

# **SUNRAJ DIAMOND EXPORTS LTD.**



**26<sup>TH</sup> ANNUAL REPORT  
2015 - 2016**



# **SUNRAJ DIAMOND EXPORTS LTD.**

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## **DIRECTORS**

**Mr. Sunil C. Gandhi**

**Mr. Sunny S. Gandhi**

**Mr. Nirav K. Shah**

**Mr. Hargovind Shah**

**Mr. Jimit Shah**

**Mrs. Shruti Gandhi**

## **BANKERS**

**State Bank of India**

**Bank of Baroda**

**IndusInd Bank Ltd.**

**HDFC Bank Ltd.**

## **AUDITORS**

**M/s. Bhupendra Shroff & Co.**

*Chartered Accountants*

## **REGISTERED OFFICE**

Bharat Diamond Bourse, DC-6111-B,  
Bandra Kurla Complex, Bandra (E),  
Mumbai - 400 051.

## **REGISTRARS & SHARE TRANSFER AGENTS**

**M/s. Adroit Corporate Services Pvt. Ltd.**

17/18/19/20, Jaferbhoy Ind. Estate, 1st Floor,  
Makwana Road, Marol Naka,  
Andheri (East), Mumbai - 400 059.



**NOTICE**

**SUNRAJ DIAMOND EXPORTS LIMITED**

(CIN: L36912MH1990PLC057803)

Registered Office: DC-6111B, Bharat Diamond Bourse, BKC, Bandra - East, Mumbai - 400 051.

NOTICE is hereby given that the Twenty Sixth Annual General Meeting of the shareholders of **Sunraj Diamond Exports Limited** will be held at Kshatriya Gnyati Sabha Gruha, 229, Raja Ram Mohan Roy Marg, Girgaum, Mumbai - 400 004. on Friday 30th September, 2016 at 11.30 a.m. to transact the following business:

**ORDINARY BUSINESS :**

1. To receive, consider and adopt the Balance Sheet as at 31st March, 2016 and the Profit and Loss Account for the year ended on that date and the reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Sunil Gandhi (holding DIN 00322196), who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint Statutory Auditors and to fix their remuneration and for the purpose to consider and, if thought fit, to pass with or without modification, the following **Ordinary Resolution:**  
"RESOLVED THAT pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, the Company hereby ratifies the appointment of M/s. Bhupendra Shroff & Co., Chartered Accountants (Registration No. 101458W) as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company to be held in the year 2017 to examine and audit the accounts of the Company for the financial year 2016-2017, the appointment being made at the 24th Annual General Meeting of the Company held on 30th September, 2014, for a period upto conclusion of the 27th Annual General Meeting at such remuneration as may be mutually agreed between the Board of Directors of the Company and the Statutory Auditors."

**SPECIAL BUSINESS :**

4. To consider and if thought fit to pass with or without modifications the following Resolution as a **Special Resolution:**  
"RESOLVED THAT pursuant to the provisions of Sections 196, 197 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modifications or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013, the consent of the Company, be and is hereby accorded to the re-appointment of Mr. Sunny Gandhi (holding DIN 00695322), as a Whole-time Director of the Company, retiring by rotation with the designation "Executive Director" for a period of 3 years effective from 1st October, 2016, on the remuneration and upon the terms and conditions set out in the Explanatory Statement relating to this resolution with liberty and powers to the Board of Directors to alter and vary the terms and conditions and remuneration in such manner as the Board of Directors may deem fit and as is acceptable to Mr. Sunny Gandhi within the limits specified in the Act, including any statutory amendment, modifications or re-enactment thereof.  
RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things as it may, in its absolute discretion deem necessary, proper, expedient or incidental thereto for the purpose of giving effect to this resolution."

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5. To consider and if thought fit to pass with or without modifications the following Resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modifications or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013, the consent of the Company, be and is hereby accorded to the re-appointment of Mr. Nirav Shah (holding DIN 02033505), as a Whole-time Director of the Company, retiring by rotation with the designation "Executive Director & CFO" for a period of 3 years effective from 1st April, 2017, on the remuneration and upon the terms and conditions set out in the Explanatory Statement relating to this resolution with liberty and powers to the Board of Directors to alter and vary the terms and conditions and remuneration in such manner as the Board of Directors may deem fit and as is acceptable to Mr. Nirav Shah within the limits specified in the Act, including any statutory amendment, modifications or re-enactment thereof."

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things as it may, in its absolute discretion deem necessary, proper, expedient or incidental thereto for the purpose of giving effect to this resolution."

For and on behalf of the Board of Directors

**Registered Office**

DC-6111B, Bharat Diamond Bourse,  
BKC, Bandra - East,  
Mumbai - 400 051.

**SUNNY GANDHI**  
Executive Director  
**DIN No. 00695322**

Dated: 12<sup>th</sup> August, 2016

**NOTES FOR SHAREHOLDERS' ATTENTION:**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. The instrument of Proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting. A Proxy form is sent herewith. Proxies submitted on behalf of the Companies, societies, etc., must be supported by an appropriate resolution/authority, as applicable.
2. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, which sets out Details relating to the Special Business at the meeting, is annexed hereto.
3. Pursuant to Regulations 26(4) and 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standard - 2 on "General Meetings", the particulars of Directors proposed to be appointed/re-appointed at the Meeting, are annexed to the Notice.
4. The Register of Members and Share Transfer Books of the Company will remain closed from 27/09/2016 to 30/09/2016 (both days inclusive).
5. Members are requested to notify immediately any change of address;
  - (i) To their Depository Participants (DPs) in respect of their electronic share accounts, and
  - (ii) To the Company's Registrar & Share Transfer Agents, M/s Adroit Corporate Services Pvt. Ltd. 17-20, Jafferbhoy Ind. Estate, 1st Floor, Makwana Road, Marol Naka, Andheri - East, Mumbai - 400 059, in respect of their physical share folios, if any, quoting their folio numbers.

6. Members holding shares in physical form may avail themselves of the facility of nomination in terms of Section 72 of the Companies Act, 2013 by nominating in the prescribed form a person to whom their shares in the Company shall vest in the event of their death. The prescribed form can be obtained either from the website of the Company at [www.sunrajdiamonds.com](http://www.sunrajdiamonds.com) or from the Registrar & Share Transfer Agents at their aforesaid addresses.
7. Securities and Exchange Board of India (SEBI) has mandated the submission of 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 dematerialized accounts. Members holding shares in physical form can submit their PAN details to the Company along with the proof thereof.
8. The Notice of AGM, Annual Report and Attendance Slip are being sent in electronic mode to Members whose email IDs are registered with the Company or the Depository Participants, unless the Members have registered their request for a hard copy of the same. Physical copy of the Notice of AGM, Annual Report and Attendance Slip are being sent to those Members who have not registered their e-mail IDs with the Company or Depository Participants. Members who have received the Notice of AGM, Annual Report and Attendance Slip in electronic mode are requested to print the Attendance Slip and submit a duly filled in Attendance Slip at the registration counter to attend the AGM.
9. Members intending to require information about the financial Accounts, to be explained at the Meeting are requested to inform the Company at least a week in advance of their intention to do so, so that the papers relating thereto may be made available.
10. Members/proxies should bring the attendance slip duly filled in for attending the Meeting.
11. Members are requested to bring their copy of the Annual report to the Meeting.
12. In compliance with Section 108 of the Companies Act, 2013 read with Rule 20 of Companies (Management and Administration) Rules, 2014 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide e-voting facility to the shareholders, to enable them to cast their vote electronically. The Company has engaged services of Central Depository Services (India) Limited ("CDSL") for providing e-voting facility to Members. 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. 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.

**Process for e-voting:****The instructions for shareholders voting electronically are as under:****In case of shareholders receiving e-mail:**

- (i) The voting period begins on 27th September, 2016 and ends on 29th September, 2016. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 23rd September, 2016 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iii) Click on Shareholders.
- (iv) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.

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- (vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"><li>Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</li><li>In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</li></ul>
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) Company as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"><li>If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).</li></ul>

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant Company Name i.e. "Sunraj Diamond Exports Limited" on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xvii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.



(xviii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.

**(xix) Note for Non-Individual Shareholders and Custodians**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI, etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

**In case of members receiving the physical copy:**

- (i) Please follow all steps from Sl. No. (i) to Sl. No. (xix) above to cast vote.
  - (ii) The voting period begins on 27th September, 2016 and ends on 29th September, 2016. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 23rd September, 2016 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
  - (iii) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
13. Mrs. Grishma Khandwala, Practicing Company Secretary, (Membership No. 6515) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
  14. The Scrutinizer shall after the conclusion of voting at the general meeting, 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 two 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, who shall countersign the same and declare the result of the voting forthwith.
  15. The Results declared alongwith the Scrutinizer's report shall be placed on the website of CDSL immediately after the declaration of result by the Chairman. The result shall also be immediately forwarded to BSE Limited where the shares of the Company are listed.

For and on behalf of the Board of Directors

**Registered Office**

DC-6111B, Bharat Diamond Bourse,  
BKC, Bandra - East,  
Mumbai - 400 051.

Dated: 12<sup>th</sup> August, 2016

**SUNNY GANDHI**  
Executive Director  
**DIN No. 00695322**

# SUNRAJ DIAMOND EXPORTS LTD.

## ANNEXURE TO THE NOTICE

### EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013.

#### Item Nos. 4 and 5

Mr. Sunny Gandhi was re-appointed as a Wholetime Director for a period of 5 years i.e. from 1st October, 2011 to 30th September, 2016 and Mr. Nirav Shah was re-appointed as Wholetime Director for a further period of 3 years with effect from 1st April, 2014 to 31st March, 2017 and the shareholders had approved their re-appointment at the 21st Annual General Meeting and 24th Annual General Meeting respectively. Mr. Nirav Shah was also appointed as Chief Financial Officer of the Company.

As the tenure of appointment of Mr. Sunny Gandhi is expiring on 30th September, 2016 and of Mr. Nirav Shah on 31st March, 2017, it is now proposed to re-appoint them as Whole time Directors for a period of 3 years commencing from 1st October, 2016 and 1st April, 2017 respectively, subject to the approval of the Members.

Mr. Sunny Gandhi and Mr. Nirav Shah, Wholetime Directors, subject to the supervision and control of Board of Directors, shall carry out such duties and perform such other functions and services as shall, from time to time, be assigned/entrusted to them by the Board of Directors.

Mr. Sunny Gandhi and Mr. Nirav Shah shall be liable to retire by rotation and such retirement and re-appointment at the Annual General Meeting of the Company during the tenure of their office as Wholetime Director shall not constitute cessation of office as Wholetime Director.

The appointment/re-appointment of the whole time Directors will be on the following terms and conditions:

#### 1. Term of Office:

Name	Designation	Period
Mr. Sunny Gandhi	Wholetime Director	1st October, 2016 to 30th September, 2019
Mr. Nirav Shah	Wholetime Director	1st April, 2017 to 31st March, 2020

#### 2. Remuneration:

##### a) Salary

Name	Salary
Mr. Sunny Gandhi	₹ 50,000 p.m. to ₹ 1,00,000/- p.m.
Mr. Nirav Shah	₹ 75,000 p.m. to ₹ 1,50,000/- p.m.

The annual revision of salary in the above range, provided the same is within the limits specified under Schedule V to the Companies Act, 2013, will be subject to the approval of the Board of Directors of the Company.

##### b) Perquisites

- Reimbursement of entertainment expenses in the course of business of the Company.
- Free use of Company's car along with driver, running and maintenance expenses.
- Telephones, telefax and other Communication facilities at residence and expenses of Mobile telephone.
- Subject to statutory ceiling, the Wholetime Directors may be given any other allowances, perquisites, benefits and facilities as the Board of Directors from time to time may decide.

The remuneration mentioned above will be inclusive of the perquisites/allowances valued as per Income tax Rules, wherever applicable and in the absence of any such rules, shall be valued at actual cost, subject to a limit of 25% of salary as per a) above.