains unclaimed for seven consecutive years will be transferred to the IEPF as per Section 124 of the Act, and the applicable rules.
22. In order to exercise strict control over the transfer documents, members are requested to send the transfer documents/ correspondence, if any, directly to:

### **SHAREX DYNAMIC (INDIA) PRIVATE LIMITED**

**Unit: SJ CORPORATION LIMITED**

Unit 1, Luthra Industrial Premises,

Safed Pool, Andheri Kurla Road,

Andheri (E), Mumbai: 400 072.

Ph. 022 28515606 Fax: 022 28512885

### **VOTING THROUGH ELECTRONIC MEANS:**

- i. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at its Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).
- ii. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
- iii. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
- iv. The remote e-voting period commences on Tuesday, 25<sup>th</sup> September, 2018 (9:00 am) and ends on Thursday, 27<sup>th</sup> September, 2018 (5:00 pm). During this period members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 21<sup>st</sup> September, 2018, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
- v. The process and manner for remote e-voting are as under:
  - A. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/Depository Participants(s)] :
    - (i) Open email and open PDF file viz; "sjcorp e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial password.
    - (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>
    - (iii) Click on Shareholder - Login
    - (iv) Put user ID and password as initial password/PIN noted in step (i) above. Click Login.
    - (v) Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
    - (vi) Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
    - (vii) Select "EVEN" of "SJ Corporation Limited".
    - (viii) Now you are ready for remote e-voting as Cast Vote page opens.
    - (ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
    - (x) Upon confirmation, the message "Vote cast successfully" will be displayed.
    - (xi) Once you have voted on the resolution, you will not be allowed to modify your vote.
    - (xii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to [deep@deepshukla.com](mailto:deep@deepshukla.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)
  - B. In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company/Depository Participants(s) or requesting physical copy] :
    - (i) Initial password is provided as below/at the bottom of the Attendance Slip for the AGM:  
**EVEN (Remote e-voting Event Number) USER ID PASSWORD/PIN**
    - (ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.

- vi. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800-222-990.
- vii. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.
- viii. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- ix. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of Friday, 21<sup>st</sup> September, 2018.
- x. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. Friday, 21<sup>st</sup> September, 2018, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or RTA i.e. [evoting@sharexindia.com](mailto:evoting@sharexindia.com).  
However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using “Forgot User Details/Password” option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or contact NSDL at the following toll free no.: 1800-222-990.
- xi. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.
- xii. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
- xiii. Mr. Deep Shukla, Practicing Company Secretary (Membership No. 5652) has been appointed for as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.
- xiv. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of “remote e-voting” for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
- xv. The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses, not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer’s report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- xvi. The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company [www.sjcorp.in](http://www.sjcorp.in) and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Limited, Mumbai.



**STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 (“ACT”)**

The following Statement sets out all material facts relating to Item Nos. 4 to 6 mentioned in the accompanying Notice.

**Item No. 4**

The Board of Directors (“Board”), upon recommendation of the Nomination and Remuneration Committee, appointed Mr. Tejas Vrujlal Adroja as an Additional Director (Independent) of the Company, not liable to retire by rotation, with effect from Aug 11, 2018. Pursuant to the provisions of Section 161 of the Act and clause 66 of the Articles of Association of the Company, Mr. Tejas Vrujlal Adroja will hold office up to the date of the ensuing Annual General Meeting (“AGM”) and is eligible to be appointed a Director of the Company. As required under section 160 of the Companies Act, 2013 a notice has been received from a Member proposing name of Mr. Tejas Vrujlal Adroja for the office of a Directorship.

Further, Nomination and Remuneration Committee has recommended his appointment as an Independent Director on Board of the Company *w.e.f.* August 11, 2018.

The Company has received from Mr. Tejas Vrujlal Adroja:

- (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 the Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under Section 164(2) of the Act; and
- (iii) A declaration to the effect that he meets the criteria of independence as provided under Section 149(6) of the Act.

The resolution seeks the approval of the Members in terms of Section 149 and other applicable provisions of the Act, read with Schedule IV of the Act and the Rules made thereunder, for appointment of Mr. Tejas Vrujlal Adroja as an Independent Director of the Company for a period of five years commencing August 11, 2018 to August 10, 2023. Mr. Tejas Vrujlal Adroja, once appointed, will not be liable to retire by rotation.

In the opinion of the Board, Mr. Tejas Vrujlal Adrojais a person of integrity, fulfils the conditions specified in the Act and the Rules made there under and is independent of the Management of the Company. A copy of the letter of appointment of Mr. Tejas Vrujlal Adroja as an Independent Director setting out the terms and conditions is available for inspection without any fee payable by the Members at the Registered Office of the Company during the normal business hours on working days up to the date of the AGM.

The profile and specific areas of expertise of Mr. Tejas Vrujlal Adroja are provided as annexure to this Notice.

None of the Director(s) and Key Managerial Personnel of the Company or their respective relatives, except Mr. Tejas Vrujlal Adroja, to whom the resolution relates, are concerned or interested in the Resolution mentioned at Item No.4 of the Notice. The Board recommends the resolution set forth in Item No. 4 for the approval of the Members.

**Item No. 5**

The Members of the Company, at the 33<sup>rd</sup>Annual General Meeting held on 25<sup>th</sup>September, 2014, had approved the appointment of Mr. Rajiv Shah as an Independent Director of the Company, whose term is due to expire on 31<sup>st</sup> March, 2019.

As per Section 149(10) of the Companies Act, 2013, an Independent Director shall hold office for a term of upto five consecutive years on the Board of a Company, but shall be eligible for re-appointment on passing of special resolution by the Company for another term of five consecutive years on the Board of a Company.

In line with the aforesaid provisions of the Companies Act, 2013 and in view of long, rich experience, continued valuable guidance to the management and strong Board performance of Mr. Rajiv Shah, it is proposed to re-appoint him for the second term as an Independent Director on the Board of the Company for a period of five years upto 31<sup>st</sup>March, 2024.

Further, Nomination and Remuneration Committee has recommended to re-appointment him as an Independent Director on Board of the Company.

The Company has received from Mr. Rajiv Shah(i) Intimation in Form DIR-8 in terms of the Companies

## SJ CORPORATION LIMITED

---

(Appointment & Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under Section 164(2) of the Act; and (ii) A declaration to the effect that he meets the criteria of independence as provided under Section 149(6) of the Act.

In the opinion of the Board, Mr. Rajiv Shah fulfills the conditions specified in the Act; he is independent of the management. Copy of the draft letter for appointment of Mr. Rajiv Shah as an Independent Director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday.

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

None of the Director(s) and Key Managerial Personnel of the Company or their respective relatives, except Mr. Rajiv Shah, to whom the resolution relates, are concerned or interested in the Resolution mentioned at Item No.5 of the Notice. The Board recommends the resolution set forth in Item No. 5 for the approval of the Members.

### Item No. 6

The Members of the Company, at the 33<sup>rd</sup> Annual General Meeting held on 25<sup>th</sup> September, 2014, had approved the appointment of Mr. Rajiv Shah as a Non Executive Chairman of the Company for the period of five years from 01<sup>st</sup> April 1, 2014 and ending on March 31, 2019.

Further, Nomination and Remuneration Committee has recommended to re-appointment him as a Non Executive Chairman of the Company, w.e.f. 01<sup>st</sup> April, 2019 for the period of five years 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 Chartered Accountant 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.

None of the Director(s) and Key Managerial Personnel of the Company or their respective relatives, except Mr. Rajiv Shah, to whom the resolution relates, are concerned or interested in the Resolution mentioned at Item No.6 of the Notice. The Board recommends the resolution set forth in Item No. 6 for the approval of the Members.

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

**Place: Mumbai**  
**Date: 11/08/2018**

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

**Registered Office:**

311, 03<sup>rd</sup> Floor, Laxmi Enclave,  
Gajera School Road, Katargam, Surat - 395 004,  
Gujarat, India.

---

### Annexure to Notice

Details of Directors seeking appointment / re-appointment at the Annual General Meeting  
[In pursuance of Clause 36 (3) of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015]

| Name of Director         | Age | Nature of expertise        | Qualification | Disclosure of relationships between directors inter-se | Membership in the committees of other public Companies | Shareholding of Directors |
|--------------------------|-----|----------------------------|---------------|--|--|---------------------------|
| Mr. Deepak Upadhyay      | 58  | Diamond quality and Market | H.S.C.        | N.A.   | Nil  | Nil                       |
| Mr. Tejas Vrujlal Adroja | 26  | Management & Accounting    | M.Com         | N.A.   | Nil  | Nil                       |
| Mr. Rajiv Shah           | 54  | Chartered accountant       | C.A.          | N.A.   | Nil  | Nil                       |

**BOARDS' REPORT**

To,  
The Members,  
**SJ Corporation Limited**

Your Directors have pleasure in presenting their 37<sup>th</sup> Annual Report on the Standalone Audited Statement of Accounts of SJ Corporation Limited ("*The Company*") for the Financial Year ended March 31, 2018.

**Financial Results:**

The summarized financial performance of the Company for the FY 2017-18 and 2016-17 are given below:

[Rs. in Lakhs]

| Particulars  | Standalone    |                 |
|--|---------------|-----------------|
|  | 2017-18       | 2016-17         |
| Revenue from operations  | 803.47        | 1,267.38        |
| Other Income   | 21.79         | 20.20           |
| <b>Total Revenue</b>   | <b>825.25</b> | <b>1,287.58</b> |
| <b>Total Expenses</b>  | <b>841.78</b> | <b>1,334.98</b> |
| <b>Profit/(Loss) before exceptional items and tax</b>  | <b>-16.53</b> | <b>-47.40</b>   |
| Exceptional Items  | -             | -               |
| <b>Net Profit Before Tax</b>   | <b>-16.53</b> | <b>-47.40</b>   |
| Provision for Tax  |               |                 |
| - Current Tax  | -             | -               |
| - Deferred Tax (Liability)/Assets  | 14.87         | 0.41            |
| - Excess/(short) provision for earlier years   | -             | -0.38           |
| <b>Net Profit After Tax</b>  | <b>-1.66</b>  | <b>-47.37</b>   |
| Profit/(Loss) from Discontinued operations   | -             | -               |
| Tax Expense of Discontinued operations   | -             | -               |
| Profit/(Loss) from Discontinued operations (after tax)   | -             | -               |
| Profit/(Loss) for the period   | <b>-1.66</b>  | <b>-47.37</b>   |
| Other Comprehensive Income   | -             | -               |
| - Items that will not be reclassified to profit or loss  | <b>-9.28</b>  | <b>-32.50</b>   |
| - Income tax relating to items that will not be reclassified to profit or loss                                     | -             | -               |
| Total Comprehensive income for the period (Comprising Profit (Loss) and Other Comprehensive Income for the period) | <b>-10.94</b> | <b>-79.87</b>   |
| Earnings per equity share (for continuing operation):  |               |                 |
| - Basic  | -0.02         | -0.57           |
| - Diluted  | -0.02         | -0.57           |

**Review of Operations**

During the year under review, the Company has posted total revenue of Rs. 825.25 lakhs as against Rs. 1287.58 lakhs for the corresponding previous year.

Further, the Company incurred Net Loss to the tune of Rs. 1.65 lakhs (before comprehensive income) as against Net Loss of Rs. 47.36 lakhs for the corresponding previous year.

**State of Affairs and Future Outlook**

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

**Dividend**

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

**Transfer to Reserves**

In lieu of losses, no amount can be transferred to reserve.

**Management Discussion and Analysis**

The Management Discussion and Analysis as required in terms of the Listing Regulations is annexed to the report as **Annexure I** and is incorporated herein by reference and forms an integral part of this report.

**Directors and Key Managerial Personnel**

At the 36<sup>th</sup> Annual General Meeting held on 27<sup>th</sup> September, 2017, Mrs. Usha Patel was re-appointed as the Director of the Company, who was liable to retire by rotation.

On the recommendations of the Nomination and Remuneration Committee, the Board appointed Mr. Tejas Vrujlal Adroja, as an Additional Director (Independent) of the Company with effect from August 11, 2018, in pursuant to section 161 of the Companies Act, 2013 read with Articles of Association of the Company and he will hold office upto ensuring Annual General Meeting.

The resolution for confirming the appointment of Mr. Tejas Vrujlal Adroja as an Independent Director, forms part of the Notice convening the Annual General Meeting ('AGM') scheduled to be held on September 28, 2018. We seek your support and hope you will enthusiastically vote in confirming his appointment to the Board.

Further, Mr. Rajesh Shah, Independent Director of the Company, has tendered his resignation from office of directorship of the Company *w.e.f. August 10, 2018*.

In accordance with section 152(6) of the Companies Act, 2013 and in terms of Articles of Association of the Company Mr. Deepak Upadhyay (DIN: 0227038), Managing Director of the Company, retires by rotation and being eligible; offers himself for re-appointment at the forthcoming 37<sup>th</sup> Annual General Meeting. The Board recommends the said reappointment for shareholders' approval.

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

Further, Pursuant to Section 203 of the Companies Act, 2013, the Key Managerial Personnel of the Company are:

| Sr. No. | Name of KMP         | Designation                              |
|---------|---------------------|--|
| 1.      | Mr. Deepak Upadhyay | Managing Director                        |
| 2.      | Mr. Roopesh Agrawal | Company Secretary and Compliance Officer |
| 3.      | Mr. Ashish Satani   | Chief Financial Officer                  |

During the year, there has been no change in the Key Managerial Personnel.

**Re-appointment of Independent Director**

At the 33<sup>rd</sup> Annual General Meeting of the Shareholders of the Company held on 25<sup>th</sup> September, 2014, had approved the appointment of Mr. Rajiv Shah as an Independent Director of the Company, whose term is due to expire on 31<sup>st</sup> March, 2019.

Further, as per Section 149(10) of the Companies Act, 2013, an Independent Director shall hold office for a term of upto five consecutive years on the Board of a Company, but shall be eligible for re-appointment on passing of special resolution by the Company for another term of five consecutive years on the Board of a Company.

In view of long, rich experience, continued valuable guidance to the management and based on his performance evaluation as an Independent Director, the Nomination and Remuneration Committee recommends to re-appointment him as an Independent Director on Board of the Company for second term as an Independent Director on the Board of the Company for a period of five years upto 31<sup>st</sup> March, 2024.

In the opinion of the Board, Mr. Rajiv Shah fulfills the conditions for appointment as Independent Directors as specified in the Act and the Listing Regulations; and Mr. Rajiv Shah is independent to the management.

The special resolution for re-appointment of Mr. Rajiv Shah as an Independent Director, forms part of the Notice convening the Annual General Meeting ('AGM') scheduled to be held on September 28, 2018. We seek your support and hope you will enthusiastically vote in confirming his appointment to the Board.

**Declaration by Independent Directors**

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

**Board Meetings**

Dates for Board Meetings are well decided in advance and communicated to the Board and the intervening gap between the meetings was within the period prescribed under the Companies Act, 2013 and the Listing Agreement. The information as required under Regulation 17(7) read with Schedule II Part A of the LODR is made available to the Board. The agenda and explanatory notes are sent to the Board in advance. The Board periodically reviews compliance reports of all laws applicable to the Company. The Board meets at least once a quarter to review the quarterly financial results and other items on the agenda and also on the occasion of the Annual General Meeting ('AGM') of the Shareholders. Additional meetings are held, when necessary.

Further, Committees of the Board usually meet on the same day of formal Board Meeting, or whenever the need arises for transacting business. The recommendations of the Committees are placed before the Board for necessary approval and noting.

During the year **05 (Five) Board Meetings** were held during the year ended 31<sup>st</sup> March, 2018, the dates which are 26<sup>th</sup> May, 2017, 09<sup>th</sup> August, 2017, 10<sup>th</sup> November, 2017, 08<sup>th</sup> December, 2017 and 31<sup>st</sup> January, 2018. The gap between any two Board meetings during this period did not exceed one hundred and twenty days.

Attendance details of Directors for the year ended March 31, 2018 are given below:

| <b>Name of the Directors</b>       | <b>Category</b>                | <b>No. of Board Meetings attended</b> |
|------------------------------------|--------------------------------|---------------------------------------|
| Mr. Rajiv Navinchandra Shah        | Chairman, Independent Director | 4                                     |
| Mr. Deepak Bhikhalal Upadhyay      | Managing Director              | 4                                     |
| Mr. Rajesh Jesinglal Shah          | Independent Director           | 2                                     |
| Mr. Savjibhai Doongarshibhai Patel | Non-Executive Director         | 4                                     |
| Mrs. Usha Savjibhai Patel          | Non-Executive Director         | 1                                     |

**Discussions with Independent Directors**

The Board's policy is to regularly have separate meetings with Independent Directors, to update them on all business related issues, new initiatives and changes in the industry specific market scenario. At such meetings, the Executive Directors and other Members of the Management make presentations on relevant issues.

**Board Evaluation**

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

**Composition of Audit Committee**

Your Company has formed an Audit Committee as per the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. All members of the Audit Committee possess strong knowledge of accounting and financial management.

During the Financial Year 2017-18, 4 (four) meetings of the Committee were held on, 26<sup>th</sup> May, 2017, 09<sup>th</sup> August, 2017, 10<sup>th</sup> November, 2017 and 31<sup>st</sup> January, 2018.

Details of the composition of the Committee and attendance during the year are as under:

| <b>Sr. No.</b> | <b>Name of Directors</b> | <b>Designation</b>             | <b>No. of Meetings Attended</b> |
|----------------|--------------------------|--------------------------------|---------------------------------|
| 1.             | Mr. Rajiv Shah           | Chairman, Independent Director | 04                              |
| 2.             | Mr. Rajesh Shah          | Member, Independent Director   | 02                              |
| 3.             | Mr. Savji Patel          | Member, Non-Executive Director | 04                              |

The primary objective of the Audit Committee is to monitor and provide an effective supervision of the Management's financial reporting process, to ensure accurate and timely disclosures, with the highest levels of transparency, integrity and quality of financial reporting. The Committee oversees the work carried out in the financial reporting process by the Management, the statutory auditor and notes the processes and safeguards employed by each of them.

Further, the Audit Committee is also functional as per the provision of Section 177 of Companies Act, 2013 and Rules made thereunder and as per Regulation 18 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**Composition of Nomination & Remuneration Committee**

Your Company has formed a Nomination & Remuneration Committee to lay down norms for determination of

## **SJ CORPORATION LIMITED**

---

remuneration of the executive as well as non-executive directors and executives at all levels of the Company. The Nomination & Remuneration committee has been assigned to approve and settle the remuneration package with optimum blending of monetary and non-monetary outlay.

During the Financial Year 2017-18, 4 (four) meetings of the Committee were held on, 26<sup>th</sup> May, 2017, 09<sup>th</sup> August, 2017, 10<sup>th</sup> November, 2017 and 31<sup>st</sup> January, 2018.

Details of the composition of the Committee and attendance during the year are as under:

| <b>Sr. No.</b> | <b>Name of Directors</b> | <b>Designation</b>             | <b>No. of Meetings Attended</b> |
|----------------|--------------------------|--------------------------------|---------------------------------|
| 1.             | Mr. Rajiv Shah           | Chairman, Independent Director | 04                              |
| 2.             | Mr. Rajesh Shah          | Member, Independent Director   | 02                              |
| 3.             | Mr. Savji Patel          | Member, Non-Executive Director | 04                              |

### **Nomination and Remuneration Policy**

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

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

During the year, there have been no changes to the Policy. The same is annexed to this report as **Annexure II** and is available on our website [www.sjcorp.in](http://www.sjcorp.in).

Details of remuneration paid to Directors and Key Managerial Personnel are as under:

| <b>Sr.No.</b> | <b>Name of Directors and KMP</b> | <b>Designation</b>      | <b>Remuneration per annum (Rs. in Lakhs)</b> |
|---------------|----------------------------------|-------------------------|--|
| 1             | Mr. Deepak Upadhyay              | Managing Director       | 3.60/-                                       |
| 2             | Mr. Roopesh Agrawal              | Company Secretary       | 1.44/-                                       |
| 3             | Mr. Ashish Satani                | Chief Financial Officer | 2.40/-                                       |

### **Composition of Stakeholders Relationship Committee**

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

The Company has not received any complaints from the investors during the financial year under review.

During the Financial Year 2017-18, 4 (four) meetings of the Committee were held on, 26<sup>th</sup> May, 2017, 09<sup>th</sup> August, 2017, 10<sup>th</sup> November, 2017 and 31<sup>st</sup> January, 2018.

Details of the composition of the Committee and attendance during the year are as under:

| <b>Sr. No.</b> | <b>Name of Directors</b> | <b>Designation</b>             | <b>No. of Meetings Attended</b> |
|----------------|--------------------------|--------------------------------|---------------------------------|
| 1.             | Mr. Rajiv Shah           | Chairman, Independent Director | 04                              |
| 2.             | Mr. Rajesh Shah          | Member, Independent Director   | 02                              |
| 3.             | Mr. Savji Patel          | Member, Non-Executive Director | 04                              |

### **Directors' Responsibility Statement**

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

- In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- the directors have taken proper and sufficient care for the maintenance of adequate accounting records in



accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

- (d) the directors have prepared the annual accounts on a going concern basis;
- (e) the directors have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- (f) the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

#### **Particulars of Employees and Related Disclosures**

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

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

Further, the names of top ten employees in terms of remuneration drawn are disclosed in **Annexure IV** and forms an integral part of this report.

#### **Extract of Annual Return:**

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

#### **Details of Subsidiary/Joint Ventures/Associate Companies**

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

#### **Statutory Auditors' and Auditors' Report**

At the 35<sup>th</sup> Annual General Meeting held on 24<sup>th</sup> September, 2016, M/s. SDBA & Co., Chartered Accountants, were appointed as Statutory Auditors of the Company to hold office till the conclusion of the Annual General Meeting to be held in financial year 2021.

Further, members of the Company at the Annual General Meeting ('AGM') held on September 27, 2017, ratify the appointment of M/s. SDBA & Co., Chartered Accountants, as the statutory auditors of the Company for financial year 2017-18.

In terms of the provisions relating to statutory auditors forming part of the Companies Amendment Act, 2017, notified on May 7, 2018, ratification of appointment of Statutory Auditors at every AGM is no more a legal requirement. However, pursuant to Ordinary Resolution passed at the 35<sup>th</sup> AGM, appointment shall subject to ratification at every annual general meeting.

Hence, the Notice convening the ensuing 37<sup>th</sup> AGM contained a resolution on ratification of appointment of Statutory Auditors. Further, M/s. SDBA & Co., Chartered Accountants, has confirmed that they are eligible to continue as Statutory Auditors of the Company to audit the books of accounts of the Company for the Financial Year ending March 31, 2019 and they will continue to be the Statutory Auditors of the Company for Financial Year ending March 31, 2021.

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

#### **Secretarial Audit**

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

#### **Internal Audit & Controls**

The Company has in place adequate internal financial controls with reference to the financial statement. The Audit Committee of the Board periodically reviews the internal control systems with the management, and Statutory Auditors.

Further, M/s. JD Pawar & Associates, Chartered Accountants, FRN: 141721W was appointed as Internal Auditor of the Company.

**Employees' Stock Option Plan**

The Company has not provided stock options to any employee.

**Vigil Mechanism**

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

**Risk Management Policy**

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

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

**Corporate Governance Report**

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

**Deposits**

The Company has neither accepted nor renewed any fixed deposits during the year under review under Section 76 of the Companies Act, 2013. There are no unclaimed deposits, unclaimed / unpaid interest, refunds due to the deposit holders or to be deposited to the Investor Education and Protection Fund as on March 31, 2018.

**Loans & Guarantees**

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

**Insurance**

The properties/assets of the Company are adequately insured.

**Related Party Transactions**

As no related party transaction was entered into by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons pursuant the provisions of Section 188(1) of the Companies Act, 2013 during the financial year 2017-18, the particulars as required in form AOC-2 have not been furnished.

**Conservation of Energy, Research and Development, Technology Absorption and Foreign Exchange**

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

**(a) Conservation of Energy:**

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

**(b) Absorption of Technology:**

I. The efforts made towards technology absorption:

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

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



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

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

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

- a) Better efficiency in operations,
- b) Reduced dependence on external sources for technology for developing new products and upgrading existing products,
- c) Expansion of product range and cost reduction,
- d) Greater precision,
- e) Retention of existing customers and expansion of customer base,
- f) Lower inventory stocks resulting in low carrying costs.

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

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

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

(Rs. in Lakhs)

| Particulars                 | F.Y 2017-2018 | F.Y 2016-2017 |
|-----------------------------|---------------|---------------|
| C.I.F. Value of Imports     | NIL           | 990.26/-      |
| Foreign travelling expenses | NIL           | 1.78/-        |
| F.O.B. Value of Exports     | 477.66/-      | 1267.38/-     |

**Transfer of Amounts to Investor Education and Protection Fund**

Pursuant to the provisions of the Companies Act, 2013 read with The Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended, ('Rules'), the dividends, unclaimed for a consecutive period of seven years from the date of transfer to the Unpaid Dividend Account of the Company are liable to be transferred to IEPF. Further, the shares (excluding the disputed cases having specific orders of the Court, Tribunal or any Statutory Authority restraining such transfer) pertaining to which dividend remains unclaimed for a period of continuous seven years from the date of transfer of the dividend to the unpaid dividend account are also mandatorily required to be transferred to the IEPF established by the Central Government. Accordingly, the Company has transferred eligible Shares to IEPF Demat Account maintained by the IEPF authority within statutory timelines.

The Company has sent individual communication to the concerned shareholders at their registered address, whose dividend remained unclaimed and whose shares were liable to be transferred to the IEPF by June 01, 2017. The communication was also published in national English and local Marathi newspapers.

Any person whose unclaimed dividend and shares pertaining thereto, matured deposits, matured debentures, application money due for refund, or interest thereon, sale proceeds of fractional shares, redemption proceeds of preference shares, amongst others has been transferred to the IEPF Fund can claim their due amount from the IEPF Authority by making an electronic application in e-form IEPF-5. Upon submitting a duly completed form, Shareholders are required to take a print of the same and send physical copy duly signed along with requisite documents as specified in the form to the attention of the Nodal Officer, at the Registered Office of the Company. The e-form can be downloaded from the website of Ministry of Corporate Affairs [www.iepf.gov.in](http://www.iepf.gov.in).

Dates of declaration of dividends since 2011-12 and the corresponding dates when unclaimed dividends are due to be transferred to the Central Government are given in the below table.

(Rs. in Lakhs)

| Financial Year Ended | Date of declaration of Dividend | Amount Remaining unclaimed/Unpaid as on 31.03.2018 (Rs.) | Last date for claiming unpaid dividend amount (before) | Last date for transfer to IEPF |
|----------------------|---------------------------------|--|--|--------------------------------|
| 31.03.2011           | 29.09.2011                      | 0.03   | 04.11.2018   | 03.12.2018                     |
| 31.03.2012           | 31.08.2012                      | 0.02   | 07.10.2019   | 06.11.2019                     |
| 31.03.2013           | 30.08.2013                      | 0.01   | 06.10.2020   | 05.11.2020                     |
| 31.03.2014           | 25.09.2014                      | 0.03   | 01.11.2021   | 01.12.2021                     |
| 31.03.2015           | 26.09.2015                      | 0.08   | 02.11.2022   | 02.12.2022                     |
| 31.03.2016           | 24.09.2016                      | 0.03   | 31.10.2023   | 31.11.2023                     |

Shareholders are requested to get in touch with the RTA for encashing the unclaimed dividend/interest/ principal amount, if any, standing to the credit of their account.

**Corporate Social Responsibility**

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

**Cost Audit**

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

**Obligation of Company under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013**

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment at workplace (Prevention, prohibition and Redressal) Act, 2013. All employees (permanent, contractual, temporary, trainees) are covered under this policy. During the year ended 31<sup>st</sup> March 2018, Company has not received any complaint of harassment.

**Listing with Stock Exchange**

The shares of the Company are listed on BSE only.

**Secretarial Standards**

The Company has in place proper systems to ensure compliance with the provisions of the applicable secretarial standards issued by The Institute of Company Secretaries of India and such systems are adequate and operating effectively.

**Significant and Material Orders passed by the Regulators or Courts or Tribunals**

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

Further, as on date of signing of this report, Regional Director, Western Region Bench, Mumbai, has issued an Order dated 12.07.2018 for Shifting of Registered Office of the Company from State of Maharashtra to State of Gujarat.

**Material Changes And Commitments Affecting The Financial Position Of The Company:**

There have been no material changes and commitments, affecting the financial position of the Company which have occurred between the end of the financial year of the company to which the financial statements relate and the date of the report.

**Acknowledgement**

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

**On behalf of the Board of Directors**

**Place: Mumbai  
Date: 11/08/2018**

**Rajiv Shah  
Chairman  
[DIN: 01765200]**

## Annexure – I

### Management Discussion and Analysis

#### **(I) INDUSTRY STRUCTURE AND DEVELOPMENT:**

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

Jewellery consumption in India has been traditionally driven by the strong cultural affinity for gold, with it being the preferred form of jewellery worn. Gold jewellery is an integral part of weddings in India, and is considered as a necessity, with wedding related demand accounting for substantial portion of overall jewellery demand, especially in the South. Jewellery demand has also been supported by the increasing appetite for gold jewellery from rural and non-urban markets. Gold has also served as a means of savings especially for the rural sector, owing to the lack of any major alternative investment options supported by its anti-inflationary characteristics. However, in the past few years the demand for diamond jewellery has also been showing an increasing trend, especially in the Metros and Tier I cities.

#### **(II) OPPORTUNITIES AND THREATS :**

Some of the opportunities for the retail jewellery industry are as follows: (a) Growing consciousness amongst customers for branded jewellery. (b) Limited penetration of organized jewellery in the country. (c) Increase in purchasing power of the customers in the Tier I & II locations. (d) Increasing demand for diamond jewellery, which is a high margin product as compared to the gold jewellery. (e) Favourable demographics leading to increasing demand for jewellery in the country. Some of the key challenges facing the retail jewellery industry are as follows: (a) Adapting to fast changing consumer preferences and buying patterns. (b) Volatility in the market prices of gold and diamonds. (c) Limited availability of high end retail space.

#### **(III) CAUTIONARY STATEMENT:**

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

## **Annexure - II**

### **Nomination and Remuneration Policy**

#### **CONSTITUTION OF COMMITTEE**

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

#### **OBJECTIVE**

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

The Key Objectives of the Committee would be:

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

#### **APPLICABILITY**

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

#### **DEFINITIONS:**

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

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

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

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

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

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

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

- Managing Director, or Executive Director or manager and in their absence, a whole- time director; (includes Executive Chairman)
- Company Secretary;

- Chief Financial Officer; and
- Such other officer as may be prescribed.

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

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

“**Senior Management**” Senior Management means personnel of the company who are members of its core management team excluding the Board of Directors. This would also include all members of management one level below the executive directors including all functional heads.

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

**ROLE AND POWER OF THE COMMITTEE:-**

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

The Committee shall:

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

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

(i). Appointment criteria and qualifications

- a. The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his / her appointment.
- b. A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.
- c. The Company shall not appoint or continue the employment of any person as Whole-time Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.

(ii). Term / Tenure

a. Managing Director/Whole-time Director:

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

b. Independent Director:

- An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.
- No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly. However, if a person who has already served as an Independent Director for 5 years or more in the Company as on October 1, 2014 or such other date as may be determined by the Committee as per regulatory requirement; he/ she shall be eligible for appointment for one more term of 5 years only.
- At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company or such other number as may be prescribed under the Act.

- c. Evaluation
  - The Committee shall carry out evaluation of performance of every Director, KMP and Senior Management Personnel at regular interval (yearly).
- d. Removal
  - Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, rules and regulations thereunder, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.
- e. Retirement
  - The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

*Policy relating to the Remuneration for the Whole-time Director, KMP and Senior Management Personnel*

- (i). General:
  - The remuneration / compensation / commission etc. to the Whole-time Director, KMP and Senior Management Personnel will be determined by the Committee and recommended to the Board for approval. The remuneration/ compensation / commission etc. shall be subject to the prior/post approval of the shareholders of the Company and Central Government, wherever required;
  - The remuneration and commission to be paid to the Whole-time Director shall be in accordance with the percentage / slabs / conditions laid down in the Articles of Association of the Company and as per the provisions of the Act;
  - Increments to the existing remuneration/ compensation structure may be recommended by the Committee to the Board which should be within the slabs approved by the Shareholders in the case of Whole-time Director;
  - Where any insurance is taken by the Company on behalf of its Whole-time Director, Chief Executive Officer, Chief Financial Officer, the Company Secretary and any other employees for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel. Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.
- (ii). Remuneration to Whole-time / Executive / Managing Director, KMP and Senior Management Personnel:
  - Fixed pay:  
The Whole-time Director/ KMP and Senior Management Personnel shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee. The breakup of the pay scale and quantum of perquisites including, employer's contribution to P.F, pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board/ the Person authorized by the Board on the recommendation of the Committee and approved by the shareholders and Central Government, wherever required.
  - Minimum Remuneration:  
If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Whole-time Director in accordance with the provisions of Schedule V of the Act and if it is not able to comply with such provisions, with the previous approval of the Central Government.
  - Provisions for excess remuneration:  
If any Whole-time Director draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Act or without the prior sanction of the Central Government, where required, he / she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government.
- (iii). Remuneration to Non- Executive / Independent Director:
  - Remuneration / Commission:  
The remuneration / commission shall be fixed as per the slabs and conditions mentioned in the Articles of Association of the Company and the Act.
  - Sitting Fees  
The Non- Executive / Independent Director may receive remuneration by way of fees for attending meetings



of Board or Committee thereof. Provided that the amount of such fees shall not exceed Rs. One Lac per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

- Commission:  
Commission may be paid within the monetary limit approved by shareholders, subject to the limit not exceeding 1% of the profits of the Company computed as per the applicable provisions of the Act.
- Stock Options:  
An Independent Director shall not be entitled to any stock option of the Company.

**MEMBERSHIP:-**

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

**CHAIRMAN:-**

- Chairman of the Committee shall be an Independent Director;
- Chairperson of the Company may be appointed as a member of the Committee but shall not be a Chairman of the Committee;
- In the absence of the Chairman, the members of the Committee present at the meeting shall choose one amongst them to act as Chairman;
- Chairman of the Nomination and Remuneration Committee meeting could be present at the Annual General Meeting or may nominate some other member to answer the shareholders' queries.

**FREQUENCY OF MEETINGS**

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

**COMMITTEE MEMBERS' INTERESTS**

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

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

**SECRETARY**

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

**VOTING**

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

**MINUTES OF COMMITTEE MEETING**

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

**IMPLEMENTATION**

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

**AMENDMENTS TO THE POLICY**

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

**AMENDMENTS IN THE LAW**

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

\*\*\*\*\*

## Annexure III

## Particulars of Remuneration

[Information required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016]

- i. The Ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2017-18; and
- ii. The percentage increase in remuneration of each Director, Managing Director, Chief Financial Officer and Company Secretary of the Company in the financial year 2017-18.

(Rs. in Lakhs)

| Name & Designation   | *Remuneration of each Director & KMP for Financial Year 2017-18(Rs.) | % increase/ decrease in remuneration in the Financial Year 2017-18 | Ratio of remuneration of each Directors to median remuneration of employees |
|--|--|--|---|
| A. Directors<br>Mr. Deepak Upadhyay (MD)   | 3.60/-   | Increase by 26.31%   | 3:2   |
| B. Key Managerial Personnel<br>Mr. Ashish Satani (CFO)<br>Mr. Roopesh Agrawal CS | 2.40/-<br>1.44/-   | Increase by 12.67%<br>-  | 1:1<br>-  |

Legends: MD - Managing Director, CFO - Chief Financial Officer; CS - Company Secretary.

Notes:

1. Median remuneration of all the employees of the Company for the financial year 2017-18 is Rs. 2,40,000/-.

- iii. The percentage increase in the median remuneration of employees in the financial year 2017-18

(Rs. in Lakhs)

| Particulars                          | Financial Year 2017-18 (Rs.) | Financial Year 2016-17 (Rs.) | Increase (%) |
|--------------------------------------|------------------------------|------------------------------|--------------|
| Median remuneration of all employees | 2.40                         | 0.96                         | 149.35       |

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

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

There were 4 permanent employees on the rolls of Company as on March 31, 2018.

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

Average percentile increase in the salaries of employee other than the MD in the Financial Year 2017-18 was 44.22% and there is 26.31% increase in the salary of the MD.

The average increase of 44.22% in the salaries of employees was in line with the market projection, the performance of the Company in the financial year 2017-18, the individual performance of the employees, the criticality of the roles they play and skills set they possess.

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

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

On behalf of the Board of Directors

Rajiv Shah  
Chairman  
[DIN: 01765200]

Place: Mumbai  
Date: 11/08/2018



**Annexure IV****Particulars of Remuneration**

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

(Rs. in Lakhs)

| Names of employees | Designation/<br>Nature of Duties  | Remuneration<br>Received [Rs.]<br>p.a. | Qualification | Experience<br>in years | Age in<br>years | Date of<br>commencement<br>of employment | Last<br>employment<br>held            | % of<br>share-<br>holding |
|--------------------|-----------------------------------|--|---------------|------------------------|-----------------|--|---------------------------------------|---------------------------|
| Deepak Upadhyay    | Managing Director                 | 3.36                                   | H.S.C         | 32                     | 58              | 23-07-2008                               | NIL                                   | NII                       |
| Vipul Vaghasiya    | Sr.Finance &<br>Account Executive | 5.40                                   | M.B.A         | 7                      | 30              | 17-10-2011                               | Nil                                   | NII                       |
| Ashish Satani      | C F O                             | 2.40                                   | B.Com.        | 5                      | 24              | 12-07-2015                               | S.V.Marathe<br>& Associates           | NII                       |
| Roopesh Agrawal    | CS & Compliance<br>Officer        | 1.44                                   | C.S.          | 5                      | 39              | 31-03-2015                               | Inam Commercial<br>Enterprise Pvt Ltd | NII                       |
| Manish Lodaliya    | Executive                         | 3.36                                   | B.Com         | 6                      | 28              | 01-01-2016                               | Abhinandan Export                     | NII                       |

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

**On behalf of the Board of Directors**

**Rajiv shah**  
**Chairman**  
**[DIN: 01765200]**

**Place: Mumbai**  
**Date: 11/08/2018**

**Annexure V**

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

**As on financial year ended on 31-03-2018**

**[Pursuant to Section 92 (3) of the Companies Act, 2013 read with The Companies (Management & Administration) Rules, 2014]**

**I. REGISTRATION AND OTHER DETAILS:**

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

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

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

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

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES :**

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

## IV. SHARE HOLDING PATTERN

### (i) Category-wise Share Holding

| Category of shareholders  | No. of Shares held at the beginning of the year [As on 01-04-2017] |              |                |                   | No. of Shares held at the end of the year [As on 31-03-2018] |              |                |                   | % of Change during the year |
|---|--|--------------|----------------|-------------------|--|--------------|----------------|-------------------|-----------------------------|
|   | Demat  | Physical     | Total          | % of total shares | Demat  | Physical     | Total          | % of total shares |                             |
| <b>A. Promoters</b>   |  |              |                |                   |  |              |                |                   |                             |
| (1) Indian  |  |              |                |                   |  |              |                |                   |                             |
| a) Individual   | 5920000  | 0            | 5920000        | 70.856            | 5920000  | 0            | 5920000        | 70.856            | 0.00                        |
| b) Central Govt   | 0  | 0            | 0              | 0.00              | 0  | 0            | 0              | 0.00              | 0.00                        |
| c) State Govt(s)  | 0  | 0            | 0              | 0.00              | 0  | 0            | 0              | 0.00              | 0.00                        |
| d) Bodies Corp.   | 0  | 0            | 0              | 0.00              | 0  | 0            | 0              | 0.00              | 0.00                        |
| e) BANKS / FI   | 0  | 0            | 0              | 0.00              | 0  | 0            | 0              | 0.00              | 0.00                        |
| f) Any Other  | 0  | 0            | 0              | 0.00              | 0  | 0            | 0              | 0.00              | 0.00                        |
| <b>Sub-total (A) (1):-</b>  | <b>5920000</b>   | <b>0</b>     | <b>5920000</b> | <b>70.856</b>     | <b>5920000</b>   | <b>0</b>     | <b>5920000</b> | <b>70.856</b>     | <b>0.00</b>                 |
| (2). FOREIGN  |  |              |                |                   |  |              |                |                   |                             |
| (a). Individual NRI / For Ind   | 0  | 0            | 0              | 0.00              | 0  | 0            | 0              | 0.00              | 0.00                        |
| (b). Other Individual   | 0  | 0            | 0              | 0.00              | 0  | 0            | 0              | 0.00              | 0.00                        |
| (c). Bodies Corporates  | 0  | 0            | 0              | 0.00              | 0  | 0            | 0              | 0.00              | 0.00                        |
| (d). Banks / FI   | 0  | 0            | 0              | 0.00              | 0  | 0            | 0              | 0.00              | 0.00                        |
| (e). Qualified Foreign Investor   | 0  | 0            | 0              | 0.00              | 0  | 0            | 0              | 0.00              | 0.00                        |
| (f). Any Other Specify  | 0  | 0            | 0              | 0.00              | 0  | 0            | 0              | 0.00              | 0.00                        |
| <b>Sub-total (A) (2):-</b>  | <b>0</b>   | <b>0</b>     | <b>0</b>       | <b>0.00</b>       | <b>0</b>   | <b>0</b>     | <b>0</b>       | <b>0.00</b>       | <b>0.00</b>                 |
| <b>Total shareholding of Promoter (A)=(A)(1)+(A)(2)</b>                           | <b>5920000</b>   | <b>0</b>     | <b>5920000</b> | <b>70.856</b>     | <b>5920000</b>   | <b>0</b>     | <b>5920000</b> | <b>70.856</b>     | <b>0.00</b>                 |
| <b>(B) (1). PUBLIC SHAREHOLDING</b>   |  |              |                |                   |  |              |                |                   |                             |
| (a). Mutual Funds   | 0  | 0            | 0              | 0.00              | 0  | 0            | 0              | 0.00              | 0.00                        |
| (b). Banks / FI   | 0  | 0            | 0              | 0.00              | 0  | 0            | 0              | 0.00              | 0.00                        |
| (c). Central Govt.  | 0  | 0            | 0              | 0.00              | 906  | 0            | 906            | 0.011             | 0.011                       |
| (d). State Govt.  | 0  | 0            | 0              | 0.00              | 0  | 0            | 0              | 0.00              | 0.00                        |
| (e). Venture Capital Funds  | 0  | 0            | 0              | 0.00              | 0  | 0            | 0              | 0.00              | 0.00                        |
| (f). Insurance Companies  | 0  | 0            | 0              | 0.00              | 0  | 0            | 0              | 0.00              | 0.00                        |
| (g). FIs  | 0  | 0            | 0              | 0.00              | 0  | 0            | 0              | 0.00              | 0.00                        |
| (h). Foreign Venture Capital Funds  | 0  | 0            | 0              | 0.00              | 0  | 0            | 0              | 0.00              | 0.00                        |
| (i). Others (specify)   | 0  | 0            | 0              | 0.00              | 0  | 0            | 0              | 0.00              | 0.00                        |
| <b>Sub-total (B)(1):-</b>   | <b>0</b>   | <b>0</b>     | <b>0</b>       | <b>0.00</b>       | <b>906</b>   | <b>0</b>     | <b>906</b>     | <b>0.011</b>      | <b>0.011</b>                |
| <b>2. Non-Institutions</b>  |  |              |                |                   |  |              |                |                   |                             |
| <b>(a). BODIES CORP.</b>  |  |              |                |                   |  |              |                |                   |                             |
| (i). Indian   | 15419  | 0            | 15419          | 0.185             | 15634  | 0            | 15634          | 0.187             | 0.002                       |
| (ii). Overseas  |  | 0            |                |                   |  | 0            |                |                   | 0.000                       |
| <b>(b). Individuals</b>   |  |              |                |                   |  |              |                |                   |                             |
| (i) Individual shareholders holding nominal share capital upto Rs.1 lakh          | 825296   | 50000        | 875296         | 10.476            | 834163   | 40000        | 874163         | 10.463            | -0.013                      |
| (ii) Individual shareholders holding nominal share capital in excess of Rs.1 lakh | 1541780  | 0            | 1541780        | 18.453            | 1541780  | 0            | 1541780        | 18.453            | 0.00                        |
| <b>(c). Other (specify)</b>   |  |              |                |                   |  |              |                |                   |                             |
| Non Resident Indians  | 1468   | 0            | 1468           | 0.018             | 1285   | 0            | 1285           | 0.015             | -0.003                      |
| Overseas Corporate Bodies   |  |              | 0              |                   |  |              | 0              |                   | 0                           |
| Foreign Nationals   |  |              | 0              |                   |  |              | 0              |                   | 0                           |
| Clearing Members  | 1037   | 0            | 1037           | 0.012             | 1232   | 0            | 1232           | 0.015             | 0.003                       |
| Trusts  |  |              | 0              |                   |  |              | 0              |                   | 0                           |
| Foreign Boddies - D R   |  |              | 0              |                   |  |              | 0              |                   | 0                           |
| <b>Sub-total (B)(2):-</b>   | <b>2385000</b>   | <b>50000</b> | <b>2435000</b> | <b>29.144</b>     | <b>2394094</b>   | <b>40000</b> | <b>2434094</b> | <b>29.133</b>     | <b>-0.011</b>               |
| <b>Total Public Shareholding (B)=(B)(1)+(B)(2)</b>                                | <b>2385000</b>   | <b>50000</b> | <b>2435000</b> | <b>29.144</b>     | <b>2395000</b>   | <b>40000</b> | <b>2435000</b> | <b>29.144</b>     | <b>0</b>                    |
| <b>C. Shares held by Custodian for GDRs &amp; ADRs</b>                            |  | <b>0</b>     |                |                   |  | <b>0</b>     |                |                   | <b>0.00</b>                 |
| <b>Grand Total (A+B+C)</b>  | <b>8305000</b>   | <b>50000</b> | <b>8355000</b> | <b>100.00</b>     | <b>8315000</b>   | <b>40000</b> | <b>8355000</b> | <b>100.00</b>     | <b>0.00</b>                 |

**(ii) Shareholding of Promoter-**

| Sr. No. | Shareholder's name | Shareholding at the beginning of the year |                                  |  | Shareholding at the end of the year |                                  |  | % Change in share holding during the year |
|---------|--------------------|---|----------------------------------|--|-------------------------------------|----------------------------------|--|---|
|         |                    | No. of shares                             | % of total Shares Of the Company | % of shares pledged/ encumbered To total shares* | No. of shares                       | % of total Shares Of the Company | % of shares pledged/ encumbered To total shares* |   |
| 1       | Savji D Patel      | 31,24,000                                 | 37.391                           | 0.00   | 31,24,000                           | 37.391                           | 0.00   | 0.00                                      |
| 2       | Usha S Patel       | 27,96,000                                 | 33.465                           | 0.00   | 27,96,000                           | 33.465                           | 0.00   | 0.00                                      |

**(iii) Change in Promoters' Shareholding**

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

**(iv) Shareholding Pattern of top ten Shareholders:**

(Other than Directors, Promoters and Holders of GDRs and ADRs) - NOT APPLICABLE

| Sl. No. | Particulars                        | Shareholding at the beginning of the year |                                  | Cumulative Shareholding during the year |                                  |
|---------|------------------------------------|---|----------------------------------|---|----------------------------------|
|         |                                    | No. of shares                             | % of total shares of the company | No. of shares                           | % of total shares of the company |
| 1       | <b>Dharmishta Rameshbhai Patel</b> |   |                                  |   |                                  |
|         | At the beginning of the year       | 396,200.00                                | 4.742                            | 396,200.00                              | 4.742                            |
|         | Changes on-                        | -   | -                                | -                                       | -                                |
|         | At the End of the year             | 396,200.00                                | 4.742                            | 396,200.00                              | 4.742                            |
| 2       | <b>RESHMA R PATEL</b>              |   |                                  |   |                                  |
|         | At the beginning of the year       | 394,000.00                                | 4.716                            | 394,000.00                              | 4.716                            |
|         | Changes on-                        | -   | -                                | -                                       | -                                |
|         | At the End of the year             | 394,000.00                                | 4.716                            | 394,000.00                              | 4.716                            |
| 3       | <b>RAMESH DHANJIBHAI PATEL</b>     |   |                                  |   |                                  |
|         | At the beginning of the year       | 391,580.00                                | 4.687                            | 391,580.00                              | 4.687                            |
|         | Changes on-                        | -   | -                                | -                                       | -                                |
|         | At the End of the year             | 391,580.00                                | 4.687                            | 391,580.00                              | 4.687                            |
| 4       | <b>VASANTBEN LALJI CHANCHPARA</b>  |   |                                  |   |                                  |
|         | At the beginning of the year       | 124,000.00                                | 1.484                            | 124,000.00                              | 1.484                            |
|         | Changes on-                        | -   | -                                | -                                       | -                                |
|         | At the End of the year             | 124,000.00                                | 1.484                            | 124,000.00                              | 1.484                            |

|    |  |            |       |            |       |
|----|--|------------|-------|------------|-------|
| 5  | <b>PRITESH LALJIBHAI CHANCHPARA</b>    |            |       |            |       |
|    | At the beginning of the year           | 120,000.00 | 1.436 | 120,000.00 | 1.436 |
|    | Changes on-<br>At the End of the year  | 120,000.00 | 1.436 | 120,000.00 | 1.436 |
| 6  | <b>LALJIBHAI CHANCHPARA</b>            |            |       |            |       |
|    | At the beginning of the year           | 116,000.00 | 1.388 | 116,000.00 | 1.388 |
|    | Changes on-<br>At the End of the year  | 116,000.00 | 1.388 | 116,000.00 | 1.388 |
| 7  | <b>SHANTIBHAI MANJIBHAI CHANCHPARA</b> |            |       |            |       |
|    | At the beginning of the year           | 82,248.00  | 0.984 | 82,248.00  | 0.984 |
|    | Changes on-<br>At the End of the year  | 82,248.00  | 0.984 | 82,248.00  | 0.984 |
| 8  | <b>BHARAT H GABANI</b>                 |            |       |            |       |
|    | At the beginning of the year           | 62,000.00  | 0.742 | 62,000.00  | 0.742 |
|    | Changes on-<br>At the End of the year  | 62,000.00  | 0.742 | 62,000.00  | 0.742 |
| 9  | <b>KALYANBHAI JIVRAJBHAI JIVANI</b>    |            |       |            |       |
|    | At the beginning of the year           | 35,000.00  | 0.419 | 35,000.00  | 0.419 |
|    | Changes on-<br>At the End of the year  | 35,000.00  | 0.419 | 35,000.00  | 0.419 |
| 10 | <b>UMESH H PATEL</b>                   |            |       |            |       |
|    | At the beginning of the year           | 32,000.00  | 0.383 | 32,000.00  | 0.383 |
|    | Changes on<br>At the End of the year   | 32,000.00  | 0.383 | 32,000.00  | 0.383 |

(v) Shareholding of Directors and Key Managerial Personnel:

| Sl. No. | Shareholding of each Directors and each Key Managerial Personnel  | Shareholding at the beginning of the year |                                  | Cumulative Shareholding during the year |                                  |
|---------|---|---|----------------------------------|---|----------------------------------|
|         |   | No. of shares                             | % of total shares of the company | No. of shares                           | % of total shares of the company |
| 1       | <b>Mr. Savji Patel</b>  |   |                                  |   |                                  |
|         | At the beginning of the year  | 31,24,000                                 | 37.391                           | 31,24,000                               | 37.391                           |
|         | Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.): | -   | -                                | -                                       | -                                |
|         | At the end of the year  | 31,24,000                                 | 37.391                           | 31,24,000                               | 37.391                           |
| 2       | <b>Mrs. Usha S Patel</b>  |   |                                  |   |                                  |
|         | At the beginning of the year  | 27,96,000                                 | 33.465                           | 27,96,000                               | 33.465                           |
|         | Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.): | -   | -                                | -                                       | -                                |
|         | At the end of the year  | 27,96,000                                 | 33.465                           | 27,96,000                               | 33.465                           |

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

(Rs. in Lakhs)

|  | Secured Loans<br>excluding deposits | Unsecured<br>Loans | Deposits | Total<br>Indebtedness |
|--|-------------------------------------|--------------------|----------|-----------------------|
| <b>Indebtedness at the beginning of the financial year</b> |                                     |                    |          |                       |
| i) Principal Amount  | 73.28                               | -                  | -        | 73.28                 |
| ii) Interest due but not paid                              | -                                   | -                  | -        | -                     |
| iii) Interest accrued but not due                          | -                                   | -                  | -        | -                     |
| <b>TOTAL(i+ii+iii)</b>                                     | <b>73.28</b>                        | <b>-</b>           | <b>-</b> | <b>73.28</b>          |
| <b>Change in Indebtedness during the Financial year</b>    |                                     |                    |          |                       |
| Addition*  | -                                   | -                  | -        | -                     |
| Reduction**  | 73.28                               | -                  | -        | 73.28                 |
| <b>Net Change</b>  | <b>(73.28)</b>                      | <b>-</b>           | <b>-</b> | <b>(73.28)</b>        |
| <b>Indebtedness at the end of the financial year</b>       |                                     |                    |          |                       |
| i) Principal Amount  | -                                   | -                  | -        | -                     |
| ii) Interest due but not paid                              | -                                   | -                  | -        | -                     |
| iii) Interest accrued but not due                          | -                                   | -                  | -        | -                     |
| <b>TOTAL(i+ii+iii)</b>                                     | <b>-</b>                            | <b>-</b>           | <b>-</b> | <b>-</b>              |

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-**
**A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

(Rs. in Lakhs)

| Sr. No.                       | Particulars of Remuneration  | Name of MD / WTD/Manager  |          | Total Amount |
|-------------------------------|--|---|----------|--------------|
|                               |  | Mr. Deepak Upadhyay   |          |              |
| 1                             | Gross salary   |   |          |              |
|                               | a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | 3.60  | -        | -            |
|                               | b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961                      | -   | -        | -            |
|                               | c) Profits in lieu of salary under section 17(3) of the Income-tax Act, 1961       | -   | -        | -            |
| 2                             | Stock Option   | -   | -        | -            |
| 3                             | Sweat Equity   | -   | -        | -            |
| 4                             | Commission   | -   | -        | -            |
|                               | - as % of profit   |   |          |              |
|                               | - others   |   |          |              |
| 5                             | Others   |   |          |              |
|                               | <b>TOTAL(A)</b>  | <b>3.60</b>   | <b>-</b> | <b>-</b>     |
| <b>Ceiling as per the Act</b> |  | <i>The Remuneration paid to Managing Director and Whole-time Director is within the ceiling prescribed under the Companies Act, 2013.</i> |          |              |

**B. Remuneration to other Directors:**

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

NONE

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

(Rs. in Lakhs)

| Sr. No. | Particulars of Remuneration   | Key Managerial Personnel |             |             | Total       |
|---------|---|--------------------------|-------------|-------------|-------------|
|         |   | CEO                      | CS          | CFO         |             |
| 1       | Gross salary<br>a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961<br>b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961<br>c) Profits in lieu of salary under section 17(3) of the Income-tax Act, 1961 | -                        | 1.44        | 2.40        | 3.84        |
| 2       | Stock Option  | -                        | -           | -           | -           |
| 3       | Sweat Equity  | -                        | -           | -           | -           |
| 4       | Commission<br>- as % of profit<br>- Others, please specify  | -                        | -           | -           | -           |
| 5       | Others, please specify  | -                        | -           | -           | -           |
|         | <b>TOTAL</b>  |                          | <b>1.44</b> | <b>2.40</b> | <b>3.84</b> |

**VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES**

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

For and on behalf of the board of directors  
SJ Corporation Limited

Rajiv Shah  
Chairman  
DIN: 01765200

Deepak Upadhyay  
Managing Director  
DIN: 02270389

Date: 31st March, 2018

**ANNEXURE V**  
**SECRETARIAL AUDIT REPORT**  
**For the financial year ended March 31, 2018**

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

To

**The Members**

**SJ CORPORATION LIMITED**

311, 03<sup>rd</sup> Floor, Laxmi Enclave, Gajera School Road,  
Katargam, Surat - 395 004, Gujarat, India.

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

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31<sup>st</sup> March 2018 ('Audit Period') complied with the statutory provisions listed hereunder and subject to the observations mentioned in this report, the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March 2018 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under as amended;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under as amended;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under as amended;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings (*to the extent as may be applicable to the Company*);
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2015 (Not Applicable to the Company during the Audit Period);
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (Not Applicable to the Company during the Audit Period);
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not Applicable to the Company during the Audit Period);
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not Applicable to the Company during the Audit Period);and
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (Not Applicable to the Company during the Audit Period);
- (vi) Other laws applicable specifically to the Company, namely:
  - (a) Special Economic Zones Act, 2005 read with Special Economic Zone Rules, 2006.

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

- (a) Secretarial Standards issued by The Institute of Company Secretaries of India
- (b) The Listing Agreement entered into by the Company with the Stock Exchanges viz BSE Ltd (BSE) with SEBI



(Listing Obligations and Disclosure Requirements) Regulations, 2015 as applicable for respective periods. During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

**I further report that:**

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There were no changes in the composition of the Board of Directors during the period under review.
- Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- All the decisions at the Board Meetings and the Committee Meetings were carried out unanimously as recorded in the minutes of the Board of Directors and minutes of the Committee Meetings as the case may be.

**I further report that:**

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

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

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

**Place: Mumbai  
Date: 11/08/2018**

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

---

**ANNEXURE TO THE SECRETARIAL AUDIT REPORT**

To  
**The Members  
SJ CORPORATION LIMITED**

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

1. Maintenance of Secretarial/ Statutory Records is the responsibility of the Management of the Company. My responsibility is to express an opinion on these records based on the audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial Records.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required I have obtained the Management representation about the compliance of laws, rules and regulations and happenings of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standard is the responsibility of management. My examination is limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

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

**Place: Mumbai  
Date: 11/08/2018**

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

## **INDEPENDENT AUDITOR'S REPORT**

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

### **Report on the Standalone Financial Statements**

1. We have audited the accompanying standalone financial statements of **SJ Corporation Limited** ("the Company") which comprise of the Balance Sheet as at 31 March, 2018, the Statement of Profit and Loss, (including other comprehensive income), the statement of Changes in Equity and the Statement of Cash Flow for the year then ended and a summary of significant accounting policies and other explanatory information.

### **Management's Responsibility for the standalone Financial Statements**

2. The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, including other comprehensive income, cash flows and change in equity of the Company in accordance with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India.
3. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding the assets of the Company and for preventing and detecting the frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

4. Our responsibility is to express an opinion on these financial statements based on our audit.
5. In conducting our audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the auditor report under the provisions of the Act, and the Rules made thereunder and the Order issued under section 143(11) of the Act.
6. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards & pronouncements 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.
7. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's directors, as well as evaluating the overall presentation of the financial statements.
8. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

### **Opinion**

9. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required, give a true and fair view in conformity with the accounting principles generally accepted in India :
  - a) In the case of the balance sheet, of the state of affairs of the company as at March 31, 2018;
  - b) In the case of the Statement of Profit and Loss, of the loss for the year ended on that date;
  - c) In the case of Other Comprehensive Income, changes in total comprehensive income for the year ended on that date;
  - d) In the case of changes in equity, changes in equity for the year ended on that date: and
  - e) 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**

- 10 As required by section 143(3) of the Act, we report that:
  - a. We have sought and obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of our audit;

- b. In our opinion, proper books of account as required by the law have been kept by the company so far as appears from our examination of those books.
  - c. The Balance Sheet, the Statement of Profit & Loss including other comprehensive income, Statement of Changes in Equity and the Statement Cash Flow dealt with by this report are in agreement with the books of account;
  - d. In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under section 133 of the Act.
  - e. On the basis of the written representations received from the directors as on 31st March, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.
  - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure 'A'. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the company's internal financial controls over financial reporting.
  - g. With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit & Auditors) Rules, 2014 as amended, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements;
    - ii. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses;
    - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended 31st March, 2018.
11. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), as amended issued by the Central Government of India in terms of sub-section 11 of section 143 of the Act (here-in-after referred to as the 'Order') and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure 'B' a statement on the matters specified in paragraphs 3 and 4 of the Order.

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

**(SANJEEV A MEHTA)**  
Partner  
M. No : 041287

Mumbai  
May 25, 2018

---

### **Annexure 'A' to the Independent Auditor's Report**

**Referred to in paragraph 10(f) of the independent Auditors' Report of even date to the members of SJ corporation Limited on the standalone financial statements for the year ended March 31, 2018.**

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

1. We have audited the internal financial controls over financial reporting of SJ Corporation Limited ("the Company") as of March 31, 2018 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

2. The Company's management is responsible for establishing and maintaining internal financial controls based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India". These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditors' Responsibility**

3. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial

Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

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

6. A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

**Limitations of Internal Financial Controls Over Financial Reporting**

7. Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

8. In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India".

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

**(SANJEEV A MEHTA)**  
Partner  
M. No : 041287

Mumbai  
May 25, 2018

---

**Annexure 'B' to the Independent Auditors' Report**

**Referred to in paragraph 11 of the Independent Auditors Report of even date to the members of SJ Corporation Limited on the standalone financial statements of the Company for the year ended March 31, 2018:**

- 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 programmed of verification which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such verification.  
c. The title deeds of immovable proerties, as disclosed in the Note 2 on fixed assets to the financial statements, are held in the name of the company except least hold land at Special Economic Zone, Sachin, Surat which has been taken on lease from DGDC, SEZ, Surat for a period of 15 years.
- ii. a. The inventory has been physically verified during the year by the management. In our opinion, the frequency

- of verification is reasonable.
- b. The discrepancies noticed on physical verification of the inventory as compared to books records which has been properly dealt with in the books of account were not material.
- iii. The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (C) of the Order are not applicable to the Company and hence not commented upon.
- iv. In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 In respect of loans, investments, guarantees, and security.
- v. The Company has not accept any deposit from the public within the meaning of section 73,74,75 and 76 of the Act and the Rules framed there under to the extent notified.
- vi. We have broadly reviewed the books of account maintained by the Company pursuant to the Rule made by the Central Government for maintenance of cost records under section 148(1) of the Companies Act, 2013 and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we are not required to carry out and have not carried out a detailed examination of the records with a view to determine whether they are accurate or complete.
- vii. a. According to the information and explanation given to us and the records of the company examined by us, in our opinion, the company is generally regular in depositing the undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax, goods and service tax, duty of customs, duty of excise, Value added tax, cess and any other statutory dues, as applicable, with the appropriate authorities, though there has been a slight delay in few cases.
- b. As per records of the company and in accordance with the information and explanation given to us, there are no dues of sales tax, income tax, custom duty, goods and service tax, excise duty and cess which have not been deposited on account of any dispute.
- viii. According to the records of the company examined by us and the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks. The Company has not taken any loan either from financial institutions or from the government and has not issued any debentures.
- ix. Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon.
- x. Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.
- xi. Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act;
- xii. In our opinion, the Company is not a Nidhi Company and hence, reporting under clause 4 (xii) of the Order is not applicable to the Company.
- xiii. In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
- xiv. Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company.
- xv. Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company.
- xvi. In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

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

**(SANJEEV A MEHTA)**  
Partner  
M. No : 041287

Mumbai  
May 25, 2018

**BALANCE SHEET AS AT 31ST MARCH, 2018**

|   | Notes | As at<br>31.03.2018<br>Rs. | As at<br>31.03.2017<br>Rs. | (Rs. In Lakhs)<br>As at<br>01.04.2016<br>Rs. |
|---|-------|----------------------------|----------------------------|--|
| <b>I. ASSETS</b>                              |       |                            |                            |  |
| <b>1. NON-CURRENT ASSETS</b>                  |       |                            |                            |  |
| a. Property, Plant and Equipment              | 2     | 28.18                      | 31.27                      | 38.01  |
| b. Capital Work in Progress                   |       | -                          | -                          | -  |
| c. Investment in Property                     | 3     | 70.46                      | 70.46                      | 70.46  |
| d. Goodwill                                   |       | -                          | -                          | -  |
| e. Other Intangible assets                    |       | -                          | -                          | -  |
| f. Intangible assets under development        |       | -                          | -                          | -  |
| g. Biological assets other than bearer plants |       | -                          | -                          | -  |
| h. <u>Financial Assets</u>                    |       |                            |                            |  |
| i. Investments                                | 4     | 142.10                     | 152.05                     | 178.66                                       |
| ii. Trade Receivable                          |       | -                          | -                          | -  |
| iii. Loans                                    | 5     | 162.94                     | -                          | -  |
| iv. Others                                    | 6     | 0.87                       | 0.62                       | 0.62   |
| f. Deferred Tax Assets                        | 7     | 17.52                      | 2.64                       | 2.23   |
| e. Other Non-Current Assets                   |       | -                          | -                          | -  |
|   |       | <b>422.07</b>              | <b>257.04</b>              | <b>289.98</b>                                |
| <b>2. CURRENT ASSETS</b>                      |       |                            |                            |  |
| a. Inventories                                | 8     | -                          | 492.47                     | 740.14                                       |
| b. <u>Financial Assets</u>                    |       |                            |                            |  |
| i. Investments                                |       | -                          | -                          | -  |
| ii. Trade Receivable                          | 9     | 333.68                     | 195.64                     | 1,214.10                                     |
| iii. Cash & Cash equivalents                  | 10    | 95.80                      | 5.17                       | 7.04   |
| iv. Bank Balance other than (iii) above       |       | -                          | -                          | -  |
| v. Loans                                      |       | -                          | -                          | -  |
| vi. Others                                    | 11    | 4.19                       | 0.19                       | 5.42   |
| c. Current Tax Assets (Net)                   | 12    | 1.32                       | 0.38                       | 9.10   |
| d. Other Current Assets                       | 13    | 1.62                       | 0.55                       | 3.05   |
|   |       | <b>436.61</b>              | <b>694.40</b>              | <b>1,978.85</b>                              |
| <b>TOTAL ASSETS</b>                           |       | <b>858.68</b>              | <b>951.44</b>              | <b>2,268.83</b>                              |
| <b>II. EQUITY AND LIABILITIES</b>             |       |                            |                            |  |
| <b>EQUITY</b>                                 |       |                            |                            |  |
| a. Equity Share Capital                       | 14    | 83.55                      | 83.55                      | 83.55  |
| b. Other equity                               | 15    | 772.27                     | 783.21                     | 868.11                                       |
|   |       | <b>855.82</b>              | <b>866.76</b>              | <b>951.66</b>                                |
| <b>LIABILITIES</b>                            |       |                            |                            |  |
| <b>1. Non Current Liabilities</b>             |       |                            |                            |  |
| a. <u>Financial Liabilities</u>               |       |                            |                            |  |
| i. Borrowings                                 |       | -                          | -                          | -  |
| ii. Trade Payables                            |       | -                          | -                          | -  |
| iii. Other Financial liabilities              |       | -                          | -                          | -  |
| b. Provisions                                 |       | -                          | -                          | -  |
| c. Deferred tax liabilities (Net)             |       | -                          | -                          | -  |
| d. Other non-current liabilities              |       | -                          | -                          | -  |
| <b>2. Current Liabilities</b>                 |       |                            |                            |  |
| a. <u>Financial Liabilities</u>               |       |                            |                            |  |
| i. Borrowing                                  | 16    | -                          | 73.29                      | 982.23                                       |
| ii. Trade Payables                            | 17    | -                          | -                          | 323.03                                       |
| iii. Other Financial liabilities              | 18    | 2.16                       | 9.44                       | 9.89   |
| b. Other Current Liabilities                  | 19    | 0.70                       | 0.10                       | 0.17   |
| c. Provision                                  | 20    | -                          | 1.85                       | 1.85   |
| d. Current tax liabilities (Net)              |       | -                          | -                          | -  |
|   |       | <b>2.86</b>                | <b>84.68</b>               | <b>1,317.17</b>                              |
|   |       | <b>2.86</b>                | <b>84.68</b>               | <b>1,317.17</b>                              |
| <b>TOTAL</b>                                  |       | <b>858.68</b>              | <b>951.44</b>              | <b>2,268.83</b>                              |
| Significant Accounting Policies               | 1     | -                          | -                          | -  |

Notes are an integral part of the financial statements

In terms of our report of even date.

For & on behalf of Board of Directors

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

**(SANJEEV A. MEHTA)**  
Partner  
M. No. 041287

Mumbai  
May 25, 2018

**DEEPAK UPADHYAY**  
**SAVJI D. PATEL**  
**ROOPESH AGRAWAL**  
**ASHISH SATANI**

Mumbai  
May 25, 2018

**MANAGING DIRECTOR** (DIN: 02270389)  
**DIRECTOR** (DIN: 01671461)  
**COMPANY SECRETARY**  
**CFO**



## STATEMENT OF PROFIT &amp; LOSS FOR THE PERIOD ENDED 31ST MARCH, 2018

|        |  | (Rs. In Lakhs)             |                            |
|--------|--|----------------------------|----------------------------|
|        |  | As at<br>31.03.2018<br>Rs. | As at<br>31.03.2017<br>Rs. |
| I.     | Revenue from operations  | 21                         | 803.46                     |
| II.    | Other Income   | 22                         | 21.79                      |
| III.   | <b>Total Revenue (I + II)</b>  | <b>825.25</b>              | <b>1,287.58</b>            |
| IV.    | <b>EXPENSES</b>  |                            |                            |
|        | Cost of Materials Consumed   | 23                         | -                          |
|        | Purchases of Stock-in-trade  |                            | 1,719.26                   |
|        | Changes in inventories of finished goods,<br>Stock-in-trade and Work-in-progress   | 24                         | 315.61                     |
|        | Employee Benefit Expense   | 25                         | 483.94                     |
|        | Finance Cost   | 26                         | (483.94)                   |
|        | Depreciation and amortization expense  | 2                          | 16.50                      |
|        | Other Expenses   | 27                         | 26.23                      |
|        | <b>Total Expenses (IV)</b>   | <b>841.77</b>              | <b>1,334.98</b>            |
| V.     | <b>Profit/(Loss) before exceptional items and tax (III - IV)</b>   | <b>(16.53)</b>             | <b>(47.40)</b>             |
| VI.    | <b>Exceptional Items</b>   | -                          | -                          |
| VII.   | <b>Profit/(Loss) before tax (V - VI)</b>   | <b>(16.53)</b>             | <b>(47.40)</b>             |
| VIII.  | <b>Tax Expense :</b>   |                            |                            |
|        | 1. Current Tax   | -                          | -                          |
|        | 2. Deferred Tax (liability)/ Assets  | 14.87                      | 0.41                       |
|        | 3. Excess/(Short) Provision for earlier years  | -                          | (0.38)                     |
| IX.    | <b>Profit/(Loss) for the period from continuing operations (VII - VIII)</b>  | <b>(1.65)</b>              | <b>(47.37)</b>             |
| X.     | <b>Profit/(Loss) from Discontinued operations</b>  | -                          | -                          |
| XI.    | <b>Tax Expense of Discontinued operations</b>  | -                          | -                          |
| XII.   | <b>Profit/(Loss) from Discontinued operations (after tax) (X-XI)</b>   | -                          | -                          |
| XIII.  | <b>Profit/(Loss) for the period (IX + XII)</b>   | <b>(1.65)</b>              | <b>(47.37)</b>             |
| XIV.   | <b>Other Comprehensive Income</b>  |                            |                            |
|        | <b>A</b> (i) Items that will not be reclassified to profit or loss   | (9.28)                     | (32.50)                    |
|        | (ii) Income tax relating to items that will not be reclassified to profit or loss  | -                          | -                          |
|        | <b>B</b> (i) Items that will be reclassified to profit or loss   | -                          | -                          |
|        | (ii) Income tax relating to items that will be reclassified to profit or loss  | -                          | -                          |
| XV.    | <b>Total Comprehensive income for the period (XIII + XIV)</b><br><b>(Comprising Profit (Loss) and Other Comprehensive<br/>Income for the period)</b> | <b>(10.94)</b>             | <b>(79.87)</b>             |
| XVI.   | <b>Earnings per equity share (for continuing operation):</b>   |                            |                            |
|        | 1. Basic   | <b>(0.02)</b>              | <b>(0.57)</b>              |
|        | 2. Diluted   | <b>(0.02)</b>              | <b>(0.57)</b>              |
| XVII.  | <b>Earning per equity share ( for discontinued operation):</b>   |                            |                            |
|        | 1. Basic   | -                          | -                          |
|        | 2. Diluted   | -                          | -                          |
| XVIII. | <b>Earnings per equity share ( for discontinued &amp; continuing operations)</b>   |                            |                            |
|        | 1. Basic   | <b>(0.02)</b>              | <b>(0.57)</b>              |
|        | 2. Diluted   | <b>(0.02)</b>              | <b>(0.57)</b>              |

Significant Accounting Policies

1

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

Partner

M. No. 041287

Mumbai

May 25, 2018

**DEEPAK UPADHYAY  
SAVJI D. PATEL  
ROOPESH AGRAWAL  
ASHISH SATANI**

Mumbai

May 25, 2018

**MANAGING DIRECTOR (DIN: 02270389)  
DIRECTOR (DIN: 01671461)  
COMPANY SECRETARY  
CFO**



**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2018**

|  | As at<br>31.03.2018 | (Rs. In Lakhs)<br>As at<br>31.03.2017 |
|--|---------------------|---------------------------------------|
| <b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>            |                     |                                       |
| Net Profit/(Loss) Before tax                             | (16.53)             | (47.40)                               |
| <u>Adjustments for</u>                                   |                     |                                       |
| Gain/loss on investment                                  | 0.03                | 0.86                                  |
| Interest income  | (15.41)             | (1.06)                                |
| Dividend on long term Investment                         | (0.11)              | (0.17)                                |
| (Profit)/Loss on Sale/Discard of Assets                  | 2.83                | -                                     |
| Depreciation   | 5.24                | 6.74                                  |
| <b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES :</b> | <b>(23.95)</b>      | <b>(41.03)</b>                        |
| <u>Adjustments for Working Capital Changes</u>           |                     |                                       |
| Inventories  | 492.48              | 247.67                                |
| Trade & Other receivables                                | (143.36)            | 1,034.54                              |
| Trade Payables & other payable                           | (8.53)              | (323.55)                              |
| <b>CASH GENERATED FROM OPERATIONS</b>                    | <b>316.64</b>       | <b>917.63</b>                         |
| Income Tax Paid  | (0.95)              | (0.01)                                |
| <i>Cash Utilised in Operations</i>                       | <b>(A) 315.69</b>   | <b>917.62</b>                         |
| <b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>            |                     |                                       |
| Purchase of Tangible Assets                              | (12.88)             | -                                     |
| Sales of Tangible Assets                                 | 7.88                | -                                     |
| Dividend on Investment                                   | 0.11                | 0.17                                  |
| Interest income  | 15.41               | 1.06                                  |
| Sale of non current investments                          | 56.35               | 5.35                                  |
| Purchase of non current investment                       | (55.70)             | (12.10)                               |
| Loan & advance given                                     | (162.94)            | -                                     |
| <i>Cash Generated from Investing Activities</i>          | <b>(B) (151.77)</b> | <b>(5.52)</b>                         |
| <b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>            |                     |                                       |
| Dividend Paid (including Dividend Distribution Tax)      | -                   | (5.03)                                |
| Short-Term Borrowings                                    | (73.29)             | (908.94)                              |
| <i>Cash Generated from Financing Activities</i>          | <b>(C) (73.29)</b>  | <b>(913.97)</b>                       |
| <b>NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)</b> | <b>90.63</b>        | <b>(1.87)</b>                         |
| Opening balance of Cash & cash equivalents               | 5.17                | 7.04                                  |
| Closing balance of Cash & cash equivalents               | 95.80               | 5.17                                  |

In terms of our report of even date.

For & on behalf of Board of Directors

For **SDBA & Co.**

Chartered Accountants  
(FRN: 142004W)

**(SANJEEV A. MEHTA)**

Partner

M. No. 041287

Mumbai

May 25, 2018

**DEEPAK UPADHYAY**  
**SAVJI D. PATEL**  
**ROOPESH AGRAWAL**  
**ASHISH SATANI**

Mumbai

May 25, 2018

**MANAGING DIRECTOR (DIN: 02270389)**  
**DIRECTOR (DIN: 01671461)**  
**COMPANY SECRETARY**  
**CFO**

## FOR THE PERIOD ENDED 31ST MARCH, 2018

## CHANGES IN EQUITY

FOR THE PERIOD ENDED 31ST MARCH, 2018

(Rs. In Lakhs)

**A Equity Share Capital**

|                                 |              |
|---------------------------------|--------------|
| <b>As on 1st April, 2016</b>    | <b>83.55</b> |
| Changes in Equity Share Capital | -            |
| <b>As on 31st March, 2017</b>   | <b>83.55</b> |
| Changes in Equity Share Capital | -            |
| <b>As on 31st March, 2018</b>   | <b>83.55</b> |

**B Other Equity**

(Rs. In Lakhs)

| Particulars   | Reserves and Surplus        |                      | OCI<br>Equity<br>Instruments<br>through OCI | Total<br>other<br>equity |
|---|-----------------------------|----------------------|---|--------------------------|
|   | Share<br>Premium<br>Reserve | Retained<br>earnings |   |                          |
| <b>Balance as at April 1, 2016</b>                  | <b>376.30</b>               | <b>455.32</b>        | <b>36.49</b>                                | <b>868.11</b>            |
| Profit for the year                                 | -                           | (47.37)              | -   | (47.37)                  |
| Other comprehensive income for the year, net of tax | -                           | 2.88                 | (35.38)                                     | (32.50)                  |
| Dividend  | -                           | (4.18)               | -   | (4.18)                   |
| Dividend distribution tax                           | -                           | (0.85)               | -   | (0.85)                   |
| <b>Balance as at March 31, 2017</b>                 | <b>376.30</b>               | <b>405.80</b>        | <b>1.11</b>                                 | <b>783.21</b>            |
| Profit for the year                                 | -                           | (1.66)               | -   | (1.66)                   |
| Other comprehensive income for the year, net of tax | -                           | 16.04                | (25.32)                                     | (9.28)                   |
|   | -                           | -                    | -   | -                        |
| <b>Balance as at March 31, 2018</b>                 | <b>376.30</b>               | <b>420.18</b>        | <b>(24.21)</b>                              | <b>772.27</b>            |

**FOR THE PERIOD ENDED 31ST MARCH, 2018**

**A Company Overview**

SJ Corporation Limited is a public company having Corporate Identity Number L51900MH1981PLC025223. It is incorporated in India and its shares are listed on the Bombay Stock Exchange Ltd. The company is primarily engaged in manufacturing of diamond studded jewellery & trading of polished diamonds. The registered office of the company is at 201, Shyam Bungalow, 199/200, Pushpa Colony, Fatimadevi School Lane, Manchubhai Road, Malad (East), Mumbai - 400 097.

**NOTE '1': SIGNIFICANT ACCOUNTING POLICES**

**1.1. Basis of preparation and presentation**

- (i) The financial statements have been prepared in accordance with Indian Accounting Standards ('Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 (the 'Act') read with of the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other relevant provisions of the Act.
- (ii) These financial statements for the year ended 31st March, 2018 are the first financial statements with comparative figures for the previous years prepared under Ind AS. For all previous periods including the year ended 31st March, 2017, the Company had prepared its financial statements in accordance with the accounting standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act (hereinafter referred to as 'Previous GAAP') used for its statutory reporting requirement in India.
- (iii) The accounting policies are applied consistently to all the periods presented in the financial statements, including the preparation of the opening Ind AS Balance Sheet as at 1st April, 2016 being the date of transition to Ind AS.
- (iv) The Financial statements have been prepared on the historical cost basis except certain financial assets & liabilities which are measured at fair value:
- (v) All the assets and liabilities have been classified as current or non-current as per the company's normal operating cycle and other criteria set out in Schedule III of the Companies Act, 2013.
- (vi) All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated.

**1.2. Use of Estimates & Judgements**

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions, that affect the application of accounting policies and the reported amounts of assets, liabilities, income, expenses etc. at the date of these financial statements and the reported amounts of revenues and expenses for the years presented. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed at each balance sheet date. Revisions to accounting estimates are recognised in the period in which the estimate is revised and future periods affected.

**1.3. Property, Plant and Equipment**

- (i) Property, plant and equipment are stated at cost, net of recoverable taxes, trade discount and rebates less accumulated depreciation and impairment loss, if any. Such cost includes purchase price, borrowing costs, and any cost directly attributable to bringing the asset to its working condition for its intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the assets.
- (ii) Capital work-in-progress includes expenditure during construction period incurred on projects under implementation treated as pre-operative expenses pending allocation to the assets. These expenses are apportioned to the respective fixed assets on their completion/ commencement of commercial production.
- (iii) Depreciation on property, plant and equipment is provided based on useful life of the assets prescribed in Schedule II to the Companies Act, 2013 on written down value method.
- (iv) When an assets is scrapped or otherwise disposed off, the cost and related depreciation are removed from the books of account and resultant profit or loss, if any, is reflected in statement of Profit and Loss.
- (v) The Residual Value, useful lives and methods of depreciation of property, plant and equipment are reviewed at the end of each financial year and adjusted prospectively, if appropriate.

**Intangible Assets**

Intangible assets are stated at cost less accumulated amortization and impairment. Intangible assets

are amortized over their respective individual estimated useful lives on a straight-line basis, from the date that they are available for use. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition, and other economic factor, and the level of maintenance expenditures required to obtain the expected future cash flows from the asset. Amortization methods and useful lives are reviewed periodically including at each financial year end.

**1.4. Impairment of Non-financial Assets**

The company assesses at each reporting date whether there is any objective evidence that a non-financial asset or a group of non-financial assets are impaired. If any such indication exists, the company estimates the amount of impairment loss. For the purpose of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets is considered as a cash generating unit. If any such indication exists, an estimate of the recoverable amount of the individual asset/cash generating unit is made.

An impairment loss is calculated as the difference between an asset's carrying amount and recoverable amount. Losses are recognised in profit or loss and reflected in an allowance account. When the Company considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, then the previously recognised impairment loss is reversed through profit or loss.

**1.4. Investment property**

Property that is held for long-term rental yields or for capital appreciation or both, and that is not used by the Company, is classified as investment property. Investment property is measured at its cost, including related transaction costs and where applicable borrowing costs less depreciation and impairment if any.

**1.5. Revenue Recognition**

Revenue is recognized to the extent that it is probable that the economic benefit will flow to the Company and the revenue can be measured reliably.

Sale of goods:

Revenue from sale of goods is recognised when the significant risks and rewards of ownership of the goods have been transferred to the buyer either at the time of dispatch or delivery or when the risk of loss transfers. Export sales are generally recognized based on the shipped on board date as per bill of lading, which is when substantial risks and rewards of ownership are passed to the customers.

Revenue from sale of goods is net of taxes and recovery of charges collected from customers like transport, packing etc. Sales returns are recognised when appropriate. Revenue is measured at the fair value of consideration received or receivable and is net of price discounts, allowance for volume rebates and similar items.

Claims/Refunds not ascertainable with reasonable certainty are accounted for, on final settlement and are recognized as revenue on certainty of receipt on prudent basis.

Rendering of services:

Revenue from sale of services are recognized when the services are rendered.

Other Income

Dividend income on investments is recognised when the right to receive the dividend is established.

Interest income is recognized on a time proportionate basis taking into account the amounts invested and the rate of interest on prudent basis.

**1.6. Cash & cash equivalents**

Cash and Cash equivalents include cash and Cheque in hand, bank balances, demand deposits with banks and other short-term highly liquid investments that are readily convertible to known amounts of cash & which are subject to an insignificant risk of changes in value where original maturity is three months or less.

**1.7. Inventory**

Inventories of Finished Goods and Stock-in-trade are stated 'at cost or net realisable value, whichever is lower'. Raw Materials, Work-in-Progress, Stores and spares and Goods-in-Transit are stated 'at cost'. Cost comprise all cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Cost formulae used are 'First-in-First-out'. Due allowance is estimated and made for defective and obsolete items, wherever necessary.

**1.7. Foreign exchange transaction and translation**

The financial statements are presented in Indian rupee (INR), which is Company's functional and

presentation currency.

Transactions in foreign currencies are recognised at the prevailing exchange rates on the transaction dates. Realised gains and losses on settlement of foreign currency transactions are recognised in the Statement of Profit and Loss.

Exchange differences arising on settlement or translation of monetary items are recognised in Statement of Profit and Loss except to the extent of exchange differences which are regarded as an adjustment to interest costs on foreign currency borrowings that are directly attributable to the acquisition or construction of qualifying assets, are capitalized as cost of assets.

Monetary foreign currency assets and liabilities at the year-end are translated at the year-end exchange rates and the resultant exchange differences are recognised in the Statement of Profit and Loss.

#### 1.8. **Government Grants**

Government grants are recognised when there is reasonable assurance that the grant will be received and all attached conditions will be complied with.

Government grants related to revenue are recognised on a systematic basis in the statement of profit and loss over the periods necessary to match them with the related costs which they are intended to compensate. Such grants are deducted in reporting the related expense. When the grant relates to an asset, it is recognized as income over the expected useful life of the asset.

In case a non-monetary asset is given free of cost, it is recognised at a fair value. When loans or similar assistance are provided by government or related institutions, with an interest rate below the current applicable market rate, the effect of this favorable interest is recognized as government grant. The loan or assistance is initially recognized and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received.

#### 1.9. **Financial Instruments**

##### (i) **Financial Assets**

###### Initial Recognition and Measurement

Financial assets are recognised when the company becomes party to the contractual provisions of the instruments. Financial assets, other than trade receivables, are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through statement of profit or loss. Financial assets carried at fair value through statement of profit or loss are initially recognised at fair value and transaction costs are expensed in the statement of Profit and Loss.

###### Subsequent measurement

Financial assets, other than equity instruments, are subsequently measured at amortised cost or fair value through other comprehensive income (OCI) or fair value through profit or loss on the basis of:

- the entity's business model for managing the financial assets; and
- the contractual cash flow characteristics of the financial asset.

###### **Financial assets carried at amortised cost (AC)**

A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

###### **Financial assets at fair value through other comprehensive income (FVTOCI)**

A financial asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

###### **Financial assets at fair value through profit or loss (FVTPL)**

Investment in financial asset other than equity instrument, not measured at either amortised cost or FVTOCI is measured at FVTPL. Such financial assets are measured at fair value with all changes in fair value, including interest income and dividend income if any, recognised in the Statement of Profit and Loss.

###### **Equity Instruments:**

All investment in equity instrument classified under financial assets are subsequently measured at fair value. Equity instruments which are held for trading are measured at FVTPL.

For all other equity instruments, on initial recognition, irrevocably elect to measure the same either at

FVOCI or FVTPL. The Company makes such election on an instrument-by-instrument basis.

**Impairment of financial assets**

In accordance with Ind AS 109, the company uses 'Expected Credit Loss' (ECL) model, for evaluating impairment of financial assets other than those measured at fair value through profit and loss (FVTPL). Expected credit losses are measured through a loss allowance at an amount equal to:

- The 12 month expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or
- Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instruments).

**(ii) Financial liabilities**Initial recognition and measurement

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments. Financial liabilities are initially recognised at fair value net of transaction costs for all financial liabilities not carried at fair value through profit or loss.

The Company's financial liabilities includes trade and other payables, loans and borrowings including bank overdrafts and derivative instruments.

Subsequent measurement

Financial liabilities measured at amortised cost are subsequently measured using Effective Interest Rate (EIR) method. Financial liabilities carried at fair value through profit or loss (FVTPL) are measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss.

Loans & Borrowings

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using EIR method. Gains and losses are recognized in profit & loss when the liabilities are derecognized as well as through EIR amortization process.

Financial Guarantee Contracts

Financial guarantee contracts issued by the Company are those contracts that requires a payment to be made or to reimburse the holder for a loss it incurs because the specified debtors fails to make payment when due in accordance with the term of a debt instrument. Financial guarantee contracts are recognized initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee.

Subsequently the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognized less cumulative adjustments.

**(iii) Derivative financial instruments and Hedge Accounting**

The Company uses various derivative financial instruments such as interest rate swaps, currency swaps, forwards & options and commodity contracts to mitigate the risk of changes in interest rates, exchange rates and commodity prices. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are also subsequently measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to Statement of Profit and Loss, except for the effective portion of cash flow hedges which is recognised in Other Comprehensive Income and later to Statement of Profit and Loss when the hedged item affects profit or loss or treated as basis adjustment if a hedged forecast transaction subsequently results in the recognition of a non-financial assets or non-financial liability

For the purpose of hedge accounting, hedges are classified as:

Cashflow hedge

The Company designates derivative contracts or non derivative financial assets / liabilities as hedging instruments to mitigate the risk of movement in interest rates and foreign exchange rates for foreign exchange exposure on highly probable future cash flows attributable to a recognised asset or liability or forecast cash transactions. When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognized in the cash flow hedging reserve being part of other comprehensive income. Any ineffective portion of changes in the fair value of the derivative is recognized immediately in the Statement of Profit and Loss. If the hedging relationship no longer meets the criteria for hedge accounting, then hedge accounting is discontinued prospectively.



If the hedging instrument expires or is sold, terminated or exercised, the cumulative gain or loss on the hedging instrument recognized in cash flow hedging reserve till the period the hedge was effective remains in cash flow hedging reserve until the underlying transaction occurs. The cumulative gain or loss previously recognized in the cash flow hedging reserve is transferred to the Statement of Profit and Loss upon the occurrence of the underlying transaction. If the forecasted transaction is no longer expected to occur, then the amount accumulated in cash flow hedging reserve is reclassified in the Statement of Profit and Loss.

#### Fair value hedge

The Company designates derivative contracts or non derivative financial assets / liabilities as hedging instruments to mitigate the risk of change in fair value of hedged item due to movement in interest rates, foreign exchange rates and commodity prices.

Changes in the fair value of hedging instruments and hedged items that are designated and qualify as fair value hedges are recorded in the Statement of Profit and Loss. If the hedging relationship no longer meets the criteria for hedge accounting, the adjustment to the carrying amount of a hedged item for which the effective interest method is used is amortised to Statement of Profit and Loss over the period of maturity

#### (iv) **Derecognition of financial instruments**

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

### 1.10. **Leases**

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, (or contains) a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

For arrangements entered into prior to April 1, 2015, the Company has determined whether the arrangement contains lease on the basis of facts and circumstances existing on the date of transition.

#### Company as a lessee

A lease is classified at the inception date as a finance lease or operating lease. Leases where significant portion of risk and reward of ownership are retained by the lessor are classified as operating leases. Operating lease payments are recognised as an expense in the Statement of Profit and Loss on a straight line basis over the lease period.

#### Company as a lessor

Leases in which the Company does not transfer substantially all the risks and benefits of ownership of the asset are classified as operating leases. Assets subject to operating leases are included in the property, plant and equipment. Lease income on an operating lease is recognised in the Statement of Profit and Loss on a straight line basis over the lease term. Costs, including depreciation, are recognised as an expense in the Statement of Profit and Loss.

### 1.11. **FAIR VALUE MEASUREMENT:**

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability
- The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising



the use of unobservable inputs.

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3: Techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

#### 1.11. **EMPLOYEE BENEFITS**

##### Short term employee benefits

The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees are recognised as an expense during the period when the employees render the services.

##### Post-employment benefits

###### Defined contribution Plans

A defined contribution plan is a post-employment benefit plan under which the Company pays specified contributions to a separate entity. The Company makes specified monthly contributions towards Provident Fund, Superannuation Fund and Pension Scheme. The Company's contribution is recognised as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

###### Defined benefit Plans

The Company pays gratuity to the employees whoever has completed five years of service with the Company at the time of resignation / superannuation. The gratuity is paid @15 days salary for every completed year of service as per the Payment of Gratuity Act 1972.

At present the Employees Provident Fund and Miscellaneous Provision Act, 1952 and Gratuity Act, 1972 are not applicable to the company

###### Employee Separation Costs

Compensation to employees who have opted for retirement under the voluntary retirement scheme of the Company is payable in the year of exercise of option by the employee. The Company recognises the employee separation cost when the scheme is announced and the Company is demonstrably committed to it.

#### 1.11. **TAXES ON INCOME**

Income tax comprises current and deferred tax. Income tax expense is recognized in the statement of profit and loss except to the extent it relates to items directly recognized in equity or in other comprehensive income.

##### - Current Tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted at the Balance sheet date.

##### - Deferred Tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of Deferred tax liabilities and assets are reviewed at the end of each reporting period.

**1.11. Borrowing Cost**

Borrowing costs include interest expenses as per effective interest rate and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Borrowing costs that are directly attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are charged to the Statement of Profit and Loss for the period for which they are incurred.

**1.12. Provisions and Contingent liabilities and contingent assets**

Provisions represent liabilities for which the amount or timing is uncertain. Provisions are recognized when the Company has a present obligation (legal or constructive), as a result of past events, and it is probable that an outflow of resources, that can be reliably estimated, will be required to settle such an obligation.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows to net present value using an appropriate pre-tax discount rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Unwinding of the discount is recognized in profit or loss as a finance cost. Provisions are reviewed at each reporting date and are adjusted to reflect the current best estimate.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

Contingent assets are not recognised but disclosed in the financial statements when an inflow of economic benefits is probable.

**1.13. Earning Per Share**

The basic earning per share (EPS) is computed by dividing the net profit after tax available to equity share holding for the year by the weighted average number of equity shares outstanding during the current year.

The diluted EPS is calculated on the same basis as basic EPS, after adjusting for the effects of potential dilutive equity shares unless impact is anti-dilutive.

## FOR THE PERIOD ENDED 31ST MARCH, 2018

**Note '2' : PROPERTY, PLANT AND EQUIPMENT**

|                                       | (Rs. In Lakhs)  |          |           |                 |                      |                  |                      |             |          |           |       |
|---------------------------------------|-----------------|----------|-----------|-----------------|----------------------|------------------|----------------------|-------------|----------|-----------|-------|
|                                       | Lease hold Land | Building | Machinery | Metter & Weight | Furniture & Fixtures | Office Equipment | Electrical Equipment | Motor Cycle | Computer | Motor Car | Total |
| <b>Gross Carrying amount</b>          |                 |          |           |                 |                      |                  |                      |             |          |           |       |
| Historical cost as at 1st April, 2016 | 17.50           | 29.95    | 14.20     | 0.34            | 6.83                 | 6.90             | 0.50                 | 1.22        | 1.61     | 10.73     | 89.78 |
| Additions                             | -               | -        | -         | -               | -                    | -                | -                    | -           | -        | -         | -     |
| Disposals                             | -               | -        | -         | -               | -                    | -                | -                    | -           | -        | -         | -     |
| Reclassification as held for sale     | -               | -        | -         | -               | -                    | -                | -                    | -           | -        | -         | -     |
| Balance as at 31st March, 2017        | 17.50           | 29.95    | 14.20     | 0.34            | 6.83                 | 6.90             | 0.50                 | 1.22        | 1.61     | 10.73     | 89.78 |
| Additions                             | -               | -        | 2.81      | -               | -                    | -                | -                    | -           | -        | 10.07     | 12.88 |
| Disposals                             | -               | -        | 17.01     | 0.34            | 6.83                 | 6.90             | 0.50                 | -           | 0.39     | 10.73     | 42.70 |
| Reclassification as held for sale     | -               | -        | -         | -               | -                    | -                | -                    | -           | -        | -         | -     |
| Balance as at 31st March, 2018        | 17.50           | 29.95    | (0.00)    | -               | -                    | -                | -                    | 1.22        | 1.22     | 10.07     | 59.96 |
| <b>Accumulated Depreciation</b>       |                 |          |           |                 |                      |                  |                      |             |          |           |       |
| Balance as at 1st April, 2016         | 9.33            | 14.01    | 9.65      | 0.25            | 4.51                 | 5.46             | 0.33                 | 0.55        | 1.40     | 6.28      | 51.77 |
| Additions                             | 1.17            | 1.62     | 0.91      | 0.02            | 0.65                 | 0.64             | 0.05                 | 0.18        | 0.11     | 1.41      | 6.76  |
| Disposals                             | -               | -        | -         | -               | -                    | -                | -                    | -           | -        | -         | -     |
| Reclassification as held for sale     | -               | -        | -         | -               | -                    | -                | -                    | -           | -        | -         | -     |
| Balance as at 31st March, 2017        | 10.50           | 15.63    | 10.56     | 0.27            | 5.16                 | 6.10             | 0.38                 | 0.73        | 1.51     | 7.69      | 58.53 |
| Additions                             | 1.17            | 1.46     | 0.42      | 0.01            | 0.27                 | 0.19             | 0.02                 | 0.12        | 0.02     | 1.55      | 5.23  |
| Disposals                             | -               | -        | 10.98     | 0.28            | 5.43                 | 6.28             | 0.40                 | -           | 0.37     | 8.25      | 31.99 |
| Reclassification as held for sale     | -               | -        | -         | -               | -                    | -                | -                    | -           | -        | -         | -     |
| Balance as at 31st March, 2018        | 11.67           | 17.09    | 21.96     | 0.56            | 10.86                | 12.57            | 0.80                 | 0.85        | 1.90     | 17.49     | 95.75 |
| <b>Net Carrying Amount</b>            |                 |          |           |                 |                      |                  |                      |             |          |           |       |
| Balance as at 1st April, 2016         | 8.17            | 15.94    | 4.55      | 0.09            | 2.32                 | 1.44             | 0.17                 | 0.67        | 0.21     | 4.45      | 38.01 |
| Balance as at 31st March, 2017        | 7.00            | 14.32    | 3.64      | 0.07            | 1.67                 | 0.80             | 0.12                 | 0.50        | 0.10     | 3.05      | 31.27 |
| Balance as at 31st March, 2018        | 5.83            | 12.85    | -         | -               | -                    | -                | -                    | 0.36        | 0.06     | 9.08      | 28.18 |

**SJ CORPORATION LIMITED**

FOR THE PERIOD ENDED 31ST MARCH, 2018

(Rs. In Lakhs)

**Note '3' : INVESTMENT PROPERTIES**Gross Carrying amounts

|                                       |       |
|---------------------------------------|-------|
| Historical cost as at 1st April, 2016 | 70.46 |
| Additions                             | -     |
| Disposals                             | -     |
| Balance as at 31st March, 2017        | 70.46 |
| Additions                             | -     |
| Disposals                             | -     |
| Balance as at 31st March, 2018        | 70.46 |
| <u>Accumulated Depreciation</u>       |       |
| Additions                             | -     |
| Disposals                             | -     |
| Balance as at 31st March, 2017        | -     |
| Additions                             | -     |
| Disposals                             | -     |
| Balance as at 31st March, 2018        | -     |
| Net Carrying amount                   |       |
| Balance as at 1st April, 2016         | 70.46 |
| Balance as at 31st March, 2017        | 70.46 |
| Balance as at 31st March, 2018        | 70.46 |

**Fair Value**

|                  |        |
|------------------|--------|
| As at 01-04-2016 | 159.78 |
| As at 31-03-2017 | 159.78 |
| As at 31-03-2018 | 159.78 |

**FOR THE PERIOD ENDED 31ST MARCH, 2018**

(Rs. In Lakhs)

| Name of the Company   | Face Value | Paid-up Value | No. of shares | As at 31.03.2018     | No. of shares | As at 31.03.2017     | No. of shares | As at 01.04.2016     |
|---|------------|---------------|---------------|----------------------|---------------|----------------------|---------------|----------------------|
| <b>Investment measured at Amortised at cost</b>                                     |            |               |               |                      |               |                      |               |                      |
| In Preference Shares (Unquoted)   |            |               |               |                      |               |                      |               |                      |
| Agrawal Marbles India Pvt. Ltd.   | 10         | 10            | 1,000,000     | 100.00               | 1,000,000     | 100.00               | 1,000,000     | 100.00               |
| <b>Investment measured at Fair value through Other Comprehensive Income</b>         |            |               |               |                      |               |                      |               |                      |
| <u>In Equity Shares - Quoted</u>  |            |               |               |                      |               |                      |               |                      |
| 63 Moons Technologies   | 2          | 2             | 10,000        | 8.71                 | -             | -                    | -             | -                    |
| Ahluwalia Contracts (India) Ltd.  | 2          | 2             | -             | -                    | -             | -                    | 1,500         | 4.43                 |
| ElH Associated Hotels Ltd.  | 10         | 10            | -             | -                    | 1,500         | 5.25                 | 1,500         | 4.35                 |
| Flawless Diamond Ltd.   | 1          | 1             | 23,062        | -                    | 23,062        | -                    | 23,062        | -                    |
| Investure Growth & Securities Ltd.  | 10         | 10            | -             | -                    | -             | -                    | 6,000         | 0.68                 |
| Omitech Infosolution Ltd.   | 10         | 10            | 250           | -                    | 250           | 0.01                 | 250           | 0.01                 |
| PSP Projects  | 10         | 10            | 1,786         | 8.03                 | -             | -                    | -             | -                    |
| Shri Laxmi Cotsyn Ltd.  | 10         | 10            | 1,000         | -                    | 1,000         | -                    | 1,000         | -                    |
| Signet Industries Ltd.  | 1          | 1             | 210,000       | 13.86                | 210,000       | 35.91                | 210,000       | 69.20                |
| Timbor Home Ltd.  | 10         | 10            | 10,000        | -                    | 10,000        | -                    | 10,000        | -                    |
| Tata Motors DVR   | 2          | 2             | -             | -                    | 1,400         | 3.95                 | -             | -                    |
| Torrent Power Ltd.  | 10         | 10            | 2,000         | 4.58                 | -             | -                    | -             | -                    |
|   |            |               |               | <u>35.18</u>         |               | <u>45.11</u>         |               | <u>78.66</u>         |
| <b>Investment measured at Fair value through Profit &amp; Loss</b>                  |            |               |               |                      |               |                      |               |                      |
| <u>Investment in Government security</u>  |            |               |               |                      |               |                      |               |                      |
| Sovereign Gold Bonds Tranche IV   |            |               | 250           | 6.92                 | 250           | 6.94                 | -             | -                    |
|   |            |               |               | <u>142.10</u>        |               | <u>152.05</u>        |               | <u>178.66</u>        |
| <b>Aggregate amount of Quoted Investments</b>                                       |            |               |               |                      |               |                      |               |                      |
| Market Value of Quoted Investments  |            |               |               | <b>67.19</b>         |               | <b>51.80</b>         |               | <b>42.17</b>         |
| Aggregate amount of unquoted Investments  |            |               |               | <b>35.18</b>         |               | <b>45.11</b>         |               | <b>78.66</b>         |
| Category-wise Non current Investment  |            |               |               | <b>100.00</b>        |               | <b>100.00</b>        |               | <b>100.00</b>        |
| Financial Assets measured at cost   |            |               |               | 100.00               |               | 100.00               |               | 100.00               |
| Financial Assets measured at Fair Value through Other Comprehensive Income (FVTOCI) |            |               |               | 35.18                |               | 45.11                |               | 78.66                |
| Financial Assets measured at Fair Value through Profit and Loss (FVTPL)             |            |               |               | 6.92                 |               | 6.94                 |               | -                    |
| <b>Total Non Current Investment</b>   |            |               |               | <u><b>142.10</b></u> |               | <u><b>152.05</b></u> |               | <u><b>178.66</b></u> |

**SJ CORPORATION LIMITED**
**FOR THE PERIOD ENDED 31ST MARCH, 2018**
**(Rs. In Lakhs)**

|   | <b>As at<br/>31.03.2018</b> | <b>As at<br/>31.03.2017</b> | <b>As at<br/>01.04.2016</b> |
|---|-----------------------------|-----------------------------|-----------------------------|
| <b>Note '5' : NON CURRENT ASSETS - LOANS</b>  |                             |                             |                             |
| <i>(Unsecured and Considered Good)</i>  |                             |                             |                             |
| Others  | 162.94                      | -                           | -                           |
|   | <b>162.94</b>               | <b>-</b>                    | <b>-</b>                    |
| <b>Note '6' : NON CURRENT ASSETS - OTHER FINANCIAL ASSETS</b>                                 |                             |                             |                             |
| Deposits  | 0.87                        | 0.62                        | 0.62                        |
|   | <b>0.87</b>                 | <b>0.62</b>                 | <b>0.62</b>                 |
| <b>Note '7' : DEFERRED TAX ASSETS</b>   |                             |                             |                             |
| At the start of the year  | 2.64                        | 2.23                        | 1.30                        |
| Deferred tax for current year   | 14.87                       | 0.41                        | 0.94                        |
| At the end of the year  | <b>17.52</b>                | <b>2.64</b>                 | <b>2.23</b>                 |
| <b>Components of Deferred Tax (Liabilities) / Assets :</b>                                    |                             |                             |                             |
| <b>Deferred Tax (Liabilities) / Assets in relation to:</b>                                    |                             |                             |                             |
| Property, Plant & Equipment   | 0.25                        | 2.64                        | 2.23                        |
| Carried Forward Loss  | 17.27                       | -                           | -                           |
|   | <b>17.52</b>                | <b>2.64</b>                 | <b>2.23</b>                 |
| <b>Note '8' : INVENTORY</b>   |                             |                             |                             |
| <i>(As valued and certified by management)</i>  |                             |                             |                             |
| <b>Raw-material</b>   |                             |                             |                             |
| Polished Diamonds   | -                           | -                           | 726.40                      |
| Precious Metal & Alloys   | -                           | 6.48                        | 9.07                        |
| Consumables   | -                           | 2.05                        | 4.67                        |
| Finished Goods - Jewellery  | -                           | 483.94                      | -                           |
|   | <b>-</b>                    | <b>492.47</b>               | <b>740.14</b>               |
| <b>Note '9' : TRADE RECEIVABLE</b>  |                             |                             |                             |
| Unsecured and considered good   | 333.68                      | 195.64                      | 1,214.10                    |
|   | <b>333.68</b>               | <b>195.64</b>               | <b>1,214.10</b>             |
| <b>Note '10' : CURRENT FINANCIAL ASSETS - CASH &amp; CASH EQUIVALENTS</b>                     |                             |                             |                             |
| <b>Cash &amp; Cash equivalents</b>  |                             |                             |                             |
| Balance with Bank in current accounts   | 2.88                        | 2.10                        | 3.79                        |
| Deposits with original maturity of less than 3 months<br>(including interest accrued thereon) | 88.26                       | -                           | -                           |
| Cash in Hand  | 4.66                        | 3.07                        | 3.24                        |
|   | <b>95.80</b>                | <b>5.17</b>                 | <b>7.04</b>                 |
| <b>Note '11' : CURRENT FINANCIAL ASSETS - OTHER FINANCIAL ASSETS</b>                          |                             |                             |                             |
| <i>(Unsecured and considered good)</i>  |                             |                             |                             |
| <b>Other</b>  |                             |                             |                             |
| Interest receivable - HDFC FDR  | 0.65                        | -                           | -                           |
| Other Advances  | 3.54                        | 0.19                        | 5.42                        |
|   | <b>4.19</b>                 | <b>0.19</b>                 | <b>5.42</b>                 |
| <b>Note '12' : CURRENT TAX ASSETS</b>   |                             |                             |                             |
| Income Tax (Net of provision)   | 1.32                        | 0.38                        | 9.10                        |
|   | <b>1.32</b>                 | <b>0.38</b>                 | <b>9.10</b>                 |

**FOR THE PERIOD ENDED 31ST MARCH, 2018**

|  | (Rs. In Lakhs)      |                     |                     |
|--|---------------------|---------------------|---------------------|
|  | As at<br>31.03.2018 | As at<br>31.03.2017 | As at<br>01.04.2016 |
| <b>Note '13': OTHER CURRENT ASSETS</b>                 |                     |                     |                     |
| (Unsecured and considered good)                        |                     |                     |                     |
| <u>Others</u>  |                     |                     |                     |
| Prepaid Expenses                                       | 0.03                | 0.55                | 3.05                |
| Balance with revenue authorities                       | 1.59                | -                   | -                   |
|  | <b>1.62</b>         | <b>0.55</b>         | <b>3.05</b>         |
| <br><b>Note '14': SHARE CAPITAL</b>                    |                     |                     |                     |
| <b>Authorised</b>                                      |                     |                     |                     |
| 50000000 (Previous Year : 50000000)                    |                     |                     |                     |
| Equity shares of Re.1 each                             | 500.00              | 500.00              | 500.00              |
|  | <b>500.00</b>       | <b>500.00</b>       | <b>500.00</b>       |
| <br><b>Issued, Subscribed and fully paid up shares</b> |                     |                     |                     |
| 83,55,000 (Previous Year : 83,55,000)                  |                     |                     |                     |
| Equity shares of Re.1 each                             | 83.55               | 83.55               | 83.55               |
|  | <b>83.55</b>        | <b>83.55</b>        | <b>83.55</b>        |

**Notes**

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

| Particulars                        | As at 31.03.2018 |              | As at 31.03.2017 |              | As at 01.04.2016 |              |
|------------------------------------|------------------|--------------|------------------|--------------|------------------|--------------|
|                                    | No. of Shares    | Amount       | No. of Shares    | Amount       | No. of Shares    | Amount       |
| At the beginning of the period     | 8,355,000        | 83.55        | 8,355,000        | 83.55        | 8,355,000        | 83.55        |
| Issued during the period           | -                |              |                  |              |                  |              |
| Outstanding at the end of the year | <b>8,355,000</b> | <b>83.55</b> | <b>8,355,000</b> | <b>83.55</b> | <b>8,355,000</b> | <b>83.55</b> |

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

| Name of the Shareholder | 31st March, 2018 |        | 31st March, 2017 |        | 01st April, 2016 |        |
|-------------------------|------------------|--------|------------------|--------|------------------|--------|
|                         | No. of Shares    | %      | No. of Shares    | %      | No. of Shares    | %      |
| Shri Savji D Patel      | 3,124,000        | 37.391 | 3,124,000        | 37.391 | 3,124,000        | 37.391 |
| Smt. Usha S Patel       | 2,796,000        | 33.465 | 2,796,000        | 33.465 | 2,796,000        | 33.465 |

**(c) Terms/rights attached to equity shares :**

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

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



## SJ CORPORATION LIMITED

FOR THE PERIOD ENDED 31ST MARCH, 2018

(Rs. In Lakhs)

### Note '15': OTHER EQUITY

|   | Share premium | Retained earnings | Other Comprehensive Income | Total         |
|---|---------------|-------------------|----------------------------|---------------|
| <b>Balance as at 1st April, 2016</b>    | 376.30        | 455.32            | 36.49                      | 868.11        |
| Profit/(Loss) for the year              | -             | (47.37)           | -                          | (47.37)       |
| Other Comprehensive Income for the year | -             | 2.88              | (35.38)                    | (32.50)       |
| Dividend                                | -             | (4.18)            | -                          | (4.18)        |
| Dividend distribution tax               | -             | (0.85)            | -                          | (0.85)        |
| <b>Balance as at 31st March, 2017</b>   | 376.30        | 405.80            | 1.11                       | 783.21        |
| Profit/(Loss) for the year              | -             | (1.66)            | -                          | (1.66)        |
| Other Comprehensive Income for the year | -             | 16.04             | (25.32)                    | (9.28)        |
| <b>Balance as at 31st March, 2018</b>   | <b>376.30</b> | <b>420.18</b>     | <b>(24.21)</b>             | <b>772.27</b> |

|   | As at<br>31.03.2018 | As at<br>31.03.2017 | As at<br>01.04.2016 |
|---|---------------------|---------------------|---------------------|
| <b>Note '16': CURRENT LIABILITIES - BORROWING</b>   |                     |                     |                     |
| <b>Secured</b>  |                     |                     |                     |
| Bank of India FBC A/c   | -                   | 43.63               | 558.69              |
| Bank of India PCFC A/c  | -                   | 29.66               | 423.54              |
| Rate of Interest on PCFC A/c. -<br>(March, 2017 Libor plus 2.5%, March, 2016 Libor plus 2.5%) | -                   | <b>73.29</b>        | <b>982.23</b>       |

#### Nature of Security

**Prime Security:** Hypothecation of stock of cut & polished diamonds, gold, Diamond studded gold Jewellery, Export Bills/Receivables.

Further secured by collateral security by way of equitable mortgage of factory and land situated at Surat SEZ, owned by the company, immovable properties belonging to Dungarshibhai Patel, Savji Bhai Patel and Smt Usha Patel, flats belonging to Dungarshibhai Patel, Smt Shanta Ben Patel and Savji Bhai Patel and secured by other collateral securities acceptable to the bank.

### Note '17': TRADE PAYABLES

|                                       |          |          |               |
|---------------------------------------|----------|----------|---------------|
| Trade Payables (including acceptance) | -        | -        | 323.03        |
|                                       | <u>-</u> | <u>-</u> | <u>323.03</u> |

Based on the information collected/available with the management, there were no amounts due to small scale and/or ancillary industrial supplier on account of principal and/or interest at the close of the year. This has been relied upon by the Auditors.

### Note 18 : CURRENT LIABILITIES - OTHER FINANCIAL LIABILITIES

|  |             |             |             |
|--|-------------|-------------|-------------|
| Current Maturities of long term borrowings | -           | -           | 1.56        |
| Other payable                              | 2.16        | 9.44        | 8.33        |
|  | <u>2.16</u> | <u>9.44</u> | <u>9.89</u> |

### Note '19': OTHER CURRENT LIABILITIES

|                          |             |             |             |
|--------------------------|-------------|-------------|-------------|
| <b>Other Liabilities</b> |             |             |             |
| Statutory dues payable   | 0.14        | 0.10        | 0.17        |
| Other                    | 0.56        | -           | -           |
|                          | <u>0.70</u> | <u>0.10</u> | <u>0.17</u> |

### Note '20': SHORT TERM PROVISIONS

|                          |          |             |             |
|--------------------------|----------|-------------|-------------|
| Provision for Wealth Tax | -        | 1.85        | 1.85        |
|                          | <u>-</u> | <u>1.85</u> | <u>1.85</u> |

FOR THE PERIOD ENDED 31ST MARCH, 2018

|  | As at<br>31.03.2018<br>Rs. | (Rs. In Lakhs)<br>As at<br>31.03.2017<br>Rs. |
|--|----------------------------|--|
| <b>Note '21' : REVENUE FROM OPERATIONS</b>   |                            |  |
| Export Sales   | 477.66                     | 1,267.38                                     |
| Local Sales  | 325.80                     | -  |
|  | <b>803.46</b>              | <b>1,267.38</b>                              |
| <b>Note '22' : OTHER INCOME</b>  |                            |  |
| Dividend on Long Term Investments  | 0.11                       | 0.17   |
| Profit on Exchange Fluctuation   | 6.27                       | 18.97  |
| Interest   | 15.41                      | 1.06   |
|  | <b>21.79</b>               | <b>20.20</b>                                 |
| <b>Note '23' : COST OF MATERIALS CONSUMED</b>  |                            |  |
| Polished Diamonds  | -                          | 1,716.67                                     |
| Bullion  | -                          | 2.59   |
|  | -                          | <b>1,719.26</b>                              |
| <b>NOTE '24' : CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE</b> |                            |  |
| <u>Opening Stock</u>   |                            |  |
| Finished Goods - Jewellery   | 483.94                     | -  |
|  | <b>483.94</b>              | -  |
| <u>Closing Stock</u>   |                            |  |
| Finished Goods - Jewellery   | -                          | 483.94                                       |
|  | -                          | 483.94                                       |
|  | <b>483.94</b>              | <b>(483.94)</b>                              |
| <b>Note '25' : EMPLOYEE BENEFITS EXPENSE</b>   |                            |  |
| Salary, Wages and Bonus  | 16.50                      | 26.23  |
|  | <b>16.50</b>               | <b>26.23</b>                                 |
| <b>Note '26' : FINANCE COST</b>  |                            |  |
| Interest   | 0.18                       | 22.63  |
| Other Borrowing Cost   | 1.32                       | 4.55   |
|  | <b>1.50</b>                | <b>27.18</b>                                 |
| <b>Note '27' : OTHER EXPENSE</b>   |                            |  |
| Advertisement Expenses   | 0.80                       | 0.41   |
| Auditor's Remuneration   | 1.00                       | 1.15   |
| Bank Charges & Commission  | 0.44                       | 2.68   |
| Clearing & Forwarding Charges  | 0.06                       | 0.32   |
| Communication Expenses   | 0.38                       | 0.45   |
| Consumables & Stores   | 2.05                       | 15.88  |
| Legal & Professional Expenses  | 2.03                       | 2.20   |
| Listing & Processing Fees  | 2.88                       | 2.29   |
| Miscellaneous Expenses   | 1.21                       | 5.59   |
| Power & Fuel   | 0.86                       | 1.14   |
| Printing & Stationery  | 0.73                       | 0.50   |
| Rates & Taxes (excluding taxes on income)  | 0.07                       | 0.25   |
| Net Loss on sale / Fair Valuation of investement through Profit & Loss*                          | 0.03                       | 0.86   |
| Loss on Sale of Fixed Assets   | 2.83                       | -  |
| Rent   | 3.07                       | 3.00   |
| Travelling & Conveyance  | 0.55                       | 2.79   |
|  | <b>18.99</b>               | <b>39.51</b>                                 |

\*Includes fair value gain/(Loss) as at 31st March, 2018 of Rs.(0.03) Lakhs (31st March, 2017 Rs.(0.86)Lakhs)

**SJ CORPORATION LIMITED**

FOR THE PERIOD ENDED 31ST MARCH, 2018

|  | (Rs. In Lakhs)             |                            |
|--|----------------------------|----------------------------|
|  | As at<br>31.03.2018<br>Rs. | As at<br>31.03.2017<br>Rs. |
| <b>NOTE '27' NOTES TO ACCOUNTS</b>   |                            |                            |
| <b>27.1 AUDITORS' REMUNERATION</b>   |                            |                            |
| Audit Fee  | 0.90                       | 0.90                       |
| Tax Audit Fee  | 0.10                       | 0.10                       |
| Service Tax  | -                          | 0.15                       |
|  | <b>1.00</b>                | <b>1.15</b>                |
| <b>27.2 EARNINGS PER SHARE (EPS)</b>   |                            |                            |
| Net Profit after tax as per statement of Profit and Loss attributable to equity shareholders | (1.65)                     | (47.37)                    |
| Weighted average number of equity shares outstanding   | 83.55                      | 83.55                      |
| Face Value per equity share (Rs.)  | 1.00                       | 1.00                       |
| Basic Earnings Per Share (Rs.)   | (0.02)                     | (0.57)                     |
| Diluted Earnings per Share (Rs.)   | (0.02)                     | (0.57)                     |
| <b>27.3 INCOME TAX RECONCILIATION</b>  |                            |                            |
| Profit before tax  | (16.53)                    | (47.40)                    |
| Applicable Tax Rate  | 25.75%                     | 30.90%                     |
| Computed Tax Expenses  | (4.26)                     | (14.65)                    |
| <u>Tax Effect of:</u>  |                            |                            |
| Income exempted from Income tax  | (0.03)                     | (0.94)                     |
| Expenses disallowed  | 0.63                       | 0.46                       |
| Other  | 3.65                       | 13.97                      |
| Excess tax provision   | -                          | (0.38)                     |
| Deferred Tax   | 14.87                      | 0.41                       |
|  | <b>14.87</b>               | <b>(1.13)</b>              |

**27.4 IMPORTED & INDIGENOUS MATERIALS CONSUMED**

|                       | 2018 |              | 2017  |                |
|-----------------------|------|--------------|-------|----------------|
|                       | %    | Amount (Rs.) | %     | Amount (Rs.)   |
| <u>Raw Materials</u>  |      |              |       |                |
| Imported              | -    | -            | 99.85 | 1716.67        |
| Indigenously obtained | -    | -            | 0.15  | 2.59           |
|                       |      | -            |       | <b>1719.26</b> |
| <u>Stores</u>         |      |              |       |                |
| Imported              | -    | -            | -     | -              |
| Indigenously obtained | -    | -            | 100   | 15.88          |
|                       |      | -            |       | <b>15.88</b>   |

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

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

**27.7** The Company has decided to close down its operation in SEZ unit at Sachin, Surat and has accordingly applied for closure with the SEZ Authorities.

**FOR THE PERIOD ENDED 31ST MARCH, 2018**

|  | As at<br>31.03.2018<br>Rs. | (Rs. In Lakhs)<br>As at<br>31.03.2017<br>Rs. |
|--|----------------------------|--|
| <b>27.8</b> The Company has not provided for its gratuity liability for the current year in absence of actuarial valuation. The management has initiated efforts to appoint a certified actuarial valuer to estimate the future estimated liability on account of gratuity that may be payable by the Company. |                            |  |
| <b>27.9 RELATED PARTIES DISCLOSURES</b>  |                            |  |
| a) Key management personnel & their relatives :  |                            |  |
| i. Mr. Deepak Upadhyay   |                            |  |
| ii. Mr. Savji D. Patel   |                            |  |
| iii. Mrs. Usha S. Patel, wife of Mr. Savji D. Patel  |                            |  |
| iv. Mr. Roopesh Agrawal  |                            |  |
| v. Mr. Ashish Satani   |                            |  |
| b) Transactions during the year with related parties :   |                            |  |
| i. Rent paid   | 3.00                       | 3.00   |
| ii. Payment to Key Managerial personnel/Relative   | 7.44                       | 8.02   |
| c) Disclosure in Respect of Major Related Party Transactions during the year :   |                            |  |
| i. <u>Rent paid</u>  |                            |  |
| Mrs. Usha S. Patel   | 3.00                       | 3.00   |
| ii. <u>Payment to Key Managerial personnel/Relative</u>  |                            |  |
| Mr. Deepak Upadhyay  | 3.60                       | 2.85   |
| Mr. Sanjay Patel   | -                          | 1.60   |
| Mr. Roopesh Agrawal  | 1.44                       | 1.44   |
| Mr. Ashish Satani  | 2.40                       | 2.13   |

**FOR THE PERIOD ENDED 31ST MARCH, 2018**

**27.10 FAIR VALUATION MEASUREMENT HIERARCHY**

| Particulars                  | (Rs. In Lakhs)         |                        |                        |                        |                       |                        |
|------------------------------|------------------------|------------------------|------------------------|------------------------|-----------------------|------------------------|
|                              | As at 31st March, 2018 |                        | As at 31st March, 2017 |                        | As at 1st April, 2016 |                        |
|                              | Carrying amount        | Level of Input used in | Carrying amount        | Level of Input used in | Carrying amount       | Level of Input used in |
|                              | Level 1                | Level 2                | Level 1                | Level 2                | Level 1               | Level 2                |
| <b>Financial Assets</b>      |                        |                        |                        |                        |                       |                        |
| <b>At Amortised cost</b>     |                        |                        |                        |                        |                       |                        |
| Investments                  | 100.00                 | -                      | 100.00                 | -                      | 100.00                | -                      |
| Trade Receivable             | 333.68                 | -                      | 195.64                 | -                      | 1,214.10              | -                      |
| Cash & Bank Balance          | 95.80                  | -                      | 5.17                   | -                      | 7.04                  | -                      |
| Loans                        | 162.94                 | -                      | -                      | -                      | -                     | -                      |
| Other Financial Assets       | 5.06                   | -                      | 0.81                   | -                      | 6.04                  | -                      |
| <b>At FVTPL</b>              |                        |                        |                        |                        |                       |                        |
| Investments                  | 6.92                   | 6.92                   | 6.94                   | 6.94                   | -                     | -                      |
| <b>At FVTOCI</b>             |                        |                        |                        |                        |                       |                        |
| Investments                  | 35.18                  | 35.18                  | 45.11                  | 45.11                  | 78.66                 | 78.66                  |
| <b>Financial Liabilities</b> |                        |                        |                        |                        |                       |                        |
| <b>At Amortised cost</b>     |                        |                        |                        |                        |                       |                        |
| Borrowing                    | -                      | -                      | 73.29                  | -                      | 982.23                | -                      |
| Trade Payable                | -                      | -                      | -                      | -                      | 323.03                | -                      |
| Other Financial Liabilities  | 2.16                   | -                      | 9.44                   | -                      | 9.89                  | -                      |

The financial instruments are categorized into two levels based on the inputs used to arrive at fair value measurements as described below:

**Level 1:** Quoted (unadjusted) prices in active markets for identical assets or liabilities; and

**Level 2:** Inputs other than the quoted prices included within Level 1 that are observable for the assets or liability, either directly or indirectly.

**Liquidity Risk**

Liquidity risk is the risk that suitable sources of funding for the company's business activities may not be available. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due, so that the company is not forced to obtain funds at higher rates. The Company monitors rolling forecasts of the Company's cash flow position and ensure that the Company is able to meet its financial obligation at all times including contingencies.

**Credit Risk**

Credit risk is the risk that a customer or counterparty to a financial instrument will fail to perform or pay amounts due causing financial loss to the company. It arises from cash and cash equivalents, financial instruments and principally from credit exposures to customers relating to outstanding receivables. The Company deals with highly rated counter parties.

**27.11 FIRST TIME IND AS ADOPTION**

The Company has adopted Ind AS with effect from 1st April, 2017 with comparatives being restated. Accordingly the impact of transition has been provided in the Opening Reserves as at 1st April, 2016. The figures for the previous period have been restated, regrouped and reclassified wherever required to comply with the requirement of Ind AS and Schedule III.

**Exemptions from retrospective application**

Ind As 101 allows first-time adopters exemptions from the retrospective application of certain requirements under Ind AS. The Company has applied the following exemption

a. Property, Plant and Equipment

The Company has elected to measure all of its Property, plant and equipment and Intangible assets at their Historical cost less accumulated depreciation.

b. Estimates

The estimate as at April 1, 2016 and as at March 31, 2017 are consistent with those made for the same dates in accordance with Indian GAAP.

Effect of Ind AS adoption on the standalone balance sheet as at 31st March, 2017 and 1st April, 2016

(Rs. In Lakhs)

|                                  | As at 31st March, 2017 |                                      |                                   | As at 1st April, 2016 |                                      |                                   |
|----------------------------------|------------------------|--------------------------------------|-----------------------------------|-----------------------|--------------------------------------|-----------------------------------|
|                                  | Pervious<br>GAAP       | Effect of<br>transition to<br>IND AS | As per<br>Ind AS<br>Balance Sheet | Pervious<br>GAAP      | Effect of<br>transition to<br>IND AS | As per<br>Ind AS<br>Balance Sheet |
| <b>ASSETS</b>                    |                        |                                      |                                   |                       |                                      |                                   |
| 1. <u>Non-current assets</u>     |                        |                                      |                                   |                       |                                      |                                   |
| a. Property, Plant and Equipment | 31.27                  | -                                    | 31.27                             | 38.01                 | -                                    | 38.01                             |
| b. Investment in Property        | 70.46                  | -                                    | 70.46                             | 70.46                 | -                                    | 70.46                             |
| c. <u>Financial Assets</u>       |                        |                                      |                                   |                       |                                      |                                   |
| i. Investments                   | 151.80                 | 0.25                                 | 152.05                            | 142.17                | 36.49                                | 178.66                            |
| ii. Others                       | 0.62                   | -                                    | 0.62                              | 0.62                  | -                                    | 0.62                              |
| d. Deferred Tax Assets           | 2.64                   | 0.00                                 | 2.64                              | 2.23                  | 0.00                                 | 2.23                              |
|                                  | <b>256.79</b>          | <b>0.25</b>                          | <b>257.04</b>                     | <b>253.49</b>         | <b>36.49</b>                         | <b>289.98</b>                     |
| 2. <u>Current assets</u>         |                        |                                      |                                   |                       |                                      |                                   |
| a. Inventories                   | 492.47                 | -                                    | 492.47                            | 740.14                | -                                    | 740.14                            |
| b. <u>Financial Assets</u>       |                        |                                      |                                   |                       |                                      |                                   |
| i. Trade Receivable              | 195.64                 | -                                    | 195.64                            | 1,214.10              | -                                    | 1,214.10                          |
| ii. Cash & Cash equivalents      | 5.17                   | -                                    | 5.17                              | 7.04                  | -                                    | 7.04                              |
| iii. Others                      | 0.19                   | -                                    | 0.19                              | 5.42                  | -                                    | 5.42                              |
| c. Current Tax Assets (Net)      | 0.38                   | -                                    | 0.38                              | 9.10                  | -                                    | 9.10                              |
| d. Other Current Assets          | 0.55                   | -                                    | 0.55                              | 3.05                  | -                                    | 3.05                              |
|                                  | <b>694.40</b>          | <b>-</b>                             | <b>694.40</b>                     | <b>1,978.85</b>       | <b>-</b>                             | <b>1,978.85</b>                   |
|                                  | <b>951.19</b>          | <b>0.25</b>                          | <b>951.44</b>                     | <b>2,232.34</b>       | <b>36.49</b>                         | <b>2,268.83</b>                   |
| <b>EQUITY AND LIABILITIES</b>    |                        |                                      |                                   |                       |                                      |                                   |
| <u>EQUITY</u>                    |                        |                                      |                                   |                       |                                      |                                   |
| a. Equity Share Capital          | 83.55                  | -                                    | 83.55                             | 83.55                 | -                                    | 83.55                             |
| b. Other equity                  | 782.96                 | 0.25                                 | 783.21                            | 826.59                | 41.52                                | 868.11                            |
|                                  | <b>866.51</b>          | <b>0.25</b>                          | <b>866.76</b>                     | <b>910.14</b>         | <b>41.52</b>                         | <b>951.66</b>                     |
| <u>LIABILITIES</u>               |                        |                                      |                                   |                       |                                      |                                   |
| 1. <u>Current Liabilities</u>    |                        |                                      |                                   |                       |                                      |                                   |
| a. <u>Financial Liabilities</u>  |                        |                                      |                                   |                       |                                      |                                   |
| i. Borrowing                     | 73.29                  | -                                    | 73.29                             | 982.23                | -                                    | 982.23                            |
| ii. Trade Payables               | -                      | -                                    | -                                 | 323.03                | -                                    | 323.03                            |
| iii. Other Financial liabilities | 9.44                   | -                                    | 9.44                              | 9.89                  | -                                    | 9.89                              |
| b. Other Current Liabilities     | 0.10                   | -                                    | 0.10                              | 0.17                  | -                                    | 0.17                              |
| c. Provision                     | 1.85                   | -                                    | 1.85                              | 6.88                  | (5.03)                               | 1.85                              |
|                                  | <b>84.68</b>           | <b>-</b>                             | <b>84.68</b>                      | <b>1,322.20</b>       | <b>(5.03)</b>                        | <b>1,317.17</b>                   |
|                                  | <b>951.19</b>          | <b>0.25</b>                          | <b>951.44</b>                     | <b>2,232.34</b>       | <b>36.49</b>                         | <b>2,268.83</b>                   |

## SJ CORPORATION LIMITED

### Reconciliation of Profit and Other Equity between IndAS and Previous GAAP

(Rs. In Lakhs)

|  | Notes | Net Profit               | Other Equity        |                     |
|--|-------|--------------------------|---------------------|---------------------|
|  |       | Year ended<br>31.03.2017 | As at<br>31.03.2017 | As at<br>01.04.2016 |
| Net Profit/ Other Equity as per Previous Indian GAAP |       | (43.63)                  | 782.96              | 826.59              |
| Fair value adjustment of Non-current Assets          | I     | (3.74)                   | 0.25                | 36.49               |
| Proposed Dividend including Tax                      |       | -                        |                     | 5.03                |
| <b>Total</b>   |       | <b>(3.74)</b>            | <b>0.25</b>         | <b>41.52</b>        |
| Net Profit before OCI/ Other Equity as per Ind AS    |       | <b>(47.37)</b>           | <b>783.21</b>       | <b>868.11</b>       |

### Effect of Ind As adoption on the statement of Profit and Loss for the year ended 31st March, 2017

|  | As at 31st March, 2017 |                                      |                                   |
|--|------------------------|--------------------------------------|-----------------------------------|
|  | Pervious<br>GAAP       | Effect of<br>transition<br>to IND AS | As per Ind AS<br>Balance<br>Sheet |
| <b>INCOME</b>  |                        |                                      |                                   |
| Revenue from operations  | 1,267.38               | -                                    | 1,267.38                          |
| Other income   | 23.08                  | (2.88)                               | 20.20                             |
| <b>Total Revenue</b>   | <b>1,290.46</b>        | <b>(2.88)</b>                        | <b>1,287.58</b>                   |
| <b>EXPENSES</b>  |                        |                                      |                                   |
| Cost of raw material consumed  | 1,719.26               | -                                    | 1,719.26                          |
| Purchases of traded goods  | -                      | -                                    | -                                 |
| Changes in inventories of finished goods,<br>work-in-progress and Stock-in-Trade | (483.94)               | -                                    | (483.94)                          |
| Employees benefit expenses   | 26.23                  | -                                    | 26.23                             |
| Finance Cost   | 27.18                  | -                                    | 27.18                             |
| Depreciation and amortization expense  | 6.74                   | 0.00                                 | 6.74                              |
| Other expenses   | 38.65                  | 0.86                                 | 39.51                             |
| <b>TOTAL EXPENSES</b>  | <b>1,334.12</b>        | <b>0.86</b>                          | <b>1,334.98</b>                   |
| <b>Profit/(Loss) before tax</b>  | <b>(43.66)</b>         | <b>(3.74)</b>                        | <b>(47.40)</b>                    |
| <b>Tax Expense</b>   |                        |                                      |                                   |
| (1) Current tax  | -                      | -                                    | -                                 |
| (2) Deferred tax (Net)   | 0.41                   | -                                    | 0.41                              |
| (3) Excess/(Short) Provision for earlier years                                   | (0.38)                 | -                                    | (0.38)                            |
| <b>Profit/(Loss) for the year</b>  | <b>(43.63)</b>         | <b>(3.74)</b>                        | <b>(47.37)</b>                    |

#### Notes:

##### I Fair Valuation for Financial Assets:

The Company has Valued financial assets (other than investment in debenture & AIF Fund), at fair value. Impact of fair value changes on the date of transition, is recognised in opening reserves and changes thereafter are recognised in Statement of Profit and Loss or Other Comprehensive Income, as the case may be.

In terms of our report of even date.

For & on behalf of Board of Directors

For **SDBA & Co.**

Chartered Accountants  
(FRN: 142004W)

**(SANJEEV A. MEHTA)**

Partner

M. No. 041287

Mumbai

May 25, 2018

**DEEPAK UPADHYAY**  
**SAVJI D. PATEL**  
**ROOPESH AGRAWAL**  
**ASHISH SATANI**

Mumbai

May 25, 2018

**MANAGING DIRECTOR (DIN: 02270389)**  
**DIRECTOR (DIN: 01671461)**  
**COMPANY SECRETARY**  
**CFO**



**E-COMMUNICATION REGISTRATION FORM**

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

Dear Sir/Madam,

**Re: Green Initiative in Corporate Governance**

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

Folio No. : .....

DP ID : .....

Client ID : .....

Name of 1st Registered Holder : .....

Name of Joint Holder(s) : .....

Registered Address : .....

**E-mail ID (to be registered)** : .....

Date: .....

Signature: .....  
(First Holder)

**Important Notes:**

1. On registration, all the communication will be sent to the e-mail ID registered in the folio/DP ID & Client ID.
2. The form is also available on the website of the company [www.sjcorp.in](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.

CUT HERE

**BLANK**



**Attendance Slip**

37<sup>th</sup> Annual General Meeting  
**SJ CORPORATION LIMITED**

[CIN: L51900MH1981PLC025223]

**Registered office:** 311, 03<sup>rd</sup> Floor, Laxmi Enclave, Gajera School Road,  
Katargam, Surat - 395 004, Gujarat, India

Mobile: 9904042992

Website www.sjcorp.in ; email: sjcorporation9@yahoo.com.

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

| Date                           | Venue  | Time           |
|--------------------------------|--|----------------|
| Friday, 28th<br>September 2018 | 311, 03 <sup>rd</sup> Floor, Laxmi Enclave, Gajera School Road,<br>Katargam, Surat - 395 004, Gujarat, India | 10.30 am (IST) |

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

Folio No. \_\_\_\_\_ \*DP ID No. \_\_\_\_\_ \*Client ID No. \_\_\_\_\_

Name of the Member Mr./Mrs. \_\_\_\_\_ Signature \_\_\_\_\_

Name of the Proxy holder Mr./Mrs. \_\_\_\_\_ Signature \_\_\_\_\_

\* 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 37<sup>th</sup> Annual General Meeting of the Company held on **Friday, 28<sup>th</sup> September 2018 at 10.30 am (IST)** at 311, 03<sup>rd</sup> Floor, Laxmi Enclave, Gajera School Road, Katargam, Surat - 395 004, Gujarat, India.

\_\_\_\_\_  
**Signature of the Member/ Proxy**

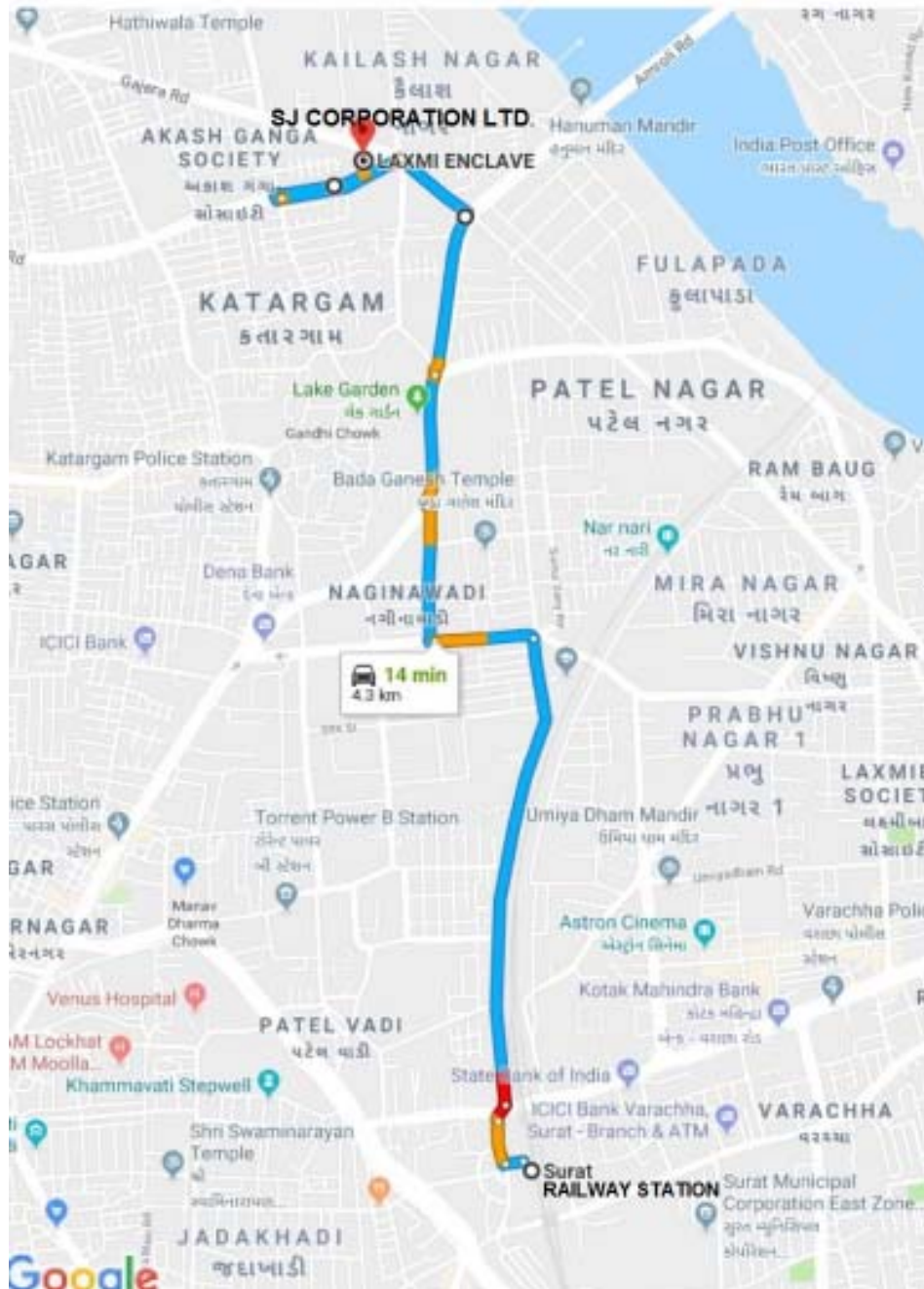
*Note: Electronic copy of the Annual Report 2017-18 and Notice of the 37<sup>th</sup> Annual General Meeting with the Attendance slip and Proxy form is being sent to all the members whose email id is registered with the Company/ Depository Participant unless any meeting has been requested for a hard copy of the same. Shareholders receiving electronic copy and attending the Annual General Meeting can print copy of this Attendance Slip.*

*Physical copy of the Annual Report 2017-18 and Notice of the 37<sup>th</sup> Annual General Meeting along with the Attendance Slip and Proxy Form is sent in the permitted mode(s) to all members whose email Id is not registered or has requested for hard copy.*

CUT HERE



ROUTE MAP



**37th Annual Report 2017-2018**

37<sup>th</sup> Annual General Meeting  
**SJ CORPORATION LIMITED**

[CIN: L51900MH1981PLC025223]

**Registered office:** 311, 03<sup>rd</sup> Floor, Laxmi Enclave, Gajera School Road,  
Katargam, Surat - 395 004, Gujarat, India

Mobile: 9904042992

Website www.sjcorp.in ; email: sjcorporation9@yahoo.com.

**Form No. MGT-11**  
**FORM OF PROXY**

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

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

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

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

1. Mr/Mrs \_\_\_\_\_  
Address \_\_\_\_\_  
Email Id \_\_\_\_\_ Signature \_\_\_\_\_

2. Mr/Mrs \_\_\_\_\_  
Address \_\_\_\_\_  
Email Id \_\_\_\_\_ Signature \_\_\_\_\_

3. Mr/Mrs \_\_\_\_\_  
Address \_\_\_\_\_  
Email Id \_\_\_\_\_ Signature \_\_\_\_\_

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 37<sup>th</sup> Annual General Meeting of the Company to be held on Friday, September 28, 2018 at 10.30 am (IST) at Office No. 311, 03<sup>rd</sup> Floor, Laxmi Enclave, Gajera School Road, Katargam, Surat - 395 004, Gujarat, India and at any adjournment thereof in respect of such resolutions as are indicated below:



CUT HERE

**SJ CORPORATION LIMITED**

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

| Sr.No.            | Resolutions  | Number of Shares held | For | Against |
|-------------------|--|-----------------------|-----|---------|
| Ordinary Business |  |                       |     |         |
| 1.                | To Adopt Standalone Audited Financial Statements for the financial year ended March 31, 2018 and reports of the Board of Directors and the Auditors thereon; |                       |     |         |
| 2.                | To appoint a Director in place of Mr. Deepak Upadhyay (DIN:02270389), who retires by rotation and being eligible, offers himself for re-appointment;         |                       |     |         |
| 3.                | To ratify the appointment of M/s. SDBA & Co., Chartered Accountants, as the Statutory Auditors of the Company  |                       |     |         |
| Special Business  |  |                       |     |         |
| 4.                | Appointment of Mr. Tejas Vrujlal Adroja as an Independent Director.  |                       |     |         |
| 5.                | Re-appointment of Mr. Rajiv Shah as an Independent Director of the Company   |                       |     |         |
| 6.                | Re-appointment of Mr. Rajiv Shah as a Non Executive Chairman of the Company.   |                       |     |         |

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

CUT HERE

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2018

**Notes:**

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



**BLANK**



# Book Post



## **SJ CORPORATION LIMITED**

Regd. Office : 311, 03<sup>rd</sup> Floor, Laxmi Enclave, Gajera School Road,  
Katargam, Surat - 395 004, Gujarat, India

 **SIDDHIVINAYAK PRINTERS**  
© 2163 5623