



Since 1943

JAYABHARAT CREDIT LIMITED

The Name That Inspires Confidence.

68th Annual Report 2010 - 2011

Registered Office:

19/20, Rajabhadur Mansion, 4th Floor, Opp. SBI Main Branch, Near Stock Exchange,
Mumbai Samachar Marg, Fort, Mumbai 400023
Tel.: 22664977, 22643021 - 22- 23 • Fax: 22664813.
Email: jcl@jayabharat.com • Website: www.jayabharat.com

BOARD OF DIRECTORS	: SHRI. RAJIV GUPTA (CHAIRMAN) SHRI. SHARAD SANGHI SHRI. ARUN MITTER SHRI. M K MADAN
MANAGER & COMPANY SECRETARY	: MS. NEELAM K MASTER
AUDITORS	: SHARP & TANNAN Chartered Accountants
SOLICITORS	: MULLA & MULLA & CRAIGE BLUNT & CAROE MANILAL KHER AMBALAL & CO.
BANKERS	: BANK OF BARODA BANK OF INDIA CENTRAL BANK OF INDIA
BRANCH OFFICES	
Ahmedabad	: 6, Blue Star Complex, Opp. Gujrat High Court, Near Railways Crossing, Off Ashram Road, Ahmedabad 380 009.
Bangalore	: 305, Raheja Chambers, 12, Museum Road, Bangalore 560 001.
Kolkata	: Chitrakoot Building, 5th Floor, 230A, Acharya Jagdishchandra Bose Road, Kolkata 700 020.
New Delhi	: 17-B, Asaf Ali Road, New Delhi 110 002.



JAYABHARAT CREDIT LIMITED

Notice

NOTICE IS HEREBY GIVEN THAT the Sixty Eighth Annual General Meeting of the members of Jayabharat Credit Limited will be held as scheduled below to transact the following business:

Date 06.09.2011

Day Tuesday

Time 11.30 A.M.

Place M.C.Ghia Hall, 2nd floor, Bhogilal Hargovindas Building, 18/20 Kaikhushru Dubhash Marg, Mumbai 400 001.

AS ORDINARY BUSINESS:

1. To consider and adopt the Audited Balance Sheet as at 31st March, 2011 and the Profit and Loss Account for the year ended on that date and the Reports of the Directors and Auditors thereon.
2. To appoint Director in place of Shri Rajiv Gupta, who retires by rotation, and is eligible for re-appointment.

3. To appoint Director in place of Shri Arun Mitter, who retires by rotation, and is eligible for re-appointment.
4. To appoint auditors and to fix their remuneration. M/s Sharp & Tannan, Chartered Accountants, retires and are eligible for re-appointment. Certificate under Section 224(IB) of the Companies Act, 1956 has been obtained from them.

By order of the Board of Directors
For **JAYABHARAT CREDIT LIMITED**

Neelam K Master
Manager & Company Secretary

New Delhi, 30th May, 2011

Registered Office :

19,20 Rajabhadur Mansion,
4th Floor, opp. SBI Main Branch,
Near Stock Exchange, M S Marg,
Fort, Mumbai 400023

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF, AND SUCH A PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. The instrument appointing proxy should, however, be deposited at the Registered Office of the Company not less than 48 hours, before the meeting.
3. The Register of Members and Share Transfer Books of the Company will remain closed from 30.08.2011 to 06.09.2011 both days inclusive.
4. Shareholders desiring any general information as regards Accounts are requested to write to the Company not less than 48 hours before the Meeting, so as to enable the Management to keep the information ready.
5. Members/Proxies should bring the Attendance Slip sent herewith duly filled in for attending the meeting.
6. Shares held by the same person in more than one folio have been consolidated to the extent possible. If you hold shares in more than one folio, you are requested to intimate the details of folios allotted to you, to enable us to consolidate these into a single folio.
7. The unclaimed dividend/s for the financial year 2002-03 has been transferred to Investor Education & Protection Fund (Awareness and protection of the Investors) Rules, set up by the Central Government.

Accordingly unpaid/unclaimed dividend starting with 2003-04 become transferable to the fund followed by the transfers of the amounts unpaid/unclaimed dividend every year .No claims shall lie thereafter against the fund or the company in respect of such amounts transferred. Shareholders are requested to verify their records and send claims, if any, for the years from 2003-04 onwards, before the respective amounts become due for transfer to the fund.
8. Companies Shares are under compulsory demat form.
9. Information as required under Clause 49(IV) (G) of the Listing Agreements in respect of directors being re-appointed is given in the Corporate Governance chapter on page no 25 attached with this annual report.

IMPORTANT

Shareholders are requested to directly send Share Transfer/ Demat request/ Communication etc. at the following Address:

SHAREPRO SERVICES (INDIA) PVT.LTD.

13 AB Samhita Warehousing Complex, 2nd Floor, Sakinaka Telephone Exchange Lane, Of. Andheri Kurla Road, Sakinaka, Andheri (East), Mumbai – 400072 Tel: 67720300 / 400 Fax: 28591568 email: Sharepro@shareproservices.com.,



DIRECTORS' REPORT

To

Our Shareholders,

Your Directors have pleasure in presenting the 68th Annual Report and the Audited Accounts of the Company for the year ended 31st March, 2011.

	2010-11 (Rs. in Lacs)	2009-10 (Rs. in Lacs)
1. Asset Financing Business	228.75	1,386.28
2. Receivables	450.57	356.28
3. Income:		
(a) Asset Financing	630.01	964.77
(b) Recovery for NPA & Bad-Debts W/off	2.00	22.10
(c) Other Operational Income	46.29	64.76
(d) Other Income	610.92	5.26
4. Gross Profit before Depreciation & Income tax	53.01	48.67
5. Depreciation	14.12	20.88
6. Tax Provision	6.34	6.98
7. Profit After Depreciation and Income Tax	32.56	20.81

1. OPERATIONS :

During the year under review, the Company earned a total income of Rs.1,289.28 Lacs.

The Company has been focusing its attention to recover the dues and main thrust is to put pressure on the clients by using all available means including offering one time settlement through negotiations and where required initiating legal actions. Positive results are being achieved by this continues process of recovery of dues. Fresh hire purchase/lease business activities are being carried on selective basis. The Board intends to make your company a 'Debt Free Company' and as such, there is no fresh acceptance/renewal of deposits.

2. DIVIDEND:

In view of the consolidation of existing business activities and to conserve the resources, your Directors are constrained not to recommend any dividend.

3. RESERVES:

During the year under review, the Company has transferred from the Profit to Reserves:

- (i) Special/Statutory Reserve Rs.7.00 Lacs and General Reserve Rs.1.00 Lacs, leaving a balance of Rs.24.56 Lacs in Profit & Loss A/c.

4. RBI'S GUIDELINES ON PRUDENTIAL NORMS & CREDIT RATING

The Company has complied with RBI guidelines and as against minimum requirement of 15% Capital Adequacy Ratio is 30.17%

CARE Limited, rating agency, giving reasoning like global recessions, reduction in margin in the financing in view of competitive market and sluggish demand in transport sector has downgraded the company's rating from BB to C which denotes 'inadequate safety for timely servicing of debt obligations and carry high credit risk.'

5. DEPOSITS

Reserve Bank of India, in view of downgrading of the rating, has directed your Company to reduce the level of public deposits. This downgrading has perforced the Company to reduce the outstanding towards public deposits. Fixed Deposits and Cumulative Time Loan Receipts including interest accumulations are Rs.1745 Lacs against which Receipts numbering 571 and totaling to Rs.123.50 Lacs maturing for payment remained unclaimed. We have complied with the liquidity requirements as per directives of the Reserve Bank of India.

6. DIRECTORATE:

Shri Rajiv Gupta and Shri Arun Mitter retire by rotation and are eligible for re-appointment as Director of the Company.

7. DIRECTORS'RESPONSIBILITY STATEMENT:

As required by sub-section (2AA) of section 217 of the Companies Act, 1956, Directors state:

- i. That the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departure.
- ii. That 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 or loss of the Company for that period.

- iii. That the Directors have taken proper and sufficient care of the maintenance of adequate accounting records in accordance with the provision of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv. That the annual accounts have been prepared on a going concern basis.

8. AUDITORS REPORT:

Regarding the qualifications by the Auditors, these are dealt with in Notes in Schedule 'R' being Notes forming part of the Accounts which may be taken as our explanation under Section 217(3) of the Companies Act, 1956.

9. AUDITORS:

M/s Sharp & Tannan, Chartered Accountants, Auditors of the Company retire at this Annual General Meeting and have intimated their eligibility of re-appointment. A certificate under Section 224(1B) of the Companies Act, 1956, has been obtained from them.

10. DEMATERIALISATION OF SHARES:

Company's Shares are in demat mode. Following are the details of the shares dematerialized on N S D L and C D S L Depositories.

Financial year	No. of Shares		Total shares demated During the period	% age	Cumulative total	
	N S D L	C D S L			No of Shares	%
2008-2009	6,260	3,950	10,210	0.20	46,63,795	93.28
2009-2010	6,426	19,175	25,601	0.51	46,89,396	93.79
2010-2011	4,744	1,344	6,088	0.12	46,95,484	93.91

11. COMPLIANCE BY THE COMPANY

The Company has complied with the requirements of the Stock Exchange, SEBI and other statutory authorities on all matters relating to the Capital markets during the last three years. No penalties or strictures have been imposed on the Company by the Stock Exchange or SEBI or any other statutory authorities relating to the above.

12. PERSONNEL:

There is no person in receipt of remuneration for giving particulars as is required under Section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975.

13. CONSERVATION OF ENERGY, TECHNOLOGY, ABSORPTION AND FOREIGN EXCHANGE EARNINGS/OUTGO

In terms of the requirements of Clause(e) of sub section(1) of Section 217 of the Companies Act, 1956, read with the Companies(Disclosure of Particulars in the Report of Board of Directors)Rules, 1988, the particulars are given as under:-

a) Technology	-	Being a finance company, the same is not applicable	
b) Conservation of Energy	-	- do -	
c) Transactions in Foreign Currency		This Year	Previous Year
a) Expenditure in Foreign Currency Loan		Nil	Nil
b) Shares held by Non Resident Shareholders		17,949	18,287
No. of Shareholders		14	17

The company had no earnings in foreign exchange.

14. CORPORATE GOVERNANCE:

As per the Listing Agreement with the Stock Exchange, Auditor's Certificate regarding the compliance of conditions of Corporate Governance (Annexure 'A') and Management Discussion and Analysis Report (Annexure 'B') forms part of this report.

15. GENERAL:

Your Directors would like to record their appreciation of the services rendered by the members of the staff at all levels. They also like to express their gratefulness to the Company's Bankers, Depositors and Shareholders, Automobile Dealers, Manufactures and Clients for their co-operation and also for the confidence reposed in the Company.

For and on behalf of the Board of Directors

For **JAYABHARAT CREDIT LIMITED**

RAJIV GUPTA

Chairman

New Delhi, 30th May, 2011



AUDITORS' REPORT

We have audited the attached Balance Sheet of Jayabharat Credit Limited as at 31st March, 2011, the Profit and Loss Account and the Cash Flow Statement for the year ended on that date, annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In accordance with the provisions of Section 227 of the Companies Act 1956, we report that:

1. As required by the Companies (Auditor's Report) Order, 2003 and as amended by the Companies (Auditor's Report) (Amendment) Order, 2004 ('the Order') issued by the Central Government of India in terms of Section 227(4A) of the Companies Act, 1956, we enclose in the Annexure, a statement on the matters specified in paragraphs 4 and 5 of the said Order.
2. Further to our comments in the Annexure referred to above, we report that:
 - (a) we have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) in our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - (c) the Balance Sheet, the Profit and Loss Account and the Cash Flow Statement dealt with by this report are in agreement with the books of account;

- (d) in our opinion, the Balance Sheet, the Profit and Loss Account and the Cash Flow Statement dealt with by this report comply with the accounting standards referred to in Section 211(3C) of the Companies Act, 1956; to the extent applicable.
- (e) on the basis of the written representations received from directors of the Company as at 31st March, 2011 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2011 from being appointed as a director in terms of Section 274 (1) (g) of the Companies Act, 1956; and
- (f) in our opinion and to the best of our information and according to the explanations given to us, the said Financial Statements read together with the Significant Accounting Policies in Schedule 'Q' and the Notes on the Financial Statements in Schedule 'R' appearing thereon, give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (i) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2011;
 - (ii) in the case of the Profit and Loss Account, of the profit for the year ended on that date; and
 - (iii) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

SHARP & TANNAN

Chartered Accountants
Registration No. 109982W
by the hand of

MILIND P. PHADKE

Partner
Membership No. 33013

Mumbai, 30th May, 2011

ANNEXURE TO THE AUDITORS' REPORT

(Annexure referred to in paragraph 1 of the auditors' report)

1. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) As explained to us, all the fixed assets have been physically verified by the management at reasonable intervals. No material discrepancies were noticed on such verification.
- (c) The Company has not disposed off any substantial part of its fixed assets during the year so as to affect its going concern status.
2. The Company is a non-banking finance company and does not hold any inventories. Accordingly, Paragraph 4 (ii) (a), (b) and (c) of the Order is not applicable.
3. (a) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956. Paragraph 4 (iii) (b), (c) and (d) of the Order are not applicable.
- (b) According to the information and explanations given to us, the Company has taken an unsecured loan from a company covered in the register maintained under Section 301 of the Companies Act, 1956. The amount at the year end is Rs.13,75,75,000 (previous year Rs.10,94,00,000). In our opinion, rate of interest and other terms and conditions of

such loan are not, prima facie, prejudicial to the interest of the Company. The payment of principal amount and interest are regular.

4. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of fixed assets and for services rendered. We have neither come across nor have been informed of any continuing failure to correct major weaknesses in internal control system.
5. According to the information and explanations given to us, we are of the opinion that the particulars of contracts or arrangements that need to be entered in the register maintained under Section 301 of the Companies Act, 1956, have been so entered.
6. In our opinion, and according to the information and explanations given to us, the Company has complied with the directives issued by the Reserve Bank of India (including additional directives vide letter No. DNBS.CO.ZMD (W).No.1523/13.10.003/2009-10 dated 10th September, 2009) and the provisions of Sections 58A, 58AA or any other relevant provisions of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975 with regard to the deposits accepted from public, where applicable. No order has been passed by Company Law Board or National Company Law Tribunal or any court or any Tribunal.
7. The Company is having an internal audit system commensurate with its size and the nature of its business.
8. According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 209 (1) (d) of the Companies Act, 1956.
9. (a) According to the information and explanations given to us, the Company is regular in depositing undisputed statutory dues including provident fund, investor education and protection fund, income tax, sales tax, service tax, cess and other statutory dues with the appropriate authorities. According to the information and explanations given to us, there are no undisputed provident fund, investor education and protection fund, income tax, sales tax, service tax, cess and other statutory dues outstanding as at 31st March, 2011 for a period of more than six months from the date they became payable.
(b) According to the information and explanations given to us, there are no dues of income tax, service tax, and cess which have not been deposited with the appropriate authorities on account of any dispute overdue for a period exceeding six months.
10. The Company has no accumulated losses as at 31st March, 2011 and it has not incurred cash losses in the financial year and also in the immediately preceding financial year.
11. According to the information and explanations given to us, the Company has not defaulted in repayment of dues to banks as at balance sheet date. The Company has not issued any debentures.
12. According to the information and explanations given to us the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. The provisions of any special statute applicable to chit fund/nidhi/mutual benefit fund/societies are not applicable to the Company. Accordingly, Paragraph 4 (xiii) of the Order is not applicable.
14. In our opinion and according to the information and explanations given to us, the Company is not a dealer or trader in securities. The Company has invested surplus funds in marketable securities. According to the information and explanations given to us, proper records have been maintained of the transactions and contracts and timely entries have been made therein. The investments in marketable securities have been held by the Company in its own name.
15. In our opinion and according to the information and explanations given to us, the Company has not given any guarantee on behalf of third party. Accordingly, Paragraph 4(xv) of the Order is not applicable.
16. The Company has not raised any term loan during the year. Accordingly, Paragraph 4(xvi) of the Order is not applicable.
17. According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that there are no funds raised on short-term basis which are used for long-term investments. No long-term funds have been used to finance short-term assets except permanent working capital.
18. The Company has not made any preferential allotment of shares during the year to parties and companies covered in the register maintained under Section 301 of the Companies Act, 1956.
19. The Company has not issued any debentures during the year. There were no outstanding debentures as of the year-end. Accordingly, Paragraph 4 (xix) of the Order is not applicable.
20. The Company has not raised any money by public issues during the year. Accordingly, Paragraph 4 (xx) of the Order is not applicable.
21. During the course of our examination of the books and records of the Company, carried out in accordance with generally accepted auditing practices in India, and according to information and explanations given to us, we have neither come across any fraud on or by the Company noticed or reported during the year, nor have we been informed of such case by management.

SHARP & TANNAN
Chartered Accountants
Registration No. 109982W
by the hand of

MILIND P. PHADKE
Partner
Membership No. 33013

Mumbai, 30th May, 2011



JAYABHARAT CREDIT LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2011

	Schedule	Rupees	As at 31st March, 2011 Rupees	As at 31st March, 2010 Rupees
I SOURCES OF FUNDS				
SHAREHOLDERS' FUNDS				
Share Capital	'A'	5,00,00,000		5,00,00,000
Reserves and Surplus	'B'	13,62,47,445	18,62,47,445	13,29,91,471
				18,29,91,471
LOAN FUNDS:				
Secured Loans	'C'	11,17,59,477		15,64,80,613
Unsecured Loans	'D'	30,11,33,000	41,28,92,477	43,38,59,000
				59,03,39,613
Deferred tax liabilities				
Deferred tax liabilities		-		25,71,569
Less :Deferred tax assets		-		13,33,382
(refer note 10 of Schedule R)				12,38,187
Total			59,91,39,922	77,45,69,271
II APPLICATION OF FUNDS				
Fixed Assets				
Gross Block	'E'	2,45,10,738		5,49,84,185
Less : Depreciation		1,60,50,420	84,60,322	2,48,10,325
Net block			4,18,25,443	3,01,73,860
Investments				
Deferred tax assets				
Deferred tax liabilities		9,98,616		
Less :Deferred tax assets		12,29,235	2,30,619	
(refer note 10 of Schedule R)				
Current Assets, Loans and Advances				
Sundry Debtors	'G'	4,50,57,493		3,56,27,655
Cash and Bank Balances	'H'	44,98,569		51,16,780
Other Current Assets	'I'	9,62,822		19,26,388
Loans and Advances	'J'	57,91,73,474		76,00,98,247
		62,96,92,358		80,27,69,070
Less : Current Liabilities and Provisions				
Liabilities	'K'	7,53,47,360		11,81,58,393
Provisions	'L'	57,21,459		46,14,094
		8,10,68,819		12,27,72,487
Net Current Assets			54,86,23,539	67,99,96,583
Total			59,91,39,922	77,45,69,271
Significant Accounting Policies	'Q'			
Notes on the Financial Statements	'R'			

The Schedules referred to above form an integral part of the Financial Statements

As per our report attached

SHARP & TANNAN

Chartered Accountants

Registration No: 109982W

by the hand of

MILIND P. PHADKE

Partner

(Membership No.- 33013)

Mumbai, 30th May, 2011

For and on behalf of the Board

RAJIV GUPTA

Chairman

SHARAD SANGHI

ARUN MITTER

M.K.MADAN

Directors

NEELAM K. MASTER

Manager & Company Secretary

New Delhi, 30th May, 2011

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2011

	Schedule	Rupees	Year ended 31st March, 2011 Rupees	Year ended 31st March, 2010 Rupees
INCOME				
Income from asset financing			6,30,07,214	9,64,76,600
Recovery of N.P.A /bad debts written-off			2,00,107	22,10,000
Other operational income	‘M’		46,75,517	68,08,841
Other income	‘N’		6,10,44,947	1,93,308
Total Income			12,89,27,785	10,56,88,749
EXPENDITURE				
Payments to and Provisions for Employees	‘O’		65,95,768	99,23,235
Other Expenditure	‘P’		1,52,64,360	1,62,99,665
Interest : Fixed deposits		2,61,52,544		4,40,53,904
: Others		<u>2,84,06,158</u>		<u>2,96,81,119</u>
			5,45,58,702	7,37,35,023
Depreciation			14,11,873	20,88,724
Bad debts written-off and Charge for NPA			4,72,06,911	8,62,363
Total Expenditure			12,50,37,614	10,29,09,010
Profit before taxes			38,90,171	27,79,739
Provision for taxation				
Current tax			21,05,000	6,00,000
Deferred tax			(14,68,805)	5,40,350
(refer note 10 of Schedule R)				
Taxation adjustments of earlier years			(1,998)	(4,42,232)
			<u>6,34,197</u>	<u>6,98,118</u>
Profit after taxes			32,55,974	20,81,621
Balance brought forward from the previous year			3,58,27,287	3,43,45,666
AMOUNT AVAILABLE FOR APPROPRIATION			3,90,83,261	3,64,27,287
Appropriations:				
Transfer to Reserve u/s 45-IC of RBI Act, 1934			7,00,000	5,00,000
General Reserve			1,00,000	1,00,000
Balance carried to Balance Sheet			<u>3,82,83,261</u>	<u>3,58,27,287</u>
Total			3,90,83,261	3,64,27,287
Earnings Per Share (Basic and Diluted)			0.65	0.42
Nominal value of shares			10.00	10.00
(refer note 9 of Schedule R)				
Significant Accounting Policies	‘Q’			
Notes on the Financial Statements	‘R’			
The Schedules referred to above form an integral part of the Financial Statements				

As per our report attached

SHARP & TANNAN

Chartered Accountants

Registration No: 109982W

by the hand of

MILIND P. PHADKE

Partner

(Membership No.- 33013)

Mumbai, 30th May, 2011

NEELAM K. MASTER

Manager & Company Secretary

For and on behalf of the Board

RAJIV GUPTA

Chairman

SHARAD SANGHI

ARUN MITTER

M.K.MADAN

Directors

New Delhi, 30th May, 2011



SCHEDULES FORMING PART OF THE FINANCIAL STATEMENTS : 31ST MARCH, 2011

SCHEDULE 'A' : SHARE CAPITAL

	As at 31st March, 2011 Rupees	As at 31st March, 2010 Rupees
Authorised :		
1,00,00,000 Equity Shares of Rs.10 each	10,00,00,000	10,00,00,000
	<u>10,00,00,000</u>	<u>10,00,00,000</u>
Issued and Subscribed :		
50,00,000 Equity Shares of Rs.10 each fully paid (Of the above, 2,00,000 Equity Shares have been allotted as fully paid up by way of bonus shares by capitalisation of General Reserve)	5,00,00,000	5,00,00,000
Total	<u>5,00,00,000</u>	<u>5,00,00,000</u>

SCHEDULE 'B' : RESERVES AND SURPLUS

	As at 1st April 2010 Rupees	Additions Rupees	Deductions Rupees	As at 31st March, 2011 Rupees
Capital Reserve	1,583	-	-	1,583
Securities Premium Account	1,00,00,000	-	-	1,00,00,000
General Reserve	5,87,12,601	1,00,000	-	5,88,12,601
Reserve u/s 45-IC of RBI Act, 1934	2,84,50,000	7,00,000	-	2,91,50,000
Profit and Loss Account	3,58,27,287	24,55,974	-	3,82,83,261
Total	<u>13,29,91,471</u>	<u>32,55,974</u>	<u>-</u>	<u>13,62,47,445</u>
Previous year	<u>13,09,09,850</u>	<u>20,81,621</u>	<u>-</u>	<u>13,29,91,471</u>

SCHEDULE 'C' : SECURED LOANS

	As at 31st March, 2011 Rupees	As at 31st March, 2010 Rupees
From Banks :		
Term Loan :		
Working Capital Term Loan (Secured by assignment of asset finance agreements, pro-notes, etc. in favour of the Bank and mortgage of movable and immovable properties of Company and personal gurantee of Director.) (Repayable within one year Rs.24,984,000/- previous year Rs. Nil) (refer note 4 of Schedule R)	9,16,66,650	0
Cash Credit : (Secured by assignment of asset finance agreements, pro-notes, etc. in favour of the Bank)	2,00,92,827	15,64,80,613
Total	<u>11,17,59,477</u>	<u>15,64,80,613</u>

SCHEDULE 'D' : UNSECURED LOANS

	As at 31st March, 2011	As at 31st March, 2010
	Rupees	Rupees
Fixed Deposits (Due within one year Rs. 13,82,70,000; Previous year Rs.16,45,72,000)	16,35,58,000	32,44,59,000
Inter corporate deposit	13,75,75,000	10,94,00,000
Total	30,11,33,000	43,38,59,000

SCHEDULE 'E' : FIXED ASSETS

Particulars of Assets	Gross Block (At cost)			Depericiation		Net Block	
	As at 1st April, 2010	Additions	Deductions	As at 31st March, 2011	Total upto 31st March, 2011	As at 31st March, 2011	As at 31st March, 2010
	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees
Ownership flats and office premises *	4,05,21,842	-	3,06,38,440	98,83,402	41,13,020	57,70,383	2,71,79,782
Furniture and fixtures	60,73,005	-	-	60,73,005	48,62,832	12,10,174	14,71,466
Office equipments and electric fittings	71,31,238	2,52,545	87,552	72,96,231	59,48,027	13,48,205	13,45,094
Vehicles	12,58,100	-	-	12,58,100	11,26,541	1,31,560	1,77,518
Total	5,49,84,185	2,52,545	3,07,25,992	2,45,10,738	1,60,50,420	84,60,322	3,01,73,860
Previous year	5,46,87,804	3,38,076	41,695	5,49,84,185	2,48,10,325	3,01,73,860	

(*includes Rs.1,530 towards cost of shares in the Co-operative Society)



SCHEDULE 'F' : INVESTMENTS

	As at 31st March, 2011		As at 31st March, 2010	
	Rupees		Rupees	
Long Term Investments (At cost)				
A. Government Securities				
11.50% Govt. of India 2011		57,90,000		57,90,000
09.39% Govt. of India 2011		22,97,000		22,97,000
11.03% Govt. of India 2012		60,00,000		60,00,000
11.83% Govt. of India 2014		67,90,000		67,90,000
06.05% Govt. of India 2019		68,62,500		68,62,500
06.30% Govt. of India 2023		-		68,62,500
07.38% Govt. of India 2015		24,98,750		24,98,750
07.94% Govt. of India 2021		-		57,12,000
11.83% Govt. of India 2014		41,05,500		41,05,500
07.27% Govt. of India 2013		49,00,000		49,00,000
12.25% Govt. of India 2010		-		31,80,900
07.56% Govt. of India 2014		31,53,000		31,53,000
09.00% Govt. of India 2013		10,43,500		-
		4,34,40,250		5,81,52,150
Less: Provision for diminution in the value		24,21,685		20,07,824
Sub-Total		4,10,18,565		5,61,44,326
(Aggregate market value Rs.46,865,030; Previous year Rs.57,864,080)				
B. Investment in short -term deposits				
Bank of Baroda		-		75,83,500
Bank of India		2,00,000		-
Sub-Total		2,00,000		75,83,500
C. Equity Shares - Unquoted				
of Rs.25 each fully paid				
The Greater Bombay Co-operative Bank Ltd.	10	250	10	250
Sub-Total		250		250
Total Long Term Investments (A+B+C)		4,12,18,815		6,37,28,076
Current Investments				
Equity Shares - Quoted				
of Rs.10 each fully paid				
India Lease Development Ltd.	78,000	15,62,299	78,000	15,62,299
Central Bank of India	76	7,752	76	7,752
Sub-Total		15,70,051		15,70,051
Less: Provision for diminution in the value		9,63,423		8,99,299
Total Current Investments		6,06,628		6,70,752
(Aggregate market value Rs.606,628; Previous year Rs.674,138)				
Grand Total		4,18,25,443		6,43,98,828

SCHEDULE 'G' : SUNDRY DEBTORS

	As at 31st March, 2011	As at 31st March, 2010
	Rupees	Rupees
Asset finance business		
Amount for which instalments are due		
Secured by vehicles and machineries		
Outstanding for a period exceeding six months	3,48,90,350	3,04,15,127
Others	1,01,67,143	52,12,528
Total	4,50,57,493	3,56,27,655

SCHEDULE 'H' : CASH AND BANK BALANCES

Cash on hand	-	70,000
Balances with Scheduled Banks :		
In current accounts	44,98,569	50,46,780
Total	44,98,569	51,16,780

SCHEDULE 'I' : OTHER CURRENT ASSETS

Interest accrued on investments	9,62,822	19,26,388
Total	9,62,822	19,26,388

SCHEDULE 'J' : LOANS AND ADVANCES

Secured :		
by vehicles and machineries covered under asset finance agreements [including finance charges and insurance premium accounted in advance, per contra Rs.1,11,25,745; (Previous year Rs.5,19,39,025) and net of NPA Rs. 91,19,608 (Previous year Rs.1,56,35,752)]	57,23,53,100	73,35,50,525
Loan to depositors against fixed deposit receipts	-	75,000
Unsecured :		
Advance payment of taxes (net of provisions)	52,15,048	80,65,026
Advances recoverable in cash or in kind for value to be received	16,05,326	1,84,07,696
Total	57,91,73,474	76,00,98,247



SCHEDULE 'K' : LIABILITIES

		As at 31st March, 2011	As at 31st March, 2010
	Rupees	Rupees	Rupees
Sundry creditors			
Due to micro and small enterprises		-	-
Others		2,51,31,380	2,01,03,421
Security deposits		17,500	20,000
Charges accounted for in advance for which value has still to be given :			
Insurance premium		41,94,553	61,51,191
Income from asset financing :			
Within one year	40,32,374		3,58,02,199
After one year	28,98,819		99,85,635
Interest accrued but not due on unsecured loans		69,31,193	4,57,87,834
Investor Education and Protection Fund :		1,68,79,673	3,71,14,778
Unclaimed dividends	3,43,509		4,28,293
Unclaimed matured deposits	2,04,42,000		76,67,000
Interest accrued on unclaimed matured deposits	14,07,552		8,85,876
		2,21,93,061	89,81,169
Total		7,53,47,360	11,81,58,393

Note : There are no amounts due and outstanding to be credited to Investor Education and Protection Fund as at 31st March, 2011

SCHEDULE 'L' : PROVISIONS

Provision for taxation	21,05,000	6,00,000
Provision for gratuity	35,16,383	39,53,818
Provision for leave encashment	1,00,076	60,276
Total	57,21,459	46,14,094

SCHEDULE 'M' : OTHER OPERATIONAL INCOME

	2010-11 Rupees	2009-10 Rupees
Interest from government securities	46,24,265	60,36,530
Interest from investments	46,933	3,32,433
Profit on securitisation	-	4,02,246
Interest from loan to deposit holders	4,319	37,632
Total	46,75,517	68,08,841

SCHEDULE 'N' : OTHER INCOME

	2010-11	2009-10
	Rupees	Rupees
Income from investments	-	152
Interest income others	3,20,156	1,35,954
Profit on sale of assets	6,07,21,782	6,587
Miscellaneous income	3,009	50,615
Total	6,10,44,947	1,93,308

SCHEDULE 'O' : PAYMENTS TO AND PROVISIONS FOR EMPLOYEES

Salary, bonus and allowances	50,08,590	70,60,555
Contribution to provident and family pension fund	4,79,164	6,62,916
Gratuity	7,19,593	15,80,544
Staff welfare expenses	3,88,421	6,19,220
Total	65,95,768	99,23,235

SCHEDULE 'P' : OTHER EXPENDITURE

Rent		13,74,660	13,31,760
Rates and taxes		1,05,994	55,333
Electricity charges		2,89,779	4,20,381
Repairs and maintenance			
Buildings	6,40,157		15,07,236
Others	3,84,815		5,16,411
		10,24,972	20,23,647
Travelling, conveyance and motor car maintenance		5,52,225	7,28,265
Legal and professional charges		48,21,052	19,95,926
Printing and stationery		2,27,446	3,44,908
Postage, telegrams and telephones		3,21,683	5,73,850
Computer charges		1,11,597	3,97,059
Brokerage on deposit		12,17,355	30,25,809
Bank charges		16,10,584	21,19,685
Directors fees and travelling		1,61,795	1,77,440
Auditors' Remuneration :			
Audit fees	3,03,325		3,03,325
Other services	1,70,914		1,49,727
Expenses reimbursed			75,722
		4,74,239	5,28,774
Miscellaneous expenses		17,88,972	20,98,625
Provision for diminution in value of investments		11,82,007	4,78,203
Total		1,52,64,360	1,62,99,665



SCHEDULE 'Q': SIGNIFICANT ACCOUNTING POLICIES

1. Basis of Preparation of Financial Statements

The Company maintains its accounts on accrual basis following the historical cost convention in accordance with Generally Accepted Accounting Principles ('GAAP') and in compliance with the Accounting Standards specified in the Companies (Accounting Standards) Rules, 2006 notified by the Central Government and the other provisions of the Companies Act, 1956. Insurance and other claims are accounted for as and when admitted by the appropriate authorities.

2. Use of Estimates

The preparation of financial statements in conformity with GAAP requires the management of the Company make estimates and assumptions that affect the reported amounts of income and expenses of the period, the reported balances of assets and liability and the disclosures relating to contingent liabilities as of the date of the financial statements. Examples of such estimates include the useful lives of fixed assets, provision for doubtful debts/advances, future obligations in respect of retirement benefit plans, etc. Actual results could differ from these estimates. Any revisions to accounting estimates are recognised prospectively in the current and future periods. Wherever changes in presentation are made, comparative figures of the previous year are regrouped accordingly.

3. Fixed Assets

A. On assets related to asset financing business:

The assets are not capitalised on payment to supplier on purchase since the titles and possessions are with the hirer and the same is reflected as current assets on entering into an Asset Financing agreement for the said assets.

B. On other assets:

- a. Capitalised at acquisition cost including directly attributable cost such as freight, insurance and specific installation charges for bringing the assets to its working condition and use.
- b. Expenditure relating to existing fixed assets is added to the cost of the assets where it increases the performance / life of the assets, as assessed earlier.
- c. Fixed assets are eliminated from financial statement, either on disposal or when retired from active use and such retired assets are disposed off soon thereafter.

4. Impairment of Assets

- a. The carrying amount of assets, other than Stock on hire is reviewed at each balance sheet date, to determine whether there is any indication of impairment. If any such indication exists, the

recoverable amount of the assets is estimated.

- b. An impairment loss is recognized, whenever the carrying amount of assets or its cash generating units exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use which is determined based on the estimated future cash flow generated from continuing use of an asset and from its disposal at the end of its useful life, discounted to its present value.
- c. An impairment loss is reversed, if there has been a change in the estimates made to determine and recognize the recoverable amount in the earlier year.

5. Investments

- a. Long term investments are valued at cost after providing for any diminution in value, if such diminution is of other than temporary in nature.
- b. Current investments are carried at lower of cost or market value. The determination of carrying costs such investments is done on the basis of specific identification.

6. Foreign currency transactions:

- a. The reporting currency of the Company is Indian Rupee.
- b. Foreign currency transactions are recorded on initial recognition in the reporting currency, using the exchange rate at the date of transaction. At each balance sheet, foreign currency monetary items are reported using closing rate. Exchange difference that arises on settlement of monetary items are recognized as income or expense in the period in which they arise in other cases.

7. Revenue Recognition

a. Income recognition from Asset Financing activity:

Income is proportionately accounted on accrual basis over the period of the agreement.

Overdue compensation collected is taken to the credit of sundry creditors considered as income on receipts of the total outstanding installments. Insurance and other claims are accounted for as and when admitted by the appropriate authorities.

b. Reserve Bank of India Guidelines:

The Company has complied with the guidelines issued by the Reserve Bank of India (RBI) in respect of Prudential Norms for Income Recognition and Provisions for Non-Performing Assets.

8. Employee benefits

A. Short-term employee benefits

- a. All employee benefits payable wholly within

twelve months of rendering the services are classified as short term employee benefits. Benefits such as salaries, short term compensated absences etc. and expected cost of bonus, ex-gratia are recognized in the period in which the employee renders the related service.

- b. The obligation for leave encashment is made on actual basis and the same is not payable on retirement.

B. Defined contribution plan

Company's contributions paid / payable during the year to provident fund are recognized in the profit and loss account.

C. Defined benefit plan

Company's liabilities towards gratuity is determined using the Projected Unit Credit Method, which considers each period of service as giving rise to additional unit of benefit entitlement and measures each unit separately to build up the final obligation. Actuarial gain and losses are recognized immediately in the profit and loss account as income or expenses.

9. Depreciation

Depreciation on fixed assets has been provided on written down value method, at the rates and in the manner specified in Schedule XIV of the Companies Act, 1956.

10. Securitization transactions

The Company enters into securitisation transaction through direct assignment route, where such portfolios of receivables are assigned directly to the purchaser. Such securitised receivables are de-recognised in the balance sheet when they are sold (true sale criteria) and sale consideration is received from the purchaser.

Gain or loss from the sale of receivables is computed as a difference between sale consideration and book value. Any loss arising on account of the sale is accounted accordingly and reflected in the profit and loss account for the period during which the sale is effected and profit/premium, if any, arising on account of sale is amortised over the life of the securitised receivables. Expenses of securitisation transaction are, however, accounted upfront as required by guidelines issued by the RBI on securitization vide Circular No. DBOD.NO.BP.BC.60/21.04.048/ 2005-06 dated 1st February, 2006.

11. Borrowing costs

- a. Borrowing costs that are attributable to the acquisition, construction or production of qualifying assets are capitalised as part of the cost of such asset till such time as the asset is ready for its intended use or sale.
- b. All other borrowing costs are recognized as an expense in the period in which they are incurred.

12. Taxes on income

- a. Tax on income for the current period is determined on the basis of estimated taxable income and tax credits computed in accordance with the provisions of the Income Tax Act, 1961 and based on the expected outcome of assessments/appeals.
- b. Deferred tax is recognized on timing difference between the accounting income and taxable income for the year, and quantified using the tax rates and laws enacted or substantially enacted as on the balance sheet date.
- c. Deferred tax assets relating to unabsorbed depreciation / business losses/ losses under the head " capital gains" are recognized and carried forward to the extent there is virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised.
- d. Deferred tax assets are recognized and carried forward only to the extent that there is a reasonable certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realized.

13. Events occurring after the date of balance sheet

Events occurring after the date of balance sheet are considered upto the date of adoption of the accounts, where material.

14. Provisions and contingent liabilities

- a. Provisions are recognized for liabilities that can be measured only by using a substantial degree of estimation, if
 - i) the Company has a present obligation as a result of a past event;
 - ii) a probable outflow of resource is expected to settle the obligation; and
 - iii) the amount of the obligation can be reliably estimated.
- b. Reimbursement expected in respect of expenditure required to settle a provision is recognized only when it is virtually certain that the reimbursement will be received.
- c. Contingent liability is disclosed in the case of:
 - i) a present obligation arising from a past event, when it is not probable that an outflow of resource will be required to settle the obligation; and
 - ii) a possible obligation, unless the probability of outflow of resource is remote contingent assets are neither recognized nor disclosed.
- d. Provisions and contingent liabilities are reviewed at each balance sheet date.



SCHEDULE 'R': NOTES ON THE FINANCIAL STATEMENTS

	31-03-2011 Rupees	31-03-2010 Rupees
1	-	5,86,793
2	2,60,000	2,60,000
3	Confirmations of balances have not been obtained from the asset financing debtors, depositors and creditors.	
4	During the year the Bankers of the Company agreed for restructuring of the credit facilities granted to the Company consequently cash credit facility of Rs. 10 crores was converted in to term loan repayable in 48 equal monthly installments.	
5	a. Income from asset financing, include compensation charges for delayed payments. b. In line with past practice followed by the Company, overdue compensation collected is taken to the credit of sundry creditors and considered as income and adjusted only on the receipt of the total asset finance installments that are outstanding and balance included in the asset finance stock.	
6	Disclosure as required by Accounting Standard (AS) 15 Employee Benefits:	
a.	Defined Benefit Plans as per Actuarial Valuation are as under:	

Particulars	Gratuity	
	2010 -11	2009 -10
	Rupees	Rupees
I Changes in obligation during the year ended 31st March, 2011		
1. Liability at the beginning of the year	39,53,818	48,75,929
2. Interest cost	2,76,767	3,41,315
3. Current service cost	1,48,296	1,66,168
4. Past service cost	-	-
5. Benefit paid	(11,57,028)	(25,02,655)
6. Actuarial (gain) / losses	2,94,530	10,73,061
7. Liability at the end of the year	35,16,383	39,53,818
II Change in assets during the year ended 31st March, 2011		
1. Plan assets at the beginning of the year	-	-
2. Expected return of plan assets	-	-
3. Contributions	-	-
4. Benefit paid	-	-
6. Actuarial gain / (loss)	-	-
7. Plan assets at the end of the year	-	-
8. Total actuarial gain/(loss) to be recognized	-	-
III Actual return on plan assets		
1. Expected return of plan assets	-	-
2. Actuarial gain / (loss)	-	-
3. Actual return on plan assets	-	-
IV Net asset/(liability) recognized in the balance sheet as at 31 March, 2011		
1. Liability at the end of the year	(35,16,383)	(39,53,818)
2. Plan assets at the end of the year	-	-
3. Amount recognized in the balance sheet	(35,16,383)	(39,53,818)
V Expenses recognized in the statement of profit and loss account for the year ended 31 March, 2011		
1. Current service cost	1,48,296	1,66,168
2. Interest cost	2,76,767	3,41,315
3. Expected return on plan assets	-	-
4. Actuarial (gain) / losses	2,94,530	10,73,061
5. Past service cost	-	-
6. Total expenses	7,19,593	15,80,544

Particulars	Gratuity	
	2010 -11	2009 -10
	Rupees	Rupees
VI Balance sheet reconciliation		
1. Opening net liability	39,53,818	48,75,929
2. Expenses as above	7,19,593	15,80,544
3. Employer contribution	11,57,028	25,02,655
4. Amount recognized in the balance sheet	35,16,383	39,53,818
VII Actuarial assumptions:		
1. Discount rate	7% p a	7% p a
2. Rate of return on plan assets	N A	N.A
3. Salary escalation	5% p a	5% p a
4. Mortality pre retirement rate	L.I.C (1994-96) ULTIMATE	L.I.C (1994-96) ULTIMATE

b. The present value of the defined benefit obligation and the related current service cost and past service cost, were measured under the Projected Unit Credit Method.

7 Disclosure as required by Accounting Standard (AS) 17 Segmental Reporting :

- a. The Company operates in one segment, i.e., Fund based activities
- b. Entire business operations are centralized and controlled through the Head Office. There are no significant geographical difference between risks and returns associated with the business. Client base of Company is not concentrated in any particular area and is spread throughout India.

8. Disclosure as required by Accounting Standard (AS) 18 Related Party Disclosures :

a. List of Related Parties

The Motor & General Finance Limited - Single largest shareholder

b. Details of transactions entered into with related parties :

Nature of transactions	Name of Related Party	2010 -11	2009 -10
		Rupees	Rupees
Unsecured loan	The Motor & General Finance Limited	13,75,75,000	10,94,00,000
Interest paid on Unsecured loan	The Motor & General Finance Limited	73,58,143	44,16,596

9. Disclosure as required by Accounting Standard (AS) 20 Earnings Per Share

Particulars	2010 -11	2009 -10
Profit after taxes as per profit and loss account (Rs.)	32,55,974	20,81,621
Equity Shares subscribed (Nos.)	50,00,000	50,00,000
Nominal value of shares (Rs.)	10.00	10.00
Earning Per Share (Basic / Diluted) (Rs.)	0.65	0.42

10. Disclosure as required by Accounting Standard (AS) 22 Accounting for Taxes on Income:

The Major components of deferred tax assets and deferred tax liabilities:

Particulars	2010 -11	2009 -10
	Deferred tax assets/ (liabilities) Rupees	Deferred tax assets/ (liabilities) Rupees
Difference between book and tax depreciation	(9,98,616)	(25,71,569)
Provision for leave encashment	34,016	20,023
Expenditure u/s 43B of the Income Tax Act, 1961	11,95,219	13,13,359
Net deferred tax Asset / liabilities	2,30,619	(12,38,187)
Net incremental liabilities / (assets) charged to profit and loss account	(14,68,805)	5,40,350



11 The Company has no amounts due to suppliers under the Micro, Small and Medium Enterprises Development Act, 2006 as at 31st March, 2011. This information is given in respect of such vendors as could be identified as 'Micro' and 'Small Enterprises' on the basis of information available with the Company.

12 Schedule to the Balance Sheet of a Non - Banking Financial Company

(as required in terms of Paragraph 9BB of Non - Banking Financial Companies Prudential Norms (Reserve Bank) Directions, 1998

(Rs. In lakhs)		
Particulars	Amount outstanding	Amount overdue
Liabilities side:		
(1) Loans and advance availed by the NBFCs inclusive of interest accrued thereon but not paid:		
(a) Debentures :		
Secured	-	
Unsecured	-	
(other than falling within the meaning of public deposits*)		
(b) Deferred Credits	-	
(c) Term Loans	-	
(d) Inter - corporate loans and borrowing	1,375.00	
(e) Commercial Paper	-	
(f) Public Deposits	1,927.87	
(g) Other Loans (specify nature) : Cash Credit facility from banks	1,117.59	
(2) Break - up of (1) (f) above (Outstanding public deposit inclusive of interest accrued thereon but not paid):		
(a) In the form of unsecured debentures	-	
(b) In the form of partly secured debentures i.e., debentures where there is a shortfall in the value of security	-	
(c) Other public deposits	1,927.87	
Assets Side :		
(3) Break - up of loans and advances including bills receivables [other than those included in (4) below] :		Amount outstanding
(a) Secured		-
(b) Unsecured		450.57
(4) Break up of Leased Assets and stock on hire and hypothecation loans counting towards EL/HP activities		
(i) Lease assets including lease rentals under sundry debtors :		
(a) Financial lease		-
(b) Operating lease		
(ii) Stock on hire including hire charges under sundry debtors :		
(a) Assets on Hire		-
(b) Repossessed Assets		
(iii) Hypothecation loans counting towards EL/HP activities		
(a) Loans where assets have been repossessed		-
(b) Loans other than above		6,174.11

(5) Break - up of Investments :

Current Investments :

1. Quoted :

(i) Shares :

(a) Equity	6.07
(b) Preference	-

(ii) Debentures and bonds -

(iii) Units of mutual funds -

(iv) Government Securities -

(v) Others (please specify) -

2. Unquoted :

(i) Shares :

(a) Equity	-
(b) Preference	-

(ii) Debentures and bonds -

(iii) Units of mutual funds -

(iv) Government Securities -

(v) Others (please specify) -

Long Term investments :

1. Quoted :

(i) Shares :

(a) Equity	-
(b) Preference	-

(ii) Debentures and bonds -

(iii) Units of mutual funds -

(iv) Government Securities 410.19

(v) Others (please specify) -

2. Unquoted :

(i) Shares :

(a) Equity	-
(b) Preference	-

(ii) Debentures and bonds -

(iii) Units of mutual funds -

(iv) Government Securities -

(v) Others (please specify):Deposit in scheduled commercial bank 2.00

(6) Borrower group - wise classification of all Leased Assets, Hire and Loans and Advances :

Category	Amount net of provisions		
	Secured	Unsecured	Total
1. Related Parties			
(a) Subsidiaries	-	-	-
(b) Companies in the same group	-	-	-
(c) Other related parties	-	-	-
2. Other than related parties	6,174.11	-	6,174.11
Total	6,174.11	0	6,174.11



(7) Investor group - wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted) : Please see note 3 below

Category	Market Value / Break up or fair value or NAV	Book value (Net of Provision)
1. Related Parties		
(a) Subsidiaries	-	-
(b) Companies in the same group	-	-
(c) Other related parties	-	-
2. Other than related parties	474.72	418.25
Total	474.72	418.25

(8) Other Information :

Particulars	Amount
(i) Gross Non - Performing Assets	429.00
(a) Related parties	-
(b) Other than related parties	429.00
(ii) Net Non - Performing Assets	379.00
(a) Related parties	-
(b) Other than related parties	379.00
(iii) Assets acquired in satisfaction of debts	-

13. Previous year's figures have been regrouped wherever necessary.

Signature to Schedules 'A' to 'R'.

As per our report attached
SHARP & TANNAN
Chartered Accountants
 Registration No: 109982W
 by the hand of

MILIND P. PHADKE
 Partner
 (Membership No.- 33013)

Mumbai, 30th May, 2011

For and on behalf of the Board
RAJIV GUPTA
 Chairman

SHARAD SANGHI
ARUN MITTER
M.K.MADAN
Directors

New Delhi, 30th May, 2011

NEELAM K. MASTER
 Manager & Company Secretary

15. BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

I. Registration Details

Registration No. State Code (Refer Code List)
 Balance Sheet Date
 Date Month Year

II. Capital raised during the year (Amount in Rs. Thousands)

Public Issue
 Bonus Issue
 Rights Issue
 Private Placement

III. Position of Mobilisation and Deployment of Funds (Amount in Rs. Thousands)

Total Liabilities
 Total Assets

Sources of Funds

Paid-up-Capital
 Secured Loans
 Reserves & Surplus
 Unsecured Loans

Deferred Tax Liability

Application of Funds

Net Fixed Assets
 Net Current Assets
 Investments
 Deferred Tax Asset
 Accumulated Losses
 Misc. Expenditure

IV. Performance of Company (Amount in Rs. Thousands)

Turnover
 Total Expenditure
 + - Profit/Loss before tax
 + - Profit/Loss after tax

(Please tick appropriate box + for Profit, - for Loss)

Earning per Share in Rs. .
 Dividend Rate %

V. Generic Names of Three Principal Products/Services of Company (as per monetary terms)

Item Code No. (ITC Code)
 Product Description

For and on behalf of the Board
RAJIV GUPTA
 Chairman

SHARAD SANGHI
ARUN MITTER
M.K.MADAN
 Directors

NEELAM K. MASTER
 Manager & Company Secretary

New Delhi, 30th May, 2011



JAYABHARAT CREDIT LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2011

	2010-11 Rupees	2009-10 Rupees
[A] CASH FLOW FROM OPERATING ACTIVITIES		
Net profit before taxes	38,90,171	27,79,739
Adjustments for:		
Depreciation	14,11,873	20,88,724
Interest expenses	5,42,38,546	7,35,99,069
Provision for diminution in value of investments	11,82,007	4,78,203
Interest on investments	(46,75,517)	(60,74,162)
Income from investments	-	(152)
Profit on sale of assets	(6,07,21,782)	(6,587)
	(85,64,873)	7,00,85,095
Operating profit before working capital changes	(46,74,702)	7,28,64,834
Adjustments for:		
(Increase)/Decrease in sundry debtors	(94,29,838)	(6,91,562)
Increase/(Decrease) in current liabilities	(2,30,97,604)	(77,86,315)
Increase/(Decrease) in provisions	(3,97,635)	(9,88,270)
(Increase)/Decrease in loans and advances	17,80,74,797	8,57,32,509
	14,51,49,720	7,62,66,362
Cash generated from operations	14,04,75,018	14,91,31,196
Direct taxes and fringe benefit tax refund/(paid)	25,72,122	(12,39,290)
Net cash from operating activities	14,30,47,140	14,78,91,906
[B] CASH FLOW FROM INVESTING ACTIVITIES		
Add: Inflows from investing activities:		
Sale of fixed assets	8,12,76,000	9,000
Sale of investments	2,26,34,878	1,83,76,700
Interest on investments	56,39,083	60,07,902
Income from investments	-	152
	10,95,49,961	2,43,93,754
Less: Outflows from investing activities:		
Purchase of fixed assets	(2,52,545)	(3,38,076)
Purchase of investments	(12,43,500)	(31,53,000)
	(14,96,045)	(34,91,076)
Net cash from investing activities	10,80,53,916	2,09,02,678
[C] CASH FLOW FROM FINANCING ACTIVITIES		
Add: Inflows from financing activities:		
Unsecured loans	-	-
	-	-
Less: Outflows from financing activities:		
Secured loans	(4,47,21,136)	(6,09,25,197)
Unsecured loans	(13,27,26,000)	(5,22,61,501)
Dividend paid	-	-
Tax on proposed dividend	-	-
Interest expenses	(7,42,72,131)	(6,03,21,797)
	(25,17,19,267)	(17,35,08,495)
Net cash from financing activities	(25,17,19,267)	(17,35,08,495)
Net (decrease)/increase in cash and cash equivalents - [A+B+C]	(6,18,211)	(47,13,911)
Cash and cash equivalents at the beginning of the year	51,16,780	98,30,691
Cash and cash equivalents at the end of the year	44,98,569	51,16,780

Notes :

- The cash flow statement has been prepared under the indirect method as set out in Accounting Standard (AS) 3 Cash Flow Statements.
- Cash and cash equivalents represents cash and bank balances.

As per our report attached
SHARP & TANNAN
Chartered Accountants
Registration No: 109982W
by the hand of

MILIND P. PHADKE
Partner
(Membership No.- 33013)

Mumbai, 30th May, 2011

For and on behalf of the Board
RAJIV GUPTA
Chairman

SHARAD SANGHI
ARUN MITTER
M.K.MADAN
Directors

NEELAM K. MASTER
Manager & Company Secretary

New Delhi, 30th May, 2011

ANNEXURE 'A' TO THE DIRECTOR'S REPORT

Corporate Governance Policies and Practices followed by the Company in accordance with the provisions of Clause 49 of the Listing Agreement are given below:

1. CORPORATE GOVERNANCE

The Company had always believed and followed the most transparent corporate governance practices even before the advent of clause 49 of the Listing Agreement of the Stock Exchange. Since inception we have always worked towards building a strong bond of trust with our valued Shareholders, Customers, Depositors, Dealers, Bankers and Clients for their co-operation and also for the confidence reposed in the Company on key elements of corporate governance viz., transparency, fairness, disclosure and accountability.

We believe that sound business ethics and values are at the core of success of any business organization. We have completed a period of 68 years which is possible only because of our strong belief and practice of business ethics and values and the confidence reposed in the Company by all its patrons.

The Company had not only complied with the corporate governance practices and disclosures as per the statutory and regulatory requirements, but also conveyed important and required information about the Company wherever it is felt necessary.

2. BOARD OF DIRECTORS

Composition:

The Board of the Company comprises of four directors, all the four Directors are Independent and non-executive directors.

Board Procedures:

During the year 2010-2011 the Board of Directors met Six times on the following dates: 11th May 2010, 02nd August, 2010, 14th August, 2010, 14th September, 2010, 15th November, 2010 and 15th February, 2011

Attendance record of Directors:

Composition of Board and Attendance record of Directors for the year 2010-11

Name of Director	Category	No. of Board Meetings Held	No. of Board Meetings Attended	Attendance at the Last Annual General Meeting
Shri. Rajiv Gupta	Chairman	6	5	No
Shri. Sharad Sanghi	Non Executive Independent Director	6	1	No
Shri Arun Mitter	Non Executive Independent Director	6	6	Yes
Shri. M.K. Madan	Non Executive Independent Director	6	6	Yes

Out side Directorship and Memberships of Board Committees

Name Of Director	No. of Directorships held including Private Cos. in India	In Unlisted Public Limited Companies	As Chairman / Member of Board Committees	
			Chairman	Member
Shri. Rajiv Gupta	11	4	5	2
Shri. Sharad Sanghi	13	3	---	---
Shri Arun Mitter	27	8	1	6
Shri. M.K. Madan	5	3	----	4

Disclosure regarding Appointment or Reappointment of Directors:

The Particulars of Directors who are proposed to be appointed/re-appointed at the ensuing Annual General Meeting are given below, as required pursuant to clause 49 of the Listing Agreement.

Shri. Rajiv Gupta, Shri. Arun Mitter, Retire by rotation and being eligible have offered themselves for re-appointment.

Shri Rajiv Gupta, B.E. (IIT, Delhi) and holds 4550 shares in the Company, is Director of Jayabharat Credit Limited. He has experience of over three decades in the finance sector. He is associated with various businesses, social and cultural organizations He holds Directorship in the following Companies. viz. The Motor & General Finance Limited., India Lease Development Limited., M.G.F.Services Limited., Bahubali Services Limited., Associated Traders & Engineers Ltd., Upper India Hire Purchase Companies Association Limited., M G F Securities Pvt Ltd., Ramprakash & Co. Pvt. Ltd., M G F Estates Pvt. Ltd., Card Services India Pvt Ltd., Local Goods Carriers Pvt Ltd.



Shri Arun Mitter, B.Com, ACA and holds Nil shares in the Company, is Director of Jayabharat Credit Limited. He has experience of the finance sector. He is associated with various businesses, social and cultural organizations He holds Directorship in the following companies.

The Motor & General Finance Ltd., MGF Developments Ltd., India Lease Development Ltd., MGF Automobiles Ltd., MGF Motors Ltd., Bahubali Services Ltd., M G F Services Limited., Upper India Hire-Purchase Co. Asso. Ltd., Pramba International Pvt Ltd, Technofab Engineering Ltd, Ramprakash & Co Pvt. Ltd., Discovery Holdings Pvt. Ltd., MGF Infotech Pvt. Ltd., MGF Auto Sales Pvt. Ltd., M G F Vehicles Sales Pvt Ltd, M G F Projects Pvt Ltd, MGI (India) Pvt Ltd, Kerala Cars Pvt. Ltd., Capital Vehicles Sales Ltd., Omega Motors Pvt. Ltd., Cards Services India Pvt Ltd., Dove Promoters and Entertainment Pvt Ltd., Meta Dor Techonologies Pvt Ltd., MGF Metro Mall Pvt Ltd., MGF Securities Pvt Ltd., Nanny Infrastructure Pvt Ltd., Deap Hospitality Pvt Ltd.

3. AUDIT COMMITTEE

Constitution and Composition:

The Company has set up the audit committee on 13th August, 2002 as per the requirement of clause 49 of the listing agreement. The present audit committee consists of three directors all the three Directors are Non-Executive and Independent Directors:

1. Shri Arun Mitter
2. Shri Sharad Sanghi
3. Shri M K Madan

Shri Arun Mitter - Non Executive Director is Chairman of Audit Committee.

Ms. Neelam K Master is Compliance Officer.

Meetings, Attendance and topic discussed:

The meetings of Audit Committee were held on 11th May 2010, 02nd August, 2010, 14th August, 2010, 15th November, 2010 and 15th Feabruary, 2011. and the following members were present at the meeting.

DIRECTORS	11.05.2010	02.08.2010	14.08.2010	15.11.2010	15.02.2011
SHRI ARUN MITTER	✓	✓	✓	✓	✓
SHRI SHARAD SANGHI		✓			
SHRI M K MADAN	✓	✓	✓	✓	✓

✓ Means Meeting attended.

4. SHAREHOLDERS GRIEVANCE COMMITTEE

Composition:

The present Shareholders Grievance Committee consists of three directors all the three directors are non executive and independent directors:

1. Shri. Rajiv Gupta
2. Shri. Sharad Sanghi
3. Shri Arun Mitter

Shri. Rajiv Gupta - Non Executive Director is Chairman of Shareholders Committee.

The meetings of Shareholders Grievance Committee were held on 11th May 2010, 02nd August, 2010, 14th August, 2010, 14th September, 2010, 15th November, 2010 and 15th Feabruary, 2011 and the following Members were present at the meetings.

DIRECTORS	11.05.2010	02.08.2010	14.08.2010	13.09.2010	15.11.2010	15.02.2011
SHRI RAJIV GUPTA	✓	✓	✓	✓	✓	✓
SHRI SHARAD SANGHI		✓				
SHRI ARUN MITTER	✓	✓	✓	✓	✓	✓

✓ Means Meeting attended.

Details of Investors complaints received during the year ended 31st March, 2011

S.No	Nature of complaints	Received	Disposed	Pending
1.	Non receipt of dividend warrant(s)	Nil	Nil	-
2.	Non receipt of share certificates after transfer/ exchange/sub-division/consolidation/merger	Nil	Nil	-
3.	Non receipt of Balance Sheet	Nil	Nil	-
	Total	Nil	Nil	-

The Meetings of Remuneration Committee held on the following dates:

DIRECTORS	14.08.2010	04.01.2011
SHRI RAJIV GUPTA	✓	✓
SHRI ARUN MITTER	✓	✓
SHRI M K MADAN	✓	✓

Shri. Rajiv Gupta Non Executive Director is Chairman of the Remuneration Committee.

The meetings were scheduled well in advance. In addition to the members of the audit committee, these meetings were attended by the heads of finance, internal auditor and statutory auditors of the Company and those executives of the Company who were considered necessary for providing inputs to the committee. The Company Secretary acted as the secretary to the audit committee.

The terms of reference of the audit committee are extensive and include all that is mandate in clause 49 of the Listing Agreement and Section 292A of the Companies Act, 1956. Apart from overseeing and monitoring the financial reporting system within the Company and considering unaudited and audited Financial results for the relevant quarter, half year period before being approved by the board, and audit committee focused its attention on topics such as review of annual targets, annual internal audit plan, legal compliance reporting system, review of internal control systems, major accounting policies and practices, compliance with accounting standards and risk management.

5. REMUNERATION OF DIRECTORS

Remuneration of Non Executive Directors:

Non-Executive Directors are paid sitting fees of Rs.2,000 /- for every meeting of the Board or Committee attended by them. Apart from sitting fees Non-Executive Directors are not paid any other remuneration.

Details of remuneration paid to the Directors during the year 2010-11

Directors	Sitting fees (Rs.)	Salary and Perquisites (Rs.)			Total (Rs.)
		Salary	Benefits & Bonus	Pension /others	
SHRI RAJIV GUPTA	20,000	----	----	----	20,000
SHRI SHARAD SANGHI	4,000	----	----	----	4,000
SHRI ARUN MITTER	24,000	----	----	----	24,000
SHRI M K MADAN	24,000	----	----	----	24,000

No Commission is paid to any Directors of the Company. The Company does not have Stock Option Plans during the year under review, none of the directors was paid any performance –linked incentive.

6. GENERAL BODY MEETINGS

Past three Annual General Meetings of the Company were held at M C Ghia Hall, 2nd Floor, Bhogilal Hargovindas Bldg, 18/20 Kaikhushru Dubash Marg, Mumbai 400001 on the following dates and time:

SR NO	A G M	DATE	TIME
1	65th	10.09.2008	11.30 A.M.
2	66th	22.09.2009	11.30 A.M.
3	67th	14.09.2010	11.30 A.M.



The Company has not so far, adopted postal ballot for passing any resolution at the general meetings. At the ensuing Annual General Meeting there is no item on the agenda that needs approval by postal ballot.

6.1 Special Resolutions passed during last three Annual General Meetings:

- i) A Special Resolution was passed in 65th Annual General Meeting held on 10th September, 2008 pursuant to section 81(1A) of the Companies Act, 1956 for 50,00,000 Equity Shares of Rs.10/- each for cash at a premium of Rs.2.50 per Share in the ratio of 1:1 on rights basis.
- ii) No Special Resolution was passed in 66th Annual General Meeting held on 22nd September, 2009.
- iii) A Special Resolution was passed in 67th Annual General Meeting held on 14th September, 2010 pursuant to Section 269 of the Companies Act, 1956 for the appointment of Ms. Neelam K. Master as Manager & Company Secretary.

7. DISCLOSURE

The Company has never failed to comply with any authority i.e Stock Exchange, SEBI on any matter related to capital markets during last 3 years.

8. MEANS OF COMMUNICATION

Quarterly and half Yearly Financial results are published in Free Press Journal and Nav Shakti news papers along with press release and the same are also promptly communicated to the Stock Exchanges. The Company has its own website. There were no presentations made to the institutional investor or analysts. Management Discussion and Analysis forms part of this Annual Report.

9. GENERAL SHAREHOLDERS INFORMATION

9.1 Annual General Meeting:

9.1.1 Date : 06.09.2011

9.1.2 Time : 11.30 A.M.

9.1.3 Venue : M C Ghia Hall, 2nd Floor, Bhogilal Hargovindas Bldg, 18/20 Kaikhushru Dubash Marg, Mumbai 400001

9.2 Financial Calendar:

Financial Year	April to March
Mailing of Annual Accounts	Mid July
Annual General Meeting	Mid August - September
Unaudited First Quarter Financial Results	Second week of July
Unaudited Second Quarter Financial Results	Last week of October
Unaudited third Quarter Financial Results	Last week of January

9.3 Date of Book Closure:

The Register of Members and Share Transfer Books of the Company will remain closed from 30.08.2011 to 06.09.2011 (both days inclusive), for the purpose of Annual General Meeting.

9.4 Dividend:

In view of the consolidation of existing business activities and to conserve the resources, your Directors are constrained not to recommend any dividend for this year.

9.5 Listing on Stock Exchange:

The Company is listed on Bombay Stock Exchange

Stock Code

1. BSE MUMBAI : 501311

2. ISIN : INE998D01011 (For electronic connectivity)

9.6 Market Price Data High and Low during the Financial Year 2010-11 and Comparison with BSE Sensex:

Months	Share Price of JCL		BSE Sensex	
	High	Low	High	Low
April 2010	10.95	9.18	9,571.52	9,165.74
May 2010	10.59	9.52	9,350.60	8,509.80
June 2010	10.65	9.00	9,499.81	8,790.83
July 2010	11.00	8.98	9,732.12	9,310.58
August 2010	10.33	8.94	9,895.08	9,544.93
September 2010	11.93	8.50	10,742.39	9,665.59
October 2010	11.14	9.18	11,090.93	10,512.99
November 2010	9.99	8.20	11,192.91	9,909.67
December 2010	9.98	7.90	10,692.87	9,979.19
January 2011	9.90	8.90	10,761.95	9,407.92
February 2011	8.88	8.44	9,730.50	8,981.79
March 2011	9.35	8.46	10,153.83	9,298.77

9.7 Share Transfer System:

M/s Share Pro Services India Pvt. Ltd is the Registrar and Transfer Agent of the Company. All work relating to electronic and the physical share transfer, transmission, and deletion, splitting of share certificate, dematerialization and re-materialization of shares are carried out at the following address:

Address of Registrar and Share Transfer Agents:

Share Pro Services India Pvt. Ltd. (Contact person Mr. Girish Pilankar) 13 AB Samhita Warehousing Complex, 2nd Floor, Sakinaka Telephone Exchange Lane, off Andheri Kurla Road, Sakinaka, Andheri (East), Mumbai – 400072 Tel: 67720300 / 400 Fax: 28591568 email: Sharepro@shareproservices.com. Shareholders may lodge demat / transfers etc directly to **M/s Share Pro Services India Pvt. Ltd** at the above mentioned address.

9.8 Share holding across category as on 31st March 2011:

Sr No	Particulars	No of shares held	% age
1	Directors	18,870	0.38
2	Bank and public Financial institutions	2,27,464	4.55
3	Private Corporate bodies	36,59,851	73.19
4	N R I s	18,537	0.37
5	Others	10,75,278	21.51
	Grand Total	50,00,000	100.00

9.9.1 Distribution of Shareholding as on 31st March 2011

Number of shares			Number of Shareholders		Number of Shares	
Upto	To		Number	Percentage	Number	Percentage
		500	2088	85.47	3,03,999	6.08
501	To	1000	190	7.78	1,53,244	3.07
1001	To	2000	73	2.99	1,10,866	2.22
2001	To	3000	22	0.90	55,913	1.12
3001	To	4000	16	0.65	57,174	1.14
4001	To	5000	12	0.49	57,535	1.15
5001	To	10000	17	0.70	1,22,689	2.45
10001	and	Above	25	1.02	41,38,580	82.77
		Total	2443	100.00	50,00,000	100.00



9.9.2 Shares held in Physical and Electronic mode as on 31st March, 2011

Category	No of Shares	%
Physical	2,75,382	5.51
N S D L	43,53,170	87.06
C D S L	3,71,448	7.43
TOTAL	50,00,000	100.00

9.9.3 Address for Communication

19/20, Rajabhadur Mansion,
4th Floor, opp. SBI Main Branch,
Near Stock Exchange, M S Marg,
Fort, Mumbai 400023
Tel no 22664977, 22643021, 22, 23, Fax no 22664813
Email: jcl@jayabharat.com web: www.jayabharat.com

For and on behalf of the Board

Rajiv Gupta
Chairman
Sharad Sanghi
Arun Mitter
M K Madan
Directors

New Delhi, 30th May, 2011

ANNEXURE 'B' TO THE DIRECTOR'S REPORT

10. MANAGEMENT DISCUSSION AND ANALYSIS

10.1 Business Scenario, Prospects and Outlook:

M/s Credit Analysis and Research Limited (CARE) completed the annual rating review of the Company and have intimated the downgrading of the rating of the Company's FD programme from BB to C.

As per the requirement of Reserve Bank of India. The Company has to bring down the Fixed Deposit level up to Rs.10.00 Crores within three years from the downgrading vide earlier correspondence with them. The Company has brought down the level of fixed deposit from Rs.32.44Crores (31.03.2010) to Rs.16.35 Crores as on 31.03.2011. The Directors are confident of repaying the remaining Public Deposit with in the time limit stipulated by the Reserve Bank of India.

10.2 Segmental Performance:

The Company operates only in fund based activities. Entire business activities are centralized and controlled through Head Office.

10.3 Internal Controls:

The Company has strong internal control system in place and is always reviewed continuously to meet the challenges of changing requirements.

10.4 Financials:

Despite the severe competition faced by the company it has satisfactory performance of its Asset Finance disbursements.

	(Rs. in Lakhs)	
	2010-2011	2009-2010
Business Done	228.75	1,386.28
Income	1,289.28	1,056.89
Payment to and Provisions for employees	65.96	99.23
Other Expenditure	153.00	163.00
Interest Expenditure	545.59	737.35
Profit Before Tax	38.89	27.79
Profit After Tax	32.53	20.81
Dividend	---	---

10.5 Risk & Concerns

The company is consolidating its existing operations by realizing the overdues of the past business transacted. There was no fresh business exposure as funds available were utilized in repayment of deposits and meeting other commitments. The company's fear is that non business exposure to the existing clients sometimes leads to default in repayment which has a cascading effect on other customers for which suitable measures are being taken.

10.6 Human Resources

Your company always regards human resources as its most valuable asset and continuously evolves policies and process to attract and retain its substantial pool of managerial resources through friendly work environment that encourages initiatives by individuals and recognizes their performance.

10.7 Personnel:

The Company has a strong, dedicated, experienced and trained personnel force to meet the growing challenges and business requirements. The staff strength of the Company as on 31st March 2011 is 17.

10.8 Disclaimer

Certain Statements in the Management Discussion and Analysis describing the company's views about the industry, expectations, objectives, etc may be understood within the meaning of applicable laws and regulations. Factors like changes in Government regulations, tax laws and other factors as such industrial relations and economic developments etc. may further influence the company's operations or performance.



11. CERTIFICATION BY CEO/CFO

I, RAJIV GUPTA, Chairman of the Company certify:

1. That we have reviewed the Financial Statements and Cash Flow Statements for the year ended 31st March, 2011 and that to the best of our knowledge and belief,
 - a) These Statements do not contain any materially untrue statements nor omit any material fact, nor contain statements that might be misleading.
 - b) These Statements present a true and fair view of the Company's affairs and are in compliance with existing Accounting Standards, applicable laws and regulations.
 - c) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or in violation of the Company's code of conduct.
2. We accept responsibility for establishing and maintaining internal control for Financial Reporting and we have evaluated the functioning of internal control systems of the Company pertaining to financial reporting and have disclosed to the Auditors and Audit Committee, deficiencies in the design or operations of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
3. we have indicated to the Auditors and Audit Committee;
 - i) Significant changes in internal control over Financial Reporting during the year;
 - ii) Significant changes in the Accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - iii) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having significant role in the Company's internal control system over the financial reporting.

New Delhi, 30th May, 2011

RAJIV GUPTA
CHAIRMAN

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

CERTIFICATE

To the Members of Jayabharat Credit Limited

We have examined the compliance of conditions of Corporate Governance by **Jayabharat Credit Limited** for the year ended on 31st March, 2011 as stipulated in Clause 49 of the Listing Agreement of the said Company with the stock exchange(s).

The compliance of the conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementations thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of the Corporate Governance as stipulated in the abovementioned Listing Agreement.

We state that no investor grievance(s) is pending for a period exceeding one month against the Company as per the records maintained by the Shareholders/ Investors Grievance Committee.

We further state that such compliance is neither an assurance as to future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

SHARP & TANNAN
Chartered Accountants
Registration no. 109982W
by the hand of

MILIND P. PHADKE
Partner
Membership No. 33013

Mumbai, 30th May, 2011



FIVE YEARS AT A GLANCE

(Rs.in lakhs)

	2006 - 2007	2007 - 2008	2008 - 2009	2009 - 2010	2010 - 2011
AMOUNT FINANCED	3,053	3,314	1,846	1,386	229
GROSS INCOME	1,085	1,236	1,159	1,057	1,289
PROFIT BEFORE DEPRECIATION & TAX	222	232	83	49	53
DEPRECIATION	88	28	24	21	14
INCOME - TAX	39	46	24	7	6
PROFIT AFTER DEPRECIATION & TAX	95	158	35	21	33
PAID - UP SHARE CAPITAL	500	500	500	500	500
RESERVES & SURPLUS	1,163	1,274	1,309	1,330	1,362
ASSET FINANCE STOCK	7,290	8,893	8,149	7,335	5,724
GROSS LEASED ASSETS	1,605	0	0	0	0
DIVIDEND	8%	8%	0%	# 0%	# 0%
EARNING PER SHARE (RS.)	1.89	3.16	0.69	0.42	0.65
BOOK VALUE PER SHARE (RS.)	33.26	35.49	36.18	36.60	37.25

Proposed



JAYABHARAT CREDIT LIMITED

Regd. Office: 19/20, Rajabhadur Mansion, 4th Floor, Opp. SBI Main Branch, Near Stock Exchange, Mumbai Samachar Marg, Fort, Mumbai 400023

ATTENDANCE SLIP

I hereby record my presence at the 68th Annual General Meeting on 06.09,2011 at 11:30 A.M. at M. C. Ghia Hall, 2nd Floor, Bhogilal Hargovindas Building, 18/20, Kaikhushru Dubash Marg, Mumbai 400 001.

Folio No. or Credit/DP ID No. : _____

Signature of the Shareholder or Proxy*

* Name of the Proxy to be written in BLOCK LETTERS below the Signature if the Proxy attends.

- NOTE : (i) The Shareholders are requested to bring Annual Report at the Annual General Meeting as the practice of distributing the same at the Meeting is discontinued.
- (ii) PLEASE BRING THIS ATTENDANCE SLIP TO THE MEETING HALL AND HAND IT OVER AT THE ENTRANCE.

Name of Shareholder:



JAYABHARAT CREDIT LIMITED

Regd. Office: 19/20, Rajabhadur Mansion, 4th Floor, Opp. SBI Main Branch, Near Stock Exchange, Mumbai Samachar Marg, Fort, Mumbai 400023

PROXY FORM

I/We of

..... in the District of being a member(s) of the above named Company, hereby appoint

..... of in the District of

..... or failing him of

..... in the District of

as my/our proxy to vote for me/us and on my/our behalf at the 68th Annual General Meeting of the Company to be held on 06.09.2011, at 11:30 AM at M. C. Ghia Hall, 2nd Floor, Bhogilal Hargovindas Building, 18/20, Kaikhushru Dubash Marg, Mumbai 400 001.

Signed this _____ day of _____, 2011.

Folio No. : _____

Signature on Rs.1/- Revenue Stamp

NOTE : The Proxy Form must be deposited at the Registered Office of the Company at the 19/20, Rajabhadur Mansion, 4th Floor, Opp. SBI Main Branch, Near Stock Exchange, Mumbai Samachar Marg, Fort, Mumbai 400023, not less than 48 hours before the time of holding the Meeting.

