## BOARD OF DIRECTOR'S REPORT

**To,**
**The Members,**
**SJP Ultrasonics Limited.**
**(Formerly Known as SJP Ultrasonics Private Limited)**

Your Directors have pleasure in presenting the **12TH** Annual Report on the operations and the performance of the Company together with the Audited Accounts for the year ended **March 31, 2024.**

## 1. FINANCIAL PERFORMANCE

The financial performance of the Company for the financial year ended March 31, 2024 with comparison to the previous financial year are summarized below:

**(In Rupees)**

| PARTICULARS | For the year ended March 31, 2024 | For the year ended March 31, 2023 |
|---|---|---|
| Income from operation and other Income | 15,22,35,939 | 11,52,38,928 |
| Less: Total expenses | 10,48,17,589 | 9,22,49,565 |
| **Profit / (Loss) before PPI, Exceptional items and Tax** | **4,74,18,350** | **2,29,89,363** |
| Less: Prior Period items (PPI) | - | - |
| **Profit / (Loss) before Exceptional items and Tax** | **4,74,18,350** | **2,29,89,363** |
| Less: Exceptional items | - | - |
| **Profit / (Loss) before Tax** | **4,74,18,350** | **2,29,89,363** |
| Less: Provision for Taxation / Tax Expenses (Including Deferred Tax) | 1,21,78,274 | 65,10,000 |
| **Net Profit / (Loss) after Taxation** | **3,52,40,076** | **1,64,79,363** |

## 2. RESERVES & SURPLUS:

The Company has proposed to transfer amount to Rs. 3,52,40,076 to Reserves and Surplus during the financial year Ended 2023-24.

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**3. BRIEF DESCRIPTION OF THE COMPANY'S WORKING DURING THE YEAR/ STATE OF COMPANY'S AFFAIR (RS. IN HUNDRED)**

During the year under review, the Company has achieved turnover of **Rs. 15,21,06,899/-** (Rupees Fifteen Crore Twenty-One Lakhs Six Thousand Eight Hundred and Ninty Nine Only) as against Rs. **11,52,38,928/-** (Rupees Eleven Crore Fifty-Two Lakhs Thirty-Eight Thousand Nine Hundred and Twenty-Eight Only) for the previous year. After deducting total expenditure aggregating to Rs. **10,48,17,589/-** (Rupees Ten Crore Forty Eighty Thousand Seventeen Thousand Five Hundred and Eighty-Nine Only) the Company Has Booked the Profit after tax of amount to **Rs. 3,52,40,076/-** (Rupees Three Crore Fifty-Two Lakhs Forty Thousand and Seventy-Six Only) as against profit of Rs. **1,64,79,363/-** (Rupees One Crore Sixty-Four Lakhs Seventy-Nine Thousand Three Hundred and Sixty-Three Only) of the previous year.

**4. CHANGE IN THE NATURE OF BUSINESS**

There is no change in the nature of the business of the Company during the year.

**5. EVENTS SUBSEQUENT TO THE DATE OF FINANCIAL STATEMENTS OR MATERIAL CHANGES & COMMITMENTS AFFECTING FINANCIAL POSITION OF THE COMPANY.**

Following material Changes are done after the Financial Year Ended.

01. After End of the year March 31, 2024 the Company had increased its Authorised Share Capital from 7,00,00,000 (Rupees Seven Crore Only) to Rs. 10,00,00,000/- (Rupees Ten Crore Only) through passing an Ordinary Resolution in EoGM Dated July 23, 2024.

02. The Company Has issued the Bonus Shares in the proportion of 4:1 i.e. 04 (Four) new equity shares of nominal value of Rs. 10/- (Rupees Ten only) each for every 01 (One) existing equity share of nominal value of Rs. 10/- (Rupees Ten only) each" through passing an Ordinary Resolution in EoGM Dated July 23, 2024.

**6. DIVIDEND**

During the year, Company has not declared any dividend.

**7. HOLDING/ SUBSIDIARY/ ASSOCIATE COMPANIES**

The Company does not have any holding/subsidiary/associate Companies.

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## 8. NUMBER OF BOARD MEETINGS

The Board of Directors have met 10 times during the financial year 2023-24 and dates of board meeting are as following:

| Sl. No. | Date of Board Meeting |
|---|---|
| 1 | 03/05/2023 |
| 2 | 20/08/2023 |
| 3 | 05/09/2023 |
| 4 | 18/09/2023 |
| 5 | 25/09/2023 |
| 6 | 11/10/2023 |
| 7 | 19/10/2023 |
| 8 | 07/11/2023 |
| 9 | 21/11/2023 |
| 10 | 05/01/2024 |

## 9. BOARD OF DIRECTORS & KEY MANAGERIAL PERSONNEL

There was change in constitution of Board of Directors of the Company during the year under review along with after Financial Year End, which is as follows:

| Name of Director | Date of Appointment | Date of Cessation | Reasons for Change/ Appointment |
|---|---|---|---|
| Satish Mohanlal Kadakia | October 11, 2023 | - | Appointed as Additional Independent Director |
| Shivanni Sujal Shah | October 11, 2023 | - | Appointed as Additional Independent Director |
| Jignesh Pravinchandra Parekh | June 9, 2024 | - | Re-appointed as Managing Director |
| Parekh Rupal Jignesh | June 9, 2024 | - | Re-appointed as Whole-time Director |
| Satish Mohanlal Kadakia | - | April 29, 2024 | Resigned as the director |
| Vaibhav Hemantbhai Bhatt | May 15, 2024 | - | Appointed as Additional Independent Director |
| Rajesh Girish Jain | May 15, 2024 | - | Appointed as Additional Independent Director |
| Chirag Natvarlal Barot | 29/04/2024 | - | Appointed as CFO (Chief Financial Officer) |

## 10. COMPANY'S POLICY RELATING TO DIRECTOR'S APPOINTMENT, PAYMENT OF REMUNERATION AND DISCHARGE OF THEIR DUTIES

The provisions of Section 178(1) relating to constitution of Nomination and Remuneration Committee are not applicable to the Company and hence the Company has not devised any policy relating to appointment of Directors, payment of Managerial remuneration, Directors qualifications, independence of Directors and other related matters as provided under Section 178(3) of the Companies Act, 2013.

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Further, the board would like to inform that, After the End of Financial year the Company has incorporate the Nomination and Remuneration Committee voluntarily.

**Details of Director and KMP and Remuneration:**

a) Details of Director and KMP:

Director and KMP Appointed During the Year: 2
Director and KMP Appointed After the Year: 3
Director and KMP Resigned During the Year: 0
Director and KMP Resigned During the Year :1

**b) Remunerations to Director and KMP as follows:**

| Name of the Director/ KMP | Designation | For the F.Y. 2023-24 |
|---|---|---|
| Mr. Jignesh Pravinchandra Parekh | Chairman and Managing Director | 16,80,000/- |
| Mrs. Rupal Jignesh Parekh | Whole time Director | 51,00,000/- |
| Mr. Chirag Barot | CFO | 3,25,000/- |
| **Total** | | **71,05,000/-** |

## 11. CORPORATE SOCIAL RESPONSIBILITY (CSR)

The provision of Corporate Social Responsibility as given under section 135 of Companies Act, 2013 is not applicable to Company.

## 12. STATEMENT INDICATING CONCERNING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY OF THE COMPANY

The Company has developed and implemented a risk management policy which identifies major risks which may threaten the existence of the Company. The same has also been adopted by your Board and is also subject to its review from time to time. Risk mitigation process and measures have been also formulated and clearly spelled out in the said policy.

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**13. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES**

There are no Subsidiaries, Joint Ventures and Associate Companies.

**14. SIGNIFICANT & MATERIAL ORDER(S) PASSED BY THE REGULATORS**

During the year no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

**15. CHANGES IN SHARES CAPITAL OR CAPITAL STRUCTURE**

The Company had increased the Authorised Share Capital from 1,10,00,000 (Rupees One Crore Ten Lakhs Only) to 7,00,00,000/- (Rupees Seven Crore Only) through passed an ordinary resolution in EoGM dated August 25, 2023 (Extra ordinary General Meeting).

Further After End of the year March 31, 2024 the Company had increased its Authorised Share Capital from 7,00,00,000 (Rupees Seven Crore Only) to Rs. 10,00,00,000/- (Rupees Ten Crore Only) through passing an Ordinary Resolution in EoGM Dated July 23, 2024.

**16. STATUTORY AUDITOR**

M/s. C. J. Mehta & Co, Chartered Accountants (FRN.: 113730W) were appointed as Statutory Auditors until the conclusion of ensuing Annual General Meeting to be held for the year 2022-23. As the term for Auditor is expiring in ensuing Annual General Meeting, Board has received consent M/s. C. J. Mehta & Co, Chartered Accountants (FRN.: 113730W) to act as Auditors for the term of next 5 financial years i.e. from conclusion of ensuing Annual General Meeting till conclusion of Annual General Meeting to be held for FY 2027-28 and the Board has proposed for the approval of members in ensuing Annual General Meeting.

**17. AUDITORS' REPORT**

The Auditors' Report does not contain any qualification. Notes to Accounts and Auditors' remarks in their report are self-explanatory.

**18. BOARD'S COMMENT ON THE AUDITORS' REPORT AND SECRETARIAL AUDIT REPORT.**

There is no qualification, reservation, adverse remark or disclaimer made by the statutory auditor in his report.

The Secretarial Audit is not applicable to the Company.

**19. AUDIT COMMITTEE**

Not Applicable.

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**20. NOMINATION AND REMUNERATION COMMITTEE**

Not Applicable

**21. COST RECORD AND COST AUDITORS**

The provision of Cost audit as per section 148 is not applicable on the Company.

**22. SECRETARIAL AUDIT**

Not Applicable.

**23. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013**

The Company has not given Loans/ Guarantees in the financial year 2023-24 as per section 186 of the Companies Act, 2013.

The details of Investments made/ given by the Company in the financial year 2023-24 as per section 186 of the Companies Act, 2013 is stated in the notes to account which forms part of this Annual Report.

**24. DEPOSITS**

The Company has not accepted or renewed any amount falling within the purview of provisions of Section 73 of the Companies Act 2013 ("the Act") read with the Companies (Acceptance of Deposit) Rules, 2014 during the year under review. Hence, the requirement for furnishing of details relating to deposits covered under Chapter V of the Act or the details of deposits which are not in compliance with the Chapter V of the Act is not applicable.

**25. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES**

Details of related party transactions entered into during the financial year ended March 31, 2024 in accordance with provisions of section 186 of Companies Act, 2013 are given in attached Form AOC-2.

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

The particulars as required under the provisions of Section 134(3) (m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 in respect of conservation of energy, technology absorption, foreign exchange earnings and outgo etc. are attached herewith as **Annexure - A:**

**27. TRANSFER OF AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND.**

Your Company did not have any funds lying unpaid or unclaimed for a period of seven years. Therefore, there were no funds which were required to be transferred to Investor Education and Protection Fund (IEPF).

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**28. WEB LINK OF ANNUAL RETURN, IF ANY.**

The Company is having a website https://www.sjpultrasonics.in/. The Company has published the Annual Report on the website.

**29. COMPLIANCE WITH SECRETARIAL STANDARD**

The Directors have devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards and that such systems are adequate and operating effectively.

**30. DISCLOSURES UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013**

The Company has formed the Internal Complaints Committee (ICC). The Company follows the provisions of the POSH Act, 2013. The Company is committed to provide a safe and conductive work environment to its employees. There were no incidences of sexual harassment reported during the year under review.

**31. DIRECTORS RESPONSIBILITY STATEMENT**

In accordance with the provisions of Section 134(5) of the Companies Act, 2013 in relation to the audited financial statements of the Company for the year ended March 31, 2024, the Board of Directors hereby confirms that:

(a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

(b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;

(c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

(d) the directors had prepared the annual accounts on a going concern basis; and

(e) The Company being unlisted, sub clause (e) of section 134(5) of the Companies Act, 2013 pertaining to laying down internal financial controls is not applicable to the Company.

(f) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

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**32. DETAILS OF FRAUD REPORTED BY THE AUDITOR UNDER SUB SECTION (12) OF SEC 143 OF COMPANIES ACT**

There is no fraud and reported by auditors of the Company during the year according to provision of Section 143(12) of the Companies Act, 2013.

**33. DISCLOSURE OF INTERNAL FINANCIAL CONTROLS**

The Internal Financial Controls with reference to financial statements as designed and implemented by the Company are adequate. During the year under review, no material or serious observation has been received from the Statutory Auditors of the Company for inefficiency or inadequacy of such controls.

**34. REVISION OF FINANCIAL STATEMENTS AND THE BOARD REPORT UNDER SECTION 131 OF THE COMPANIES ACT, 2013 WITH REASON, IF ANY.:**

Not Applicable.

**35. DETAILS OF APPLICATION MADE OR ANY PRECEDING PENDING UNDER IBC, 2016 DURING THE FY ALONG WITH THE CURRENT STATUS**

Not Applicable.

**36. THE DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE-TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF**

Not Applicable.

**37. MISCELLANEOUS**

a. **BUY BACK OF SECURITIES**

The Company has not bought back any of its securities during the year under review.

b. **SWEAT EQUITY**

The Company has not issued any Sweat Equity Shares during the year under review.

c. **BONUS SHARES**

No Bonus Shares were issued during the year under review.

d. **EMPLOYEES STOCK OPTION PLAN**

The Company has not issued Employees Stock Option during the year under review.

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**38. ACKNOWLEDGEMENTS AND APPRECIATION**

Your directors take this opportunity to express their gratitude for the support and co-operation from the Banks and Statutory Authorities. Your directors also express their deep appreciation to the Company's employees at all levels for their unstinted efforts and valuable contributions during the year.

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

**SJP Ultrasonics Limited**

J P Parekh

**Jignesh Pravinchandra Parekh**
**Chairman & Managing Director**
**DIN: 05129344**

**Place: Thane**
**Date: August 16, 2024**