

GUJARAT CREDIT CORPORATION LIMITED

Annual Report 2009-2010

GUJARAT CREDIT CORPORATION LIMITED

BOARD OF DIRECTORS : SHRI BAHUBALI S. SHAH – CHAIRMAN
SHRI AMAM S. SHAH – MANAGING DIRECTOR
SHRI SHRIRAJ S. JHAVERI – DIRECTOR
SHRI VIPUL H. RAJA – DIRECTOR
SHRI L. N. PATEL – DIRECTOR

AUDITORS : M/S. PARIKH MEHTA & ASSOCIATES
CHARTERED ACCOUNTANTS
2, HAPPY HOME APPARTMENTS,
10, SAMPATRAO COLONY,
R. C. DUTT ROAD,
BARODA - 390 005.

REGD. OFFICE : 606, SAKAR-I,
OPP. NEHRU BRIDGE,
ASHRAM ROAD,.
AHMEDABAD - 380 009.

GUJARAT CREDIT CORPORATION LIMITED

Regd. Office : 606, SAKAR-1, Opp. Nehru Bridge, Ashram Road, Ahmedabad-380 009.

NOTICE

Notice is hereby given that the Seventeenth Annual General Meeting of the Members of Gujarat Credit Corporation Limited will be held on Thursday, 23rd September 2010 at 11.00 a.m. at 606, Sakar-1, Opp: Nehru Bridge, Ashram Road, Ahmeddabad to transect the following business.

ORDINARY BUSINESS

1. To receive consider & adopt the Balance Sheet as at 31st March, 2010, the Profit & Loss Account for the year ended on that date and the reports of the Directors' & Auditors thereon..
2. To appoint Director in place of Shri Bahubali S Shah who being eligible offers himself for reappointment.
3. To appoint Director in place of Shri Vipul H Raja, who being eligible offers himself for reappointment.
4. To appoint M/s. Parikh Mehta & Associates, Chartered Accountants, Ahmedabad as Auditors of the Company to hold office from conclusion of this Annual General Meeting till conclusion of next Annual General Meeting at a remuneration to be decided by the Board of Directors of the Company.

By Order of the Board of Directors

Date: 30/06/2010.

Registered Office:

606,Sakar-I, Ashram Road,

Ahmedabad- 380009.

Amam S Shah

Managing Director

GUJARAT CREDIT CORPORATION LIMITED

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 PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. Proxies, in order to be effective, must be received at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.
3. The Register of the Members & Share Transfer Books of the Company will remain closed from Thursday 16/09/2010 to Thursday, 23/09/2010 [both days inclusive]
4. Shareholders desirous of asking any question at the Annual General Meeting are requested to send in their questions so as to reach the Company at least five days before the Annual General Meeting so that the same can be suitably replied.
5. Share transfer documents and all correspondence relating thereto, should be addressed to Registrar and Share Transfer Agents of the Company, M/S Sharepro Services(India) Private Ltd., 416 -420, 4th Floor, Devnandan Mall, Opp. Sanyas Ashram, Ahmedabad-380006. Ph. : (079) 26582381-84 E-mail : sharepro.ahmedabad@sharepro.com
6. Members who hold shares in physical form are requested to notify immediately any changes in their addresses to the Registrar and Share Transfer Agents at the above address and to their depository participants, in case shares are held in electronic mode.
7. At the ensuing Annual General Meeting, Shri Bahubali S Shah and Shri Vipul H Raja shall retire by rotation and being eligible, offer themselves for reappointment. Pursuant to Clause 49 of the Listing Agreement, the particulars of Directors to be reappointed are given below.

Details of the Directors seeking reappointment at the Annual General Meeting convened on 23rd September,2010

1. Mr. Bahubali S Shah

Name	Shri Bahubali S Shah
Address	Gujarat Samachar Bhavan, Khanpur, Ahmedabad-380001
Age	59 years
Nationality	Indian
Occupation	Business
Qualifications	B.Com
Date of appointment	25/10/1994
Experience	16 years
Designation in the Company	Chairman
Shareholding	2599980 equity shares
Other Directorships	1. GCCL Housing Finance Limited 2. GCCL Construction & Realities Limited 3. Lok Prakashan Limited 4. Zora Traders Limited 5. Press Trust of India

Other Committee memberships

2. Mr. Vipul H Raja

Name	Shri Vipul H Raja
Address	10 th Floor, Sumeri Building, near Suvidha Shopping Center, Paldi, Ahmedabad-07
Age	58 years
Nationality	Indian
Occupation	Business
Qualifications	B.Com
Date of appointment	04/10/2005
Experience	28 years
Designation in the Company	Director
Shareholding	0
Other Directorships	1. Gujarat Anjan Cement Limited 2. Sumeru Industries Limited

Other Committee memberships

By Order of the Board of Directors

Date: 30/06/2010

Amam S Shah
Managing Director

Registered Office:

606,Sakar-I, Ashram Road,
Ahmedabad- 380009.

DIRECTORS' REPORT

To,
The Members
GUJARAT CREDIT CORPORATION LIMITED,
Your Directors presents their Seventeenth Annual Report together with the Audited Statement of Accounts of the Company for the year ended on 31st March, 2010.

FINANCIAL RESULTS:

Particulars	2009-10 (Rs In Lacs)	2008-09 (Rs in lacs)
Profit/Loss for the year	(38.65)	8.21
Profit/Loss brought forward from previous year	196.47	188.26
Profit/Loss carried to Balance Sheet	158.04	196.47

OPERATIONS:

The company has earned Rs 13.51 lacs from development of real estate.

MANAGEMENT DISCUSSION & ANALYSIS

Industry structure and development

The Indian construction industry is poised for growth on account of industrialization, urbanization, economic development and people's rising expectations for improved quality of living. It is the second largest economic activity after agriculture. Construction accounts for nearly 65 per cent of the total investment in infrastructure and is expected to be the biggest beneficiary of the surge in infrastructure investment over the next five years. Investment in construction accounts for nearly 11 per cent of India's Gross Domestic Product (GDP). It is second largest employing sector in India (including construction and facilities management), real estate is linked to about 250 ancillary industries like cement, brick and steel through backward and forward linkages. Consequently, a unit increase in expenditure in this sector has a multiplier effect and the capacity to generate income as high as five times.

Opportunities & Threats

Opportunities

We aim to provide innovative range of solutions, which are cost effective, market driven and are in conformity with the quality standards of real estate industry.

Threats

1. Increase in prices of steel and cement, the two basic materials used in construction.
2. Industry suffers from capacity constraints, lack of trained manpower and managerial skills.
3. The industry is starved of finance. Small and medium contractors do not have the wherewithal to upgrade their capability, both hard and soft, to undertake high value time bound projects.
4. The contract agreements continue to be heavily loaded in favour of the owner/client.

SEGMENT WISE PERFORMANCE

During the year under review, the company was engaged in construction activities only.

Internal Control Systems & their Adequacy:

The company has proper & adequate system of their internal controls proportionate to its size and business. The internal control systems of the Company are designed to ensure that the financial and other records are reliable for preparing financial statements and other data.

Cautionary Statement

The Management Discussion & Analysis Report may contain certain statement that might be considered forward looking within the meaning of applicable securities, laws and regulations. These statements are subject to certain risks and uncertainties. Actual results may differ materially from those expressed in the statements as important factors could influence the Company's operations such as Government policies, tax laws, political and economic development.

GUJARAT CREDIT CORPORATION LIMITED

CODE OF CONDUCT

The code of conduct for all Board members and senior management of the Company has been laid down and is being complied in words and spirit. The declaration on compliance of code of conduct signed by CEO of the Company is included as a part of this annual report.

CORPORATE GOVERNANCE CLAUSE 49

Pursuant to clause 49 of the listing agreement, a report on corporate governance along with auditors' certificate of its compliance is included as part of the annual report.

DIRECTORS:

Shri Bahubali S Shah and Shri Vipul H Raja, Directors will retire by rotation and being eligible, offer themselves for reappointment.

AUDITORS AND AUDITORS' REPORT:

The Auditors M/s. Parikh Mehta & Associates, Chartered Accountants, Ahmedabad holds office until the conclusion of the ensuing Annual General Meeting and is recommended for reappointment for the year 2010-2011. The Company has received certificate from the Auditors' to the effect that the reappointment if made, would be within prescribed limit under Section 224 (1-B) of the Companies Act, 1956.

The notes at schedule 7 are self-explanatory and do not require further clarifications.

FIXED DEPOSITS:

The Company has not accepted any deposits from the public.

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

Particulars required to be furnished by the Companies (Disclosure of particulars in the Report of Board of Directors) Rules 1988: Part A and B pertaining to conservation and technology absorption is not applicable to the Company. However the Company endeavored to conserve energy consumption wherever feasible.

The Company has neither used nor earned any foreign exchange during the year under review.

DIRECTOR'S RESPONSIBILITY STATEMENT:

Pursuant to sub-Section (2AA) of Section 217 of Companies Act'1956 the Board of Directors of the Company hereby State and confirm that:

- ◆ in preparation of Annual Accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- ◆ the Directors had selected such accounting policies and applied them consistently 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 end of the financial year and of the profit or loss of the company for that period;
- ◆ 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;
- ◆ the Directors had prepared the annual accounts on a going concern basis.

PARTICULARS OF EMPLOYEES:

The information as required under Section 217(2A) of the Companies Act. 1956 read with Companies (particulars of employees' amendment) Rules, 1988 as amended from time to time is nil.

ACKNOWLEDGEMENTS

The Board expresses their appreciation for continued co-operation and support extended to the company by Bankers, employees & shareholders.

Place: Ahmedabad

Date: 30/06/2010

For and on behalf of the Board of Directors

Registered office:

606, Sakar I, Ashram Road,
Ahmedabad- 380 009.

**Bahubali Shah
Chairman**

GUJARAT CREDIT CORPORATION LIMITED

CORPORATE GOVERNANCE

(As required by clause 49 of the Listing Agreement with the stock exchange)

MANDATORY REQUIREMENTS

1. Company's Philosophy & Code of Governance

The Cornerstone of your company's corporate governance policy is directed towards:
Adherence to ethical business practices.

2. Board of Directors

Composition of Board:

The composition of the Board is in conformity with clause 49 of the Listing Agreement. The Board of Directors consists of 5 [Five] members. The Company has a Non-Executive Chairman and the number of independent directors is one third of the total number of directors. None of the Directors on the Board is a member on more than 10 Committees and Chairman of more than 5 Committees (as specified in clause 49), across all the Companies in which he is a Director. The Directors have made the necessary disclosures regarding Committee positions.

The Composition of the Board as on 31st March 2010 was as under.

Directors	Category	Attendance Particulars		Other Directorships	Committee Membership	
		Board Meeting	Last AGM		Member	Chairman
Shri Bahubali S. Shah	CM-NENI	6	Y	5	0	0
Shri Amam S. Shah	MD-NON IND	6	Y	6	0	1
Shri Shriraj S Jhaveri	IND	5	Y	0	0	0
Shri Vipul H Raja	IND	6	Y	0	0	0
Shri L.N.Patel	IND	6	Y	0	0	0

CM- Chairman NENI-Non Executive Non Independent IND- Independent

Details of Board Meetings held during the year 2009-10

6(Six) Board meetings were held during the year and the gap between two meetings did not exceed four months. Leave of absence was granted by the Board to the Directors who were absent at the respective Board Meeting(s).

Date of Meeting	25/4/09	30/6/09	11/07/09	30/7/09	30/10/09	30/01/10
No. of directors Present	5	5	4	5	5	5

The information as required under annexure I to clause 49 is being made available to the Board.

3. AUDIT COMMITTEE

Composition:

The audit committee comprises of following directors as on 31.3.2010

Name	Designation	Attendance
Shri Shriraj S Jhaveri- Chairman	Non-executive Independent	4
Shri Ashokkumar Damani	Non-executive Independent	4
Shri Vipul H Raja	Non-executive Independent	4

Terms of Reference:

The terms of reference of audit committee are as per the revised guidelines set out in the listing agreement with stock exchange read with section 292A of the Companies Act 1956 and includes such other functions as may be assigned to it by Board from time to time.

The audit committee has been entrusted with all required authority and powers to play an effective role as envisaged under revised clause 49 of listing agreement.

During the year four Audit Committee meetings were held on 30/06/2009, 30/07/2009, 30/10/2009 and 30/01/2010. All the members attended four meetings.

The Chairman of Audit Committee remained present in the Annual General Meeting to reply the shareholders questions.

GUJARAT CREDIT CORPORATION LIMITED

CEO/CFO Certification

The Board has recognized Shri Amam S Shah, the Managing Director of the Company as the CEO and Director Shri L N Patel as CFO for the limited purpose of compliance under the listing agreement. The CEO and CFO have certified in terms of revised clause 49 of the listing agreement to the Board that the financial statements present a true and fair view of the company's affairs and are in compliance with existing accounting standards.

4. Remuneration Committee

Composition:

Its composition is as under:

Name	Position	Attendance
Shri Shriraj S Jhaveri	Chairman, Non Executive Independent	Nil
Shri L N Patel	Non Executive Independent	Nil
Shri Vipul Raja	Non Executive Independent	Nil

The Company has not held any meeting in the financial year as there was no review of the compensation payable to Managing Director.

Terms of reference:

Reviewing the overall compensation policy, Service agreements and other employment condition of Managing Director.

Reviewing performance of the Managing Director and recommending to the Board, the quantum of the annual increments.

REMUNERATION POLICY

The appointment of Chairman and Managing Director is governed by resolution passed by the board and shareholders of the company, which covers the terms of such appointment. Remuneration paid to Chairman and Managing Director is recommended by the Remuneration Committee, approved by the board and is within the approved limit. The remuneration package of Managing Director Comprises of salary, perquisites and allowances, as approved Annual increments are linked to performance and to be decided by remuneration committee.

Presently, the company does not have a scheme for grant for stock option or performance-linked incentives for its Directors. Details of the remuneration paid to all the directors for the year ended 31/03/2010.

Name of Director	Salary (including benefits) (Rs)	Service Contract
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Shri Amam S Shah Managing Director	0	5 years w.e.f. 1 st July, 2006
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5. SHAREHOLDERS/INVESTOR'S GRIEVANCES COMMITTEE.

The committee consists of two Directors; Shri Shriraj S Jhaveri is the non-executive Director heading the committee. Shri Chandrakant Sheth is the compliance officer.

This committee looks into the redressal of Shareholders/Investor's Grievances, if any like Transfer/ Transmission of Shares; Loss of Share Certificates; Non receipt of Annual Report etc. during the year. There were no complaints received from the shareholders. The Company has no transfers pending at the close of the financial year.

The Committee met 24 times during the year under review on 15/4/09, 30/04/09, 15/5/09, 30/5/09, 16/6/09, 30/6/09, 15/7/09, 30/07/09, 16/08/09, 31/8/09, 15/9/09, 30/9/09, 15/10/09, 30/10/09, 16/11/09, 30/11/09, 15/12/09, 30/12/09, 15/01/10, 30/01/10, 15/02/10, 27/02/10, 15/03/10 and 30/3/10.

Name of the director	Category of directorship	Attendance
Shri Shriraj S Jhaveri	Non Executive Non Independent	24
Shri L N Patel	Non Executive, Independent	24
Shri Amam Shah	Non Executive Non Independent	24

6. DETAILS OF LAST THREE ANNUAL GENERAL MEETING

AGM	Year	Venue of AGM	Date	Time
Fourteenth	2006-2007	606, Sakar – 1, Opp. Nehru Bridge, Ashram Road, Ahmedabad	26/09/07	10.30 a.m.
Fifteenth	2007-2008	606, Sakar – 1, Opp. Nehru Bridge, Ashram Road, Ahmedabad	30/09/08	11.00 a.m.
Sixteenth	2008-2009	606, Sakar – 1, Opp. Nehru Bridge, Ashram Road, Ahmedabad	30/09/09	11.00 a.m.

No special resolution was required to be put through postal ballot last year.

No items of business relating to matters specified under clause 49 of the listing agreement with the stock exchange and/or provisions contained in Section 292A of the Companies Act, 1956 requiring voting by postal ballot is included in the notice convening forthcoming Annual General Meeting.

7 DISCLOSURE

i. Disclosures on materially significant related party transactions that may have potential conflict with the interests of company at large.

The Company has no materially significant related party transactions i.e. transactions of the Company of material nature with its promoters, the directors or the management, their subsidiaries or relatives etc., that may have potential conflicts with the interest of the Company at large.

For details about related parties transactions, see Notes on Accounts.

ii. Details of non-compliance by the company, penalties, and strictures imposed on the company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years.

There were instances of non-compliance by the Company in last three years & trading in securities of the Company is suspended by the Mumbai stock exchange w.e.f. 03/02/2003.

iii. Non mandatory requirements

Adoption of non mandatory requirements of clause 49 of the listing agreement are being reviewed by the Board from time to time.

8 Means of communication

The Board of Directors of the Company approves and takes on record the quarterly, half yearly and yearly financial results in the proforma prescribed by clause 41 of the listing agreement within one month of the close of the respective period. The approved financial results are forthwith send to the Mumbai stock exchange and are published in Western Times news paper, English/Gujarati editions within 48 hours of approval thereof. The same are not send to the shareholders separately.

The Company's financial results and official news releases are not displayed on the Company's website. No formal presentations were made to institutional investors or to the analysts during the year under review.

Management Discussion and Analysis forms part of the annual report, which is posted to the share holders of the Company.

9 General Shareholder Information:

i. Date time and venue of –AGM

Thursday 23rd September, 2010 at 11.00 a.m. at 606, Sakar-1, Opp. Nehru Bridge, Ashram Road, Ahmedabad-380 009.

ii. Financial year

The Company follows April-March as its financial year. The results for every quarter beginning from April are declared in the month following the quarter except for the last quarter, for which results are declared by June as permitted under listing agreement.

iii. Dates of book closure

Thursday 16th September 2010 to Thursday 23rd September, 2010 (Both days inclusive).

iv. Dividend payment date

Not Applicable

v. Listing Of Stock Exchanges At

The Stock Exchange – Mumbai

Phiroze Jeejeebhoy Towers, Dalal street, Mumbai-400 023

vi. Stock Codes

511441

vii. High/Low of monthly Market Price of the Company's Equity Shares traded on the Mumbai Exchange during the financial year 2009-10 is furnished below:

No transaction reported on Mumbai Stock Exchange.

viii. Registrar & Transfer Agent

M/S SHAREPRO SERVICES (INDIA) PRIVATE LTD.,
416-420, 4th Floor, Devnandan Mall, Opp. Sanyash Ashram,
Ashram Road, Ahmedabad-380006.
Ph. : 079-26582381-84 Fax No. : 079-26582385
E-mail : sharepro_ahmedabad@shareproservices.com

ix. Share Transfer System

The registration Certificate of M/S Pinnacle Shares Registry Pvt. Ltd was suspended by SEBI and hence The Company has appointed M/S Sharepro Services (India) Private Ltd, as registrar & transfer Agents for D-mat as well as physical share transfer work. Valid share transfer in physical form and complete in all respects were approved and registered within stipulated period.

GUJARAT CREDIT CORPORATION LIMITED

x. Distribution of shareholding (as on March 31, 2010)

a. On the basis of Shares held

		PHYSICAL		D-MAT		TOTAL	%	TOTAL	%
Balance		Holder	SHARES	Holder	SHARES	Holder		Shares	
1	500	6435	809710	2848	452740	9283	95.54	1262450	5.05
501	1000	84	65400	158	125979	242	2.49	191379	0.77
1001	2000	20	29000	59	85687	79	0.81	114687	0.46
2001	3000	3	8000	21	53650	24	0.25	61650	0.25
3001	4000	2	7700	10	33738	12	0.12	41438	0.17
4001	5000	2	10000	6	28700	8	0.08	38700	0.15
5001	10000	0	0	9	63116	9	0.09	63116	0.25
10001	9999999	53	22030500	7	1196080	60	0.62	23226580	92.90
Total		6599	22960310	3118	2039690	9717	100.00	25000000	100.00

b. On the basis of category

Category	No. of Shares Held	% to total Shares held
Individual	11006846	44.03
Private Corporate Bodies	6088364	24.35
Promoters	7903190	31.61
N.R.I	1600	0.01
TOTAL	25000000	100

xi. Dematerialization of shares & liquidity

The shares are listed on Mumbai Stock Exchanges. Under the depository system the international securities identification number (ISIN) allotted to the Company is INE 034B01019.

xii. Outstanding GDRs/ADRs/Warrants or any convertible instruments as at end of March, 2010.

There were no outstanding GDRs/ADRs/Warrants or any convertible instruments as at end of March, 2010.

xiii. Plant Locations

The nature of business is such that that the Company has no plant.

xiv. Address for Correspondence

All enquiries, clarifications and correspondence should be addressed to the Compliance Officer at the following address.

Shri Chandrakant G Sheth
GUJARAT CREDIT CORPORATION LIMITED
606, Sakar I, Ashram Road, Ahmedabad- 380 009.

DECLARATION BY MANAGING DIRECTOR

[Under Clause 49 of the Listing Agreement]

To

The Shareholders

Gujarat Credit Corporation Limited

I, Amam S Shah Managing Director of Gujarat Credit Corporation Limited declare that to the best of my knowledge and belief, all the members of the Board of Directors and Senior Management personnel have affirmed compliance with the Code of Conduct for the year ended 31st March, 2010.

For Gujarat Credit Corporation Limited

Place: Ahmedabad
Dated: 30th June, 2010

(Amam S Shah)
Managing Director

Chief Financial Officer (CFO) Certification

To,
Board of Directors,
Gujarat Credit Corporation Limited,

I the undersigned, in my Chief Financial Officer of Gujarat Credit Corporation Limited (“the company”) to the best of my knowledge and belief certify that

a) I reviewed the financial statements and the cash flow statements for the year ended on March 31st 2010 and based on my knowledge and belief I state that:

- i. this statements do not contain any materially untrue statement or omit any material fact or contain any statements that might be misleading
- ii. this statement together present at true and fair view of the companies affairs and are in compliance with existing accounting standards , applicable laws and regulations

b) I further state that to the best of my knowledge and belief, there are no transaction entered into by the company during the year, which are fraudulent, illegal or violative, of the company’s code of conduct

c) I am responsible for establishing and maintaining internal controls and for evaluating the effectiveness of the same over the financial reporting of the company and have disclosed to the auditors and the audit committee, deficiencies in the design or operation of internal controls, if any of which I am aware and the steps I have taken or proposed to take to rectify these deficiencies

d) I have indicated to the auditors and audit committee that:

- i. there has not been any significant changes in internal control over financial reporting during the year under reference
- ii. there has not been any significant changes in accounting policies during the year requiring disclosure in the notes to the financial statements and

I am not aware of any material instances during the year of significant fraud and the involvement therein, if any, of the management or an employee having a significant role in the company’s internal control system over financial reporting

Place: Ahmedabad
Date: 30/06/2010

Shri L N Patel
Chief Financial Officer

AUDITOR’S CERTIFICATE ON CORPORATE GOVERNANCE

The Members of Gujarat Credit Corporation Limited,

We have examined the compliance of condition of corporate governance by Gujarat Credit Corporation Limited for the year ended 31st March, 2010 as stipulated in clause 49 of the Listing Agreement of the said Company with Stock Exchange.

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to procedures and implementation 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 statement of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representation made by the Directors and the Management, we certify that the Company has complied with the conditions of corporate governance as stipulated in the above mentioned Listing Agreement.

As required by the Guidance Note issued by the institute of Chartered Accountants of India, we have to state that no investor grievances 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 the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place: Ahmedabad
Date: 30/06/2010

For Parikh Mehta & Associates
Chartered Accountants
SACHIN MEHTA
PARTNER
Mem. No.: 039258

GUJARAT CREDIT CORPORATION LIMITED

AUDITORS' REPORT

To,
The Members,
Gujarat Credit Corporation Ltd.
Ahmedabad

We have audited the attached Balance Sheet of Gujarat Credit Corporation Limited as at 31st March 2010 and the Profit & Loss Account annexed thereto for the year ended on that date. 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.

As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government in terms of Section 227 (4A) of the Companies Act, 1956 we enclose in the Annexure a Statement on the matters specified in paragraph 4 & 5 of the said order only to the extent applicable to the Company.

Further to our comments in the Annexure referred to above, we report that:

- i) We have obtained all the information and explanations which to the best of our knowledge and belief, were necessary for the purpose of our audit.
- ii) In our opinion, proper books of accounts, as required by law, have been kept by the Company so far as it appears from our examination of such books.
- iii) The Balance Sheet and the Profit and Loss Account referred to in this report are in agreement with the Books of Account.
- iv) In our opinion, the Balance Sheet and Profit and Loss Account read in conjunction with the notes on accounts, comply with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956 except (i) non provision of leave encashment and gratuity (AS 15), (ii) Non Provision of Permanent Diminution in value of Investment (AS 13)
- v) According to the information and explanation given to us, in relation to the affairs of the company, none of the Directors are disqualified from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.
- vi) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with the notes thereon, give the information as 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 :
 - a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2010 and
 - b) in the case of the Profit and Loss Account, of the profit of the company for the year ended on that date.

Place : Ahmedabad
Date : 30/06/2010

For Parikh Mehta & Associates
Chartered Accountants

Sachin Mehta
Partner
M.No:39258

ANNEXURE TO THE AUDITORS' REPORT **TO THE MEMBERS OF GUJARAT CREDIT CORPORATION LTD** **(REFERRED TO IN PARAGRAPH 1 OF OUR REPORT OF EVEN DATE)**

- (I)
 - (a) The Company has maintained generally proper records showing full particulars including quantitative details and situations of Fixed Assets.
 - (b) We have been informed that physical verification of the fixed assets was conducted by the management during the period and no discrepancies were observed between book records and physical verification of fixed assets.
- (II)
 - (a) The inventories have been physically verified by the management during the year. The frequency of such verification is reasonable.
 - (b) In our opinion and according to the information and explanations given to us the procedures followed by the management for physical verification of stocks were found reasonable and adequate in relation to the size of the Company and the nature of its business.
 - (c) We are informed that no discrepancies have been noticed between physical stocks and the book records.
- (III)
 - (a) The company has granted loans to one company involving balance outstanding at year end of Rs 10.83 lacs to companies, firms or other parties listed in the register maintained under section 301 of the companies Act, 1956.
 - (b) Whereas no interest is charged on such loan granted but regarding other terms and conditions of loans given by the company, in our opinion the same are not prima facie prejudicial to the interest of the company.

- (c) The repayment of such loans granted by the company is as per the stipulated terms and conditions of the loan granted.
- (d) On the basis of information and explanations given to us, there are no overdue amount recoverable from the loan granted by the company.
- (e) The company has taken loans from one company of which outstanding as at the end of the year is Rs 204.22 Lacs from companies, firms or other parties listed in the register maintained under Section 301 of the companies Act, 1956
- (f) The rate of interest and other terms and conditions of loan taken by the company, in our opinion, are not prejudicial to the interests of the company.
- (g) According to the information and explanation given to us, the repayment of principal and interest is as per stipulations mentioned.
- (IV) In our opinion and according to the information and explanations given to us there are adequate internal control procedures commensurate with the size of the Company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods.
- (V) (a) According to the information and explanations given to us we are of the opinion that the transactions that need to be entered into the register maintained under Section 301 of the Companies Act 1956 have been so entered.
- (b) In our opinion and according to the information and explanation given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under Section 301 of the Companies Act 1956 and exceeding the value of rupees five lakhs in respect of any party during the year have been made at prices which are reasonable having regard to prevailing market price at relevant time.
- (VI) The company has not accepted any deposit from public under the purview of Section 58 A of the Companies Act 1956 and the Companies (Acceptance of Deposits) Rules , 1975.
- (VII) The company has an internal audit system commensurate with the size of the company and nature of its business.
- (VIII) The Central Government has not prescribed maintenance of the cost records under Section 209 (1) (d) of the Companies Act 1956 in respect of the products manufactured by the company.
- (IX) (a) According to the records of the company, the company is regular in depositing with appropriate authorities the undisputed dues according to the information and explanations given to us, there are no undisputed amounts of Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income Tax, Wealth Tax, Sales Tax, Custom Duty, Service Tax, Excise Duty, cess and any other statutory dues outstanding as at 31st March, 2009 for a period more than six months from the date they become payable.
- (b) According to the information and explanations given to us, the following statutory dues are unpaid on account of any dispute.

Nature of Dues	Amount (Rs in Lacs)	Forum where dispute is pending
Income Tax	24.97	ITAT Ahmedabad
Income Tax	3.03	— do —
Interest Tax	0.53	—do—
Interest Tax	4.59	—do—

- (X) The accumulated losses of the company are not more than fifty percent of its net worth. The company has not incurred any cash losses during the financial year covered by our audit and the immediately preceding financial year.
- (XI) The company has not defaulted in repayment of dues to financial institutions and banking institutions.
- (XII) The company has not granted any loans or advance on the basis of security by way of pledge of shares, debentures and other similar securities and hence the question of maintaining adequate documents and records does not arise.
- (XIII) In our opinion, the company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore, the provisions of clause 4 (xiii) of the CARO 2003 are not applicable to the company.
- (XIV) The company has maintained proper records of transactions and contracts in respect of trading in shares, debentures and other securities and that timely entries have been made therein. The shares and debentures have been held by the company in its own name except to the extent of exemption granted under section 49(4) of the companies Act, 1956.
- (XV) In our opinion, the company has not given any guarantee for loans taken by others from banks or financial institutions and hence the provisions relating to clause 4 (xv) are not applicable to the company.
- (XVI) This clause is not applicable since no term loans have been raised during the year.
- (XVII) According to the information and explanation given to us and on overall examination of balance sheet of the company, we report that no short term funds have been used for long term purposes nor long term funds are used for short term purposes.
- (XVIII) According to the information and explanation given to us, the company has not made any preferential allotment of shares to parties and companies covered under Section 301 of the Companies Act 1956.
- (XIX) No Debentures have been issued during the year.
- (xx) The company has not raised any money by public issue during the year.
- (XXI) According to the information and explanation given to us, no fraud on or by the company has been noticed or reported during the course of our audit.

Place : Ahmedabad
Date : 30/06/2010

For Parikh Mehta & Associates
Chartered Accountants

Sachin Mehta
Partner
M.No.: 39258

GUJARAT CREDIT CORPORATION LIMITED

GUJARAT CREDIT CORPORATION LIMITED

BALANCE SHEET AS AT 31st MARCH 2010

PARTICULARS	Sch.	As At 31/03/2010 (Rs.)		As At 31/03/2009 (Rs.)	
SOURCES OF FUNDS :					
SHARE HOLDER'S FUND :					
Share Capital	1		85,000,000		85,000,000
Reserve & Surplus	2		23,163,312		27,028,751
Profit & Loss A/c					
LOAN FUND :					
Secured Lons	3		84,303,525		90,073,480
Unsecured Loans			48,534,926		41,739,802
Total			241,001,763		243,842,033
APPLICATION OF FUNDS :					
FIXED ASSETS :					
Gross Block	4	6,230,306		6,230,306	
Less:Depreciation		3,560,092		3,181,532	
			2,670,214		3,048,774
INVESTMENTS:	5		48,883,000		50,377,138
CURRENT ASSETS LOANS & ADVANCES					
Current Assets	6A	4,857,806		3,984,610	
Sundry Debtors	6B	37,200			
Loan & Advances	6C	206,802,620		209,729,743	
			211,697,626		213,714,353
Less:					
Current Liabilities & Provisions	7		22,249,077		23,298,232
NET CURRENT ASSETS :-			189,448,549		190,416,121
Total			241,001,763		243,842,033
Notes on Accounts	12				

As per our Report attached of even date

**For PARIKH MEHTA & ASSOCIATES
CHARTERED ACCOUNTANTS**

**BAHUBALI S.SHAH
CHAIRMAN**

**AMAM S.SHAH
DIRECTOR**

**SACHIN MEHTA
PARTNER
(M.No. 39258)**

**SHRIRAJ S.JHAVERI
DIRECTOR**

PLACE:AHMEDABAD
DATE : 30/06/2010

PLACE:AHMEDABAD
DATE : 30/06/2010

GUJARAT CREDIT CORPORATION LIMITED

PROFIT AND LOSS FOR THE YEAR ENDED ON 31ST MARCH 2010

PARTICULARS	Sch	AMT RS. 31/03/2010	AMT RS. 31/03/2009
INCOME :			
Income From Operation	8	1,351,590	4,531,858
Other Income	9	1,349,181	331,928
Total Income		2,700,771	4,863,786
EXPENDITURE :			
Interest	10	5,171,472	1,184,836
Personnal Expenses		227,205	566,032
Administrative Expenses	11	818,778	1,876,504
Depreciation		378,560	378,090
TOTAL EXPENDITURE		6,596,015	4,005,462
Profit/(Loss) Before Tax		(3,895,244)	858,324
Provision For Income Tax & FBT		5,365	37,507
Deffered Tax		(35,170)	(22,451)
Profit/(Loss) After Tax		(3,865,439)	843,268
Balance B/f From Last Year			
Transfer to Special Reserve			
Balance Available For Appropriation		19,669,870	18,826,602
Balance Carried To Balance Sheet		15,804,431	19,669,870
Basic & Diluted Earning Per Share		-	-
Face Value of Rs.10/- Each) (Rs.)		10	10
Notes on Accounts	12		

As per our Report attached of even date

For PARIKH MEHTA & ASSOCIATES
CHARTERED ACCOUNTANTS

BAHUBALI S.SHAH
CHAIRMAN

AMAM S.SHAH
DIRECTOR

SACHIN MEHTA
PARTNER
(M.No. 39258)

SHRIRAJ S.JHAVERI
DIRECTOR

PLACE:AHMEDABAD
DATE : 30/06/2010

PLACE:AHMEDABAD
DATE : 30/06/2010

GUJARAT CREDIT CORPORATION LIMITED

GUJARAT CREDIT CORPORATION LIMITED

SCHEDULES ANNEXED TO AND FORMING PART OF BALANCE SHEET AND P & L A/C

Particulars	AS AT 31/03/2010 (Rs.)	AS AT 31/03/2009 (Rs.)
SCHEDULE : 1 : SHARE CAPITAL		
AUTHORISED :	250,000,000.00	250,000,000.00
(P.Y.2,50,00,000 Equity Shares of Rs.10/- each)		
ISSUED, SUBSCRIBED & PAID UP :		
ISSUED :		
30,00,000 Equity Shares of Rs.10/- each		
2,20,00,000 Equity Shares of Rs.2/50 each		
SUBSCRIBED & PAID UP :		
30,00,000 Equity Shares of Rs.10/- each	30,000,000.00	30,000,000.00
2,20,00,000 Equity Shares of Rs.2/50 each	55,000,000.00	55,000,000.00
	85,000,000.00	85,000,000.00
SCHEDULE : 2 : RESERVE & SURPLUS		
Special Reserve	7,358,881.00	7,358,881.00
General Reserve :		
Profit & Loss Account	15,804,431.00	19,669,870.00
	23,163,312.00	27,028,751.00
SCHEDULE : 3 : UNSECURED LOANS		
	48,534,926.00	41,739,802.00
	48,534,926.00	41,739,802.00

GUJARAT CREDIT CORPORATION LIMITED

SCHEDULE : 4 : FIXED ASSETS

Sr. No.	Description of Assets	Up to 31/03/09	GROSS BLOCK			DEPRECIATION				NET BLOCK	
			Addition during the year	Adjustment during the year	Total as at 31/03/10	Up to 31/03/2009	Provided For the Year	Adjustmen Durig the year	As On 31/03/10	As on 31/03/10	As on 31/03/09
1	Aircondition	181900	0	0	181900	30506	8640	0	39146	142754	151394
2	Office Building	637155	0	0	637155	155904	10388	0	166292	470863	481251
3	Office Equipments	1036412	0	0	1036412	751173	49700	0	800873	235539	285239
4	Computers	493656	0	0	493656	493656	0	0	493656	0	0
5	Office Vehicle	2023700	0	0	2023700	1014819	192252	0	1207071	816629	1008881
6	Office Furniture	1857483	0	0	1857483	735474	117580	0	853054	1004429	1122009
	TOTAL :====>	6230306	0	0	6230306	3181532	378560	0	3560092	2670214	3048774
	Previous Year	6138581	62042	0	6200623	2386036	417406	0	2803442	3397181	

GUJARAT CREDIT CORPORATION LIMITED

GUJARAT CREDIT CORPORATION LIMITED

SCHEDULES ANNEXED TO AND FORMING PART OF BALANCE SHEET AND P & L A/C

Particulars	AS AT 31/03/2010 (Rs.)	AS AT 31/03/2009 (Rs.)
SCHEDULE : 5 : INVESTMENTS		
Quoted		
GCCL Infrastructure & Project Ltd	28,287,900.00	28,287,900.00
E.I.H. Associate Hotel	1,033,815.00	1,033,815.00
Gujarat Alkallis & Chemicals Ltd.	11,028,750.00	11,028,750.00
Ricoh India Ltd.	117,375.00	117,375.00
Gujarat Stat Fertilizers Co.Ltd	114,574.00	114,573.00
J.K.Industries	3,963,693.00	5,184,297.00
J.K.Sugar	55,275.00	55,275.00
Tolani Bulk Carriers	11,803.00	11,803.00
Appu Industries Ltd.	18,815.00	18,815.00
Pro Leasing & Finance Ltd.	177,500.00	177,500.00
Mangalam Timbers	-	273,535.00
Un-Quoted		
GCCL Securities Ltd.	3,963,000.00	3,963,000.00
GCCL Housing Finance Ltd.	10,500.00	10,500.00
PNB Principal Infra.Ser.	100,000.00	100,000.00
	48,883,000.00	50,377,138.00
CURRENT ASSETS, LOANS AND ADVANCES		
SCHEDULE : 6A : CURRENT ASSETS		
1. STOCK IN TRADE (AT COST)	-	-
2. CASH & BANK BALANCES :		
Cash Balance	978,531.00	70,089.00
Bank Balances with current a/c	2,683,223.00	2,757,762.00
3. OTHER CURRENT ASSETS :		
Other Current Assets	1,196,052.00	1,156,759.00
	4,857,806.00	3,984,610.00
SCHEDULE : 6B : SUNDRY DEBTORS		
SUNDRY DEBTORS :		
(Unsecured Considered Good)		
A. More than 6 Months		
B. Others	37,200.00	-
	37,200.00	-
SCHEDULE : 6C : LOANS & ADVANCES		
Advances to others	1,871,334.00	1,871,334.00
Advances recoverable in cash or in kind	204,931,286.00	207,858,409.00
	206,802,620.00	209,729,743.00
	211,697,626.00	213,714,353.00
SCHEDULE : 7 : CURRENT LIABILITIES & PROVISIONS		
A. CURRENT LIABILITIES		
1. Sundry creditors for expenses	21,724,859.00	22,600,055.00
2. Statutory Liabilities	139,072.00	288,753.00
3. Other Current Liabilities	130,192.00	119,300.00
4. Deferred Tax Liability	254,954.00	290,124.00
	22,249,077.00	23,298,232.00
B. PROVISIONS		
Provision for Taxation	-	-

GUJARAT CREDIT CORPORATION LIMITED

SHEDULES ANNEXED TO AND FOURMING PART OF BALANCE SHEET AND P & L A/C

Particulars	AS AT 31/03/2010 (Rs.)	AS AT 31/03/2009 (Rs.)
SCHEDULE : 8 : INCOME FROM OPERATION		
Development Project Income	1,351,590.00	4,531,858.00
	1,351,590.00	4,531,858.00
SCHEDULE : 9 : OTHER INCOME		
Profit in Share Derivatives	-	171,909.00
Profit in Share Investment	512,538.00	(491,563.00)
Bank F.D.R.Interest	226,000.00	247,415.00
Misc.Income	225,228.00	2,922.00
Dividend	385,415.00	401,245.00
	1,349,181.00	331,928.00
SCHEDULE : 10 : INTEREST		
Bank Interest	2,255.00	56,399.00
Interest on Loans	3,913,942.00	26,114.00
Interest on others	1,255,275.00	1,102,323.00
Interest on TDS	-	-
	5,171,472.00	1,184,836.00
SCHEDULE : 11 : ADMINISTRATIVE EXPENSES		
Telephone & Trunkcall Charges	77,596.00	122,443.00
Post & Tele Charges	4,937.00	5,669.00
Stationary & Printing Expenses	29,519.00	38,761.00
Listing Fees	16,545.00	16,775.00
Bank Charges	35,119.00	52,493.00
Travelling Expense	10,746.00	28,584.00
Director's Travelling	-	204,695.00
Security Trans,Tax & Ser. Charges	2,673.00	6,723.00
Legal & Professional Exp.	163,205.00	276,702.00
Conveyance Expense	-	4,098.00
Audi Fees	22,060.00	22,060.00
Municipal Tax	40,874.00	180,663.00
Advertisement Exp.	13,496.00	7,865.00
Insurance Exp.	19,542.00	25,019.00
Motorcar Running Exp.	14,670.00	85,446.00
Electricity Expenses	97,292.00	66,105.00
Director's Remuneration	-	300,000.00
Ex-Gratia	-	56,303.00
Professional Tax	2,400.00	2,528.00
Salary Expenses	267,700.00	366,170.00
Stamp & other Charges on Kotak	404.00	3,236.00
Transaction Charges on Der.	-	4,166.00
	818,778.00	1,876,504.00

GUJARAT CREDIT CORPORATION LIMITED

SCHEDULE: 12: NOTES FORMING PART OF ACCOUNTS

1. SIGNIFICANT ACCOUNTING POLICIES

(A) Basis of Preparation of Financial Statements:

- i) The financial statements have been prepared under the historical cost convention, in accordance with the generally accepted accounting principles and the provision of the companies act, 1956 as adopted consistently by the company.
- ii) All Income and Expenditure items having a material bearing on the financial statement are recognized on accrual basis.

(B) Investments:

Investments are valued at their acquisition cost.

(C) Fixed Assets:

The fixed assets are stated at cost less accumulated depreciation.

(D) Depreciation:

- a) Depreciation on fixed assets owned by the company for own use has been provided on straight line method in accordance with the rates prescribed under schedule XIV to the Companies act, 1956.
- b) Depreciation on fixed assets owned by the company but given on lease to respective clients of the company, is charged over the primary lease period so that the 100% cost of such assets is charged to depreciation during the said period.

(E) Employee Benefits.

(a) Short Term Employee Benefits

All employee benefits falling due wholly within twelve months of rendering the service are classified as short-term employee benefits. The benefits like salaries, wages, short term compensated absence etc. and the expected cost of bonus are recognized in the period in which the employee renders the related service.

(b) Post-Employment Benefits

- i) **Defined Contribution Plans:** The Company has no such plans because number of employees is less than the prescribed limit as per Provident Fund Act. Similarly as the case with Employees State Insurance Act.
- ii) **Defined Benefits Plans:** The company has a policy to pay the gratuity as and when the employee retires from the service

(F) Stock in Trade

Although the market value is much below the cost, stock in trade is valued at cost.

(F) CONTRACTUAL RECEIPTS:

1. The company follows accounting policy of income from construction contracts on percentage completion method basis.
2. The company has followed the reserve Bank of India's Guidelines applicable to the Non Banking Financial Companies in respect of Prudential Norms for income recognition, assets classification and capital adequacy.

(G) Taxes on Income:

Deferred Tax is recognized on timing difference, being the difference between taxable income and accounting income that originate in one period and are reversible in one or more subsequent period.

(H) Earning Per Share:

The company reports basic and diluted earnings per share in accordance with Accounting Standard (AS) 20 – Earning per Share issued by the Institute of Chartered Accountants of India. Basic Earning per share are computed by dividing the net profit or loss for the year by the weighted average number of equity share outstanding during the year. Diluted earnings per share is computed by dividing the net profit or loss for the year by the weighted average number of Equity Shares outstanding during the year as adjusted for the effects of all dilative potential equity share, except where the results are anti-dilative.

Calculation of Earning Per Share:

The numerators and denominators used to calculate the basic and diluted EPS are as follows.

	Particulars	2009-10 Amount Rs.	2008-09 Amount Rs.
A.	Profit/(Loss) For the year	(3865439)	843268
B.	Basic & Weighted average number of shares outstanding during the year	8500000	8500000
C.	Nominal value of Equity share	10	10
D.	Basic Earning /(Loss) per share	(0.45)	(0.10)
E.	Diluted Earning per share	(0.45)	(0.10)

(I) Related Party Disclosures:

(Related Party Disclosure under Accounting Standard 18)

(i). The list of related parties as identified by the Management are as under:

- | | | |
|----|--|--|
| a. | Associates | GCCL Construction & Realities Ltd,
GCCL Infrastructure & Projects Ltd,
GCCL Securities Ltd,
GCCL Housing Finance Ltd. |
| b. | Joint ventures | None |
| c. | Subsidiaries | None |
| d. | Individuals owing, directly or indirectly, an interest in the voting power of the reporting enterprise that gives them control or Significant influence over the enterprise, & relatives of any such individuals. | Shri Bahubali S. Shah
Shri Amam S. Shah
Shri Shreyansh S. Shah
Shri Smrutiben S. Shah
Shri Binoti A. Shah |
| e. | Key Management Personnel & relatives of Key Management Personnel | None |
| f. | Enterprise over which any person As mentioned in [a] above & described in [d] or [e] is able to exercise significant influence. This exercise significant influence. includes enterprises owned by Directors or major shareholders of the reporting enterprise that have a member of key Management Personnel in common with the reporting enterprise. | Aaspas Investment Pvt.Ltd
Indian Chronical Ltd.
Lok Prakashan Ltd.
Zora Traders Ltd.
Lipi Mercantile Ltd. |

(ii) The Company has identified all related parties and details of transactions are given below. No provision for doubtful debts or advances is required to be made & no amounts have been written off or written back during the year in respect of debts due from or to related parties. There are no other related parties where control exists that need to be disclosed.

The following transactions were carried out with the related parties in the ordinary course of business:

(Rs in Lacs)

Nature of Transactions	Associates	Individuals owing an interest in the Company	Enterprise over Which directors or major share holders exercise significant influence
Investment	322.61(322.61)	0.00(0.00)	0.00(0.00)
Loans and advances	12.39(12.39)	0.00(0.00)	0.00(0.00)
Other Current Liabilities	0.00(0.00)	(00.00)(00.00)	-0.99(-0.99)
Unsecured Loans	328.63(263.23)	0.00(0.00)	0.00(0.00)

GUJARAT CREDIT CORPORATION LIMITED

(J) Segment Reporting:

During the year under review, the Company was engaged in construction activities only. It earned its income in the form of development charges from construction business. Since the company is engaged in single segment, segment reporting is not required.

(K) Impairment of Assets:

The company assesses at each Balance sheet date whether there is any indication that asset may be impaired. If any such indication exists, the company estimates their recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash-generating unit to which the asset belongs is less than its carrying amount, the carrying amount is adjusted to the amount of recoverable amount.

GUJARAT CREDIT CORPORATION LIMITED
SCHEDULE: 12: NOTES FORMING PART OF ACCOUNTS

1. Information in respect of Opening Stock, Receipts, Sales and Closing Stock. NIL
2. Balances of Sundry debtors, Sundry creditors, loans and advances are subject to confirmation.
3. The dues to sundry creditor being SSI industry has not been worked out and the information is under process.
4. Previous year's figures have been regrouped, rearranged wherever necessary to make them comparable to the current year's figures.
5. Quoted Investment in Shares of GCCL Infrastructure & Projects Ltd.

Despite there being no transaction in respect of shares of GCCL Infrastructure & Projects Ltd and permanent diminution in the cost of investment, the shares of GCCL Infrastructure & Projects Ltd. are taken at cost.

6. In the opinion of the Board, the current assets, loans and advances have a value on realization in the ordinary course of business at least equal to the amount at which they are stated.

7. Expenditure in foreign currency

2009-10	2008-09
NIL	NIL

8. Payment to Auditors:	2009-10	2008-09
	Amount Rs.	Amount Rs
Audit Fees	22060	22060

Signature to Schedules 1 to 12
As per the Report of even date attached.

For Parikh Mehta & Associates,
Chartered Accountants

SACHIN MEHTA
PARTNER

BAHUBALI S.SHAH
CHAIRMAN

AMAM S.SHAH
DIRECTOR

SHRIRAJ S.JHAVERI
DIRECTOR

Place:Ahmedabad
Date: 30/06/2010

Place:Ahmedabad
Date: 30/06/2010

GUJARAT CREDIT CORPORATION LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 31-3-2010

PARTICULARS	As At 31/03/2010 RS	As At 31/03/2009 RS
A. CASH FLOW FROM OPERATING ACTIVITIES		
NET PROFIT-LOSS BEFORE TAX AND EXTRAORDINARY ITEMS	(3,895,244.00)	858,324.00
ADJUSTMENTS FOR-		
DEPRECIATION/PREL/SHARE/ISSUE EXP	378,560.00	378,090.00
FOREIGN EXCHANGE		
INVESTMENTS		
INTERST/DIVIEND	5,171,472.00	1,184,836.00
DEFERRED TAX		
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	1,654,788.00	2,421,250.00
ADJUSTMENTS FOR-		
INCREASE IN TRADE AND OTHER RECEIVABLES	(76,493.00)	(5,316,172.00)
CHANGE IN LOANS & ADVANCES	2,927,123.00	
INCREASE IN TRADE PAYABLES	(1,019,350.00)	14,006,139.00
CASH GENERATED FORM OPERATIONS	3,486,068.00	11,111,217.00
TAXES PAID		
INTEREST PAID	5,171,472.00	1,184,836.00
CASH FLOW BEFORE EXTRA ORDINARY ITEMS		
NET CASH FROM OPERATING ACTIVITES	(1,685,404.00)	9,926,381.00
B. CASH FLOW FROM INVESTING ACTIVITIES		29,683.00
PURCHASE OF FIXED ASSETS		
DECREASE IN FIXED ASSETS		
ACQUISITIONS OF COMPANIES AS PER ANNEXURE)-		
PURCHASE OF INVESTMENTS		
SALE OF INVESTMENTS	1,494,138.00	(313,642.00)
INTEREST RECEIVED		
DIVIDEND RECEIVED		
NET CASH USED IN INVESTING ACTIVITES	(191,266.00)	(283,959.00)
C. CASH FLOW FROM FINANCING ACTIVITES		
PROCEEDS FROM ISSUE OF SHARE CAPITAL		
PROCEEDS FROM LONG TERM BORROWING	1,025,169.00	(11,372,020.00)
REPAYMENT OF FINANCE LEASE LIABILITES		
DIVIDEND PAID		
NET CASH USED IN INVESTING ACTIVITES		(11,088,061.00)
NET INCREASE IN CASH AND CASH EQUIVALENTS	833,903.00	(1,161,680.00)
CASH AND CASH EQUIVALENTS AS AT 1-4-2009 (OPENING BALANCE)	2,827,851.00	3,989,531.00
CASH AND CASH EQUIVALENTS AS AT 31-03-2010 (CLOSING BALANCE)	3,661,754.00	2,827,851.00

For and behalf of the Board of Directors

AMAM S. SHAH
DIRECTOR

SHRIRAJ S. JHAVERI
DIRECTOR

BAHUBALI S. SHAH
CHAIRMAN
PLACE : AHMEDABAD
DATE - 30th June 2010

AUDITORS' CERTIFICATE

We have examined the attached cash flow statement of Gujarat Credit Corporation Ltd. for the year ended 31 st March 2010. The statement has been prepared by the Company in accordance with the requirements of listing agreement clause 32 with stock exchange and is in agreement with the corresponding Profit and Loss Account and Balance Sheet of the Company for the year ended on 31st March, 2010, covered by our report dated 30th June, 2010

For and on behalf of
PARIKH MEHTA & ASSOCIATES
Chartered Accountants
SACHIN MEHTA
Partner M.No.- 039258

Place - Ahmedabad
Date- 30/06/2010

GUJARAT CREDIT CORPORATION LIMITED

GUJARAT CREDIT CORPORATION LIMITED

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE :
AS PER SCHEDULE VI, PART (IV) OF THE COMPANIES ACT, 1956

1 Registration Details :	(Rupees in Thousands)
Registration No.	: 04-20564
State Code	: 4
Balance Sheet Date	: 31.03.2010
2 Capital raised during the Year	
Public Issue	: NIL
Rights Issue	: NIL
Bonus Issue	: NIL
Private Placement	: NIL
3 Mobilisation and Deployment of Funds	(Rupees in Thousands)
Total Liabilities	: 241002
Total Assets	: 241002
Source of Funds	:
Paid up Capital	: 85000
Reserves & Surplus	: 23163
Secured Loans	: 84304
Unsecured Loans	: 48535
Application of Funds	:
Net fixed Assets	: 2670
Investments	: 48883
Net Current Assets	: 189449
4 Performance of the Company	:
Turnover of the Company (Including other Income)	: 2701
Total Expenditure	: 6596
Profit (Loss) before Tax	: -3895
Profit (Loss) after Tax	: -3865
Earning Per Share	: NIL
Dividend Rate	: NIL
5 Generic name of principal products/services of the Company	:
Item Code No. (ITC Code) Product Description	: N.A.
Products / Services	(1) Loan and Investment (2) Development of Land (3) Shares & Commodity

Signature to Schedules 1 to 12
As per our separate report of even date attached

For PARIKH MEHTA & ASSOCIATES
Chartered Accountants

SACHIN MEHTA
Partner

BAHUBALI S.SHAH
Chairman

AMAM S.SHAH
Director
SHRIRAJ S.JHAVERI
Director

Place : Ahmedabad
Date : 30/06/2010

Place : Ahmedabad
Date : 30/06/2010

GUJARAT CREDIT CORPORATION LIMITED

REGD. OFFICE : 606, 'SAKAR-I', OPP. NEHRU BRIDGE,
ASHRAM ROAD, AHMEDABAD-380 009.

PROXY FORM

FOLIO NO. :

I / We _____ of _____ being a
member / members of Gujarat Credit Corporation Limited

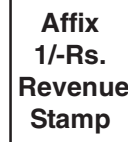
hereby appoint (1) _____ of _____

or failing him (2) _____ of _____

or failing him (3) _____ of _____

as my/our proxy to vote for me / us and on my / our behalf at the Annual General Meeting of the Company to be held on Thursday 23rd September, 2010 at 11.00 A.M. at 606 Sakar-I, Opp. Nehru Bridge, Ashram Road, Ahmedabad-9. at any adjournment thereof.

Signed this _____ day of _____ 2010.



Signature by the Said Member(s)

Note : The proxy must be deposited at the Registered Office of the Company not less than 48 hours before the time fixed for holding the meeting.

ATTENDANCE SLIP

GUJARAT CREDIT CORPORATION LIMITED

Please complete this attendance slip and hand it over at the entrance of the meeting hall. Only members or their proxies are entitled to present at the meeting.

Name & Address	L. F. No.	No. of Shares Held
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I hereby record my/our attendance at the 17th (**Seventeenth**) Annual General Meeting of the Company being held on Thursday 23rd September, 2010 at 11.00 a.m. at 606, Sakar-I, Opp. Nehru Bridge, Ashram Road, Ahmedabad-9.

SIGNATURE OF THE SHARE HOLDER / PROXY:

BOOK-POST

If Undelivered Please return to :

GUJARAT CREDIT CORPORATION LIMITED

REGD. OFFICE : 606, 'SAKAR-I', OPP. NEHRU BRIDGE,
ASHRAM ROAD, AHMEDABAD-380 009.